



WBHO

# UNAUDITED INTERIM RESULTS

FOR THE SIX MONTHS ENDED  
31 DECEMBER 2023





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DISCLAIMER: THIS PRESENTATION IS BEING RECORDED.  
YOUR CONTINUED ATTENDANCE AT THE PRESENTATION  
CONFIRMS YOUR CONSENT

- 1 OPERATIONAL REVIEW
- 2 FINANCIAL REVIEW
- 3 ORDER BOOK, PIPELINE AND  
OUTLOOK



# OPERATIONAL REVIEW

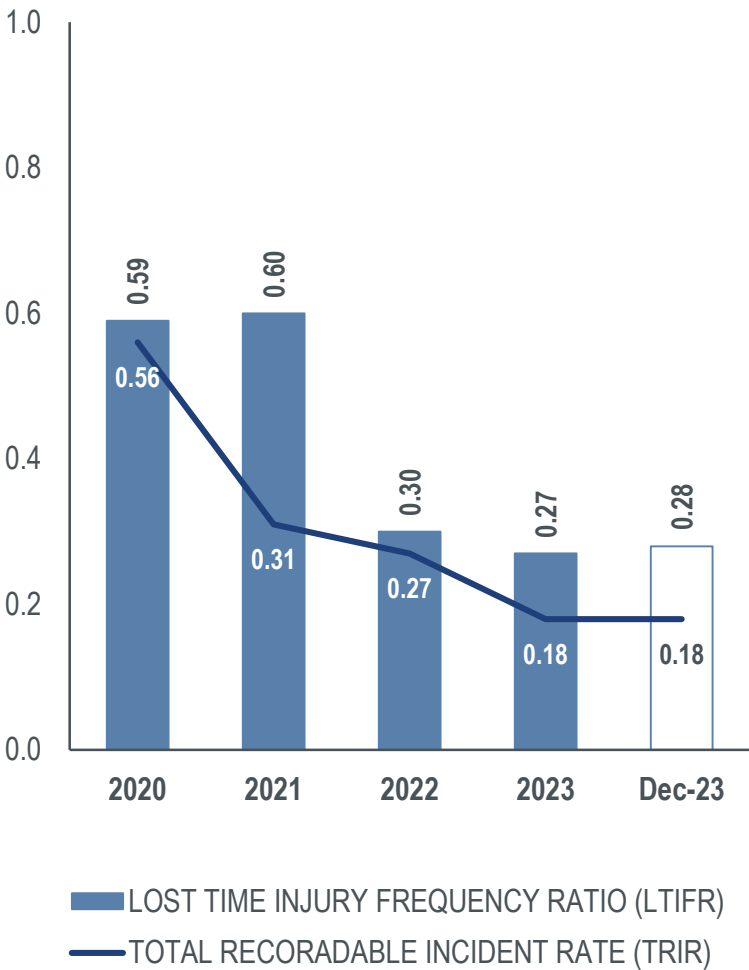
- 1 ESG PERFORMANCE
- 2 BUILDING AND CIVIL ENGINEERING
- 3 ROADS AND EARTHWORKS
- 4 UNITED KINGDOM



## H1:FY2024 PERFORMANCE

- Safety is our primary and most important objective within WBHO
- Our priority is to ensure that all persons, comprising our employees, clients, subcontractors and suppliers, that enter our sites are safe and return home to their families each and every day
- Strong safety record sustained with an TRIR of 0.18 and an LTIFR of 0.28
- Zero fatalities (FY2023: 1)
- Safety, environmental and quality ISO certifications maintained across all regions
- No reportable environmental incidents during the period
- Level 1 BBBEE status retained
  - New broad-based scheme implemented in June 2023

LOST TIME INJURY FREQUENCY RATIO (LTIFR)





# BUILDING AND CIVIL ENGINEERING



- 1 H1:FY2024 PERFORMANCE
- 2 GEOGRAPHIC ANALYSIS
- 3 ORDER BOOK



# BUILDING AND CIVIL ENGINEERING



## H1:FY2024 PERFORMANCE

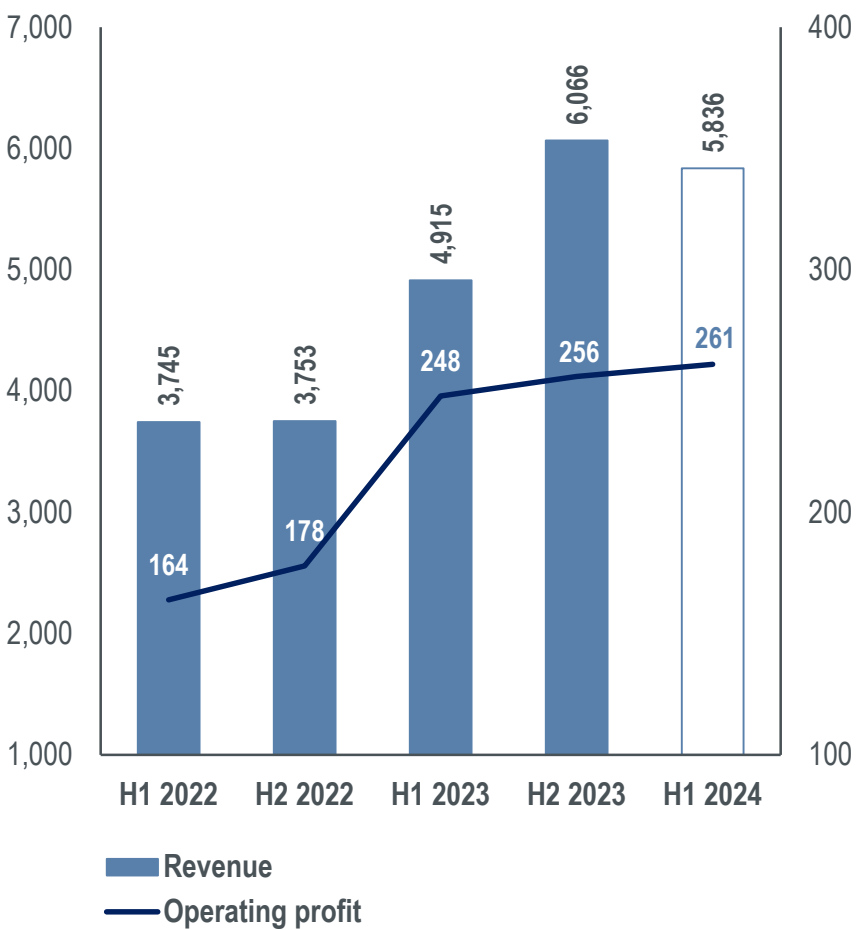
- Revenue increased by 19% and was consistent with the elevated levels of H2:FY2023
- Operating profit is up by 5% at a margin of 4.5%

## BUILDING

- Revenue increased by 9%
  - 14% growth in Gauteng
  - 6% growth from coastal regions
- Commercial offices, warehousing, residential schemes and data centres were all strong sources of work
- Notwithstanding the increased activity, building margins remain competitive in all regions

## CIVIL ENGINEERING

- Renewable energy and mining infrastructure projects were the primary drivers of activity in South Africa
- Limited notice to proceed issued in respect of the gas-infrastructure project in Mozambique
  - Remobilisation and site restoration works have commenced

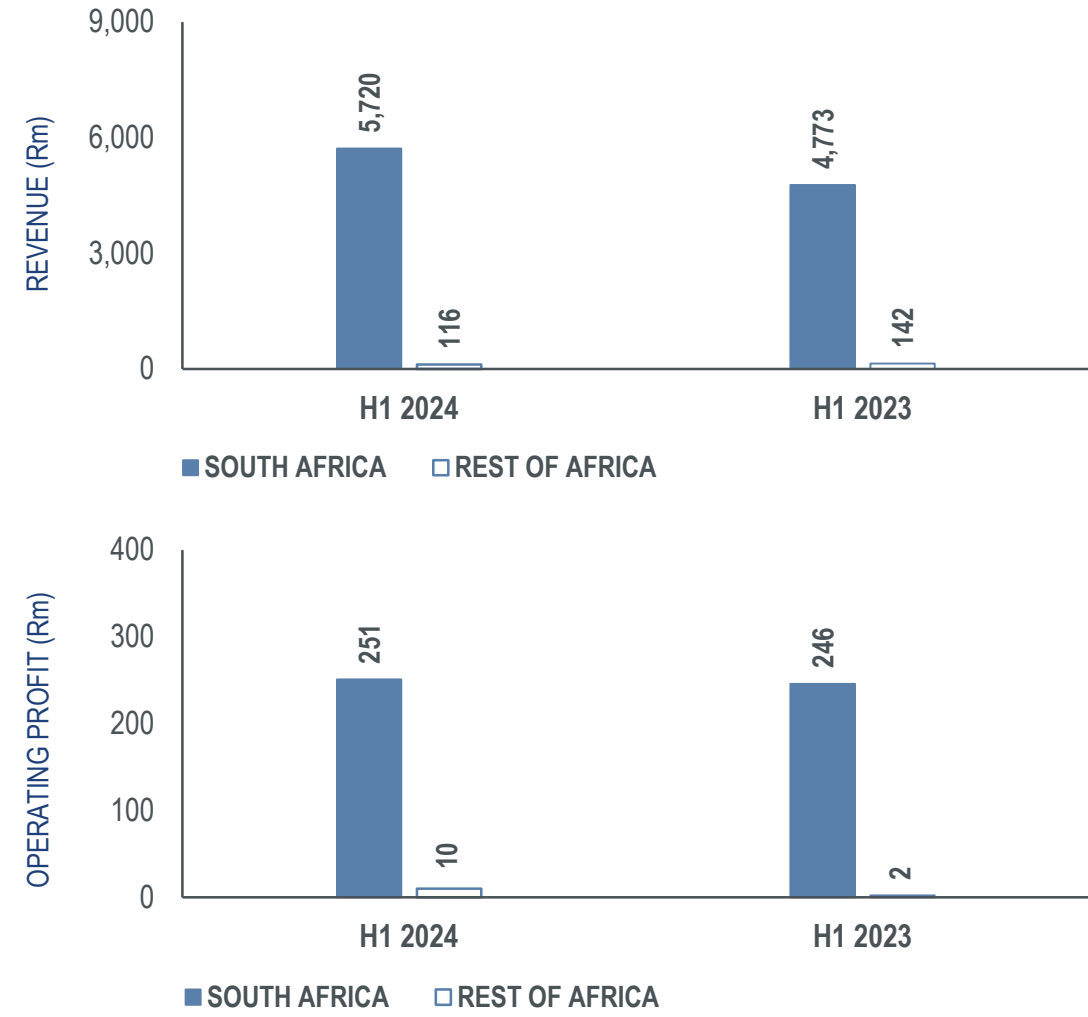


# BUILDING AND CIVIL ENGINEERING

## GEOGRAPHIC FOOTPRINT



## GEOGRAPHIC PERFORMANCE



# BUILDING AND CIVIL ENGINEERING

## ORDER BOOK UP 1%

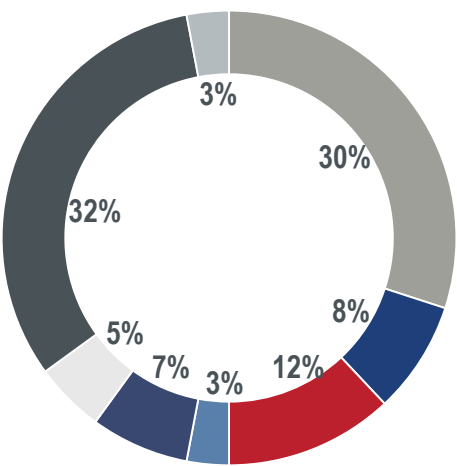
- Order book sustained at elevated levels
- Several projects in excess of R1 billion continue to provide a healthy baseload of work
- Building order book softened but outweighed by growth in renewable energy markets

## ORDER BOOK BY SECTOR

- Building work comprises 65% (30 June 2023: 70%) of order book
  - Growth in contribution from commercial and residential sectors
  - Strong forward-looking pipeline for data centres
- Increased contribution from renewable energy projects
  - Potential 3<sup>rd</sup> keystone fabrication factory
- Mining and water infrastructure sectors offer ongoing opportunities in civil engineering markets

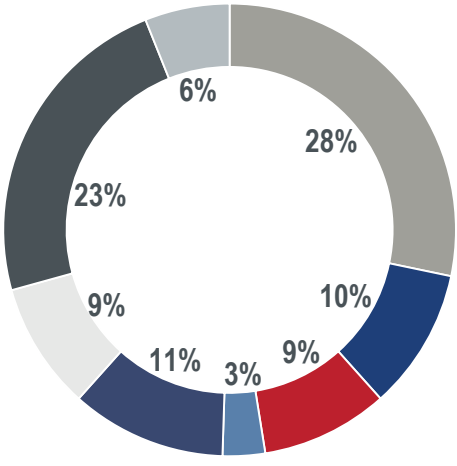
	31 December 2023	30 June 2023	% change
South Africa	12 686	12 509	1
Rest of Africa	433	438	(1)
Total	13 119	12 947	1

Dec 2023



- COMMERCIAL
- RESIDENTIAL
- HEALTH, LEISURE & EDUCATION
- ENERGY INFRASTRUCTURE

June 2023



- INDUSTRIAL AND WAREHOUSING
- RETAIL
- DATA CENTRES
- CIVIL WORKS AND MINING INFRASTRUCTURE



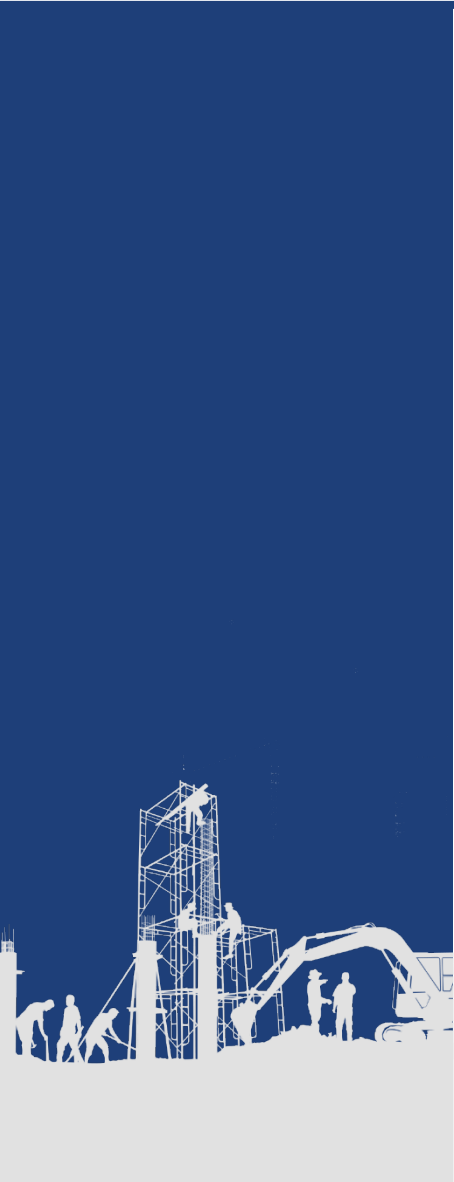
# ROADS AND EARTHWORKS



- 1 H1:FY2024 PERFORMANCE
- 2 GEOGRAPHIC ANALYSIS
- 3 ORDER BOOK



# ROADS AND EARTHWORKS



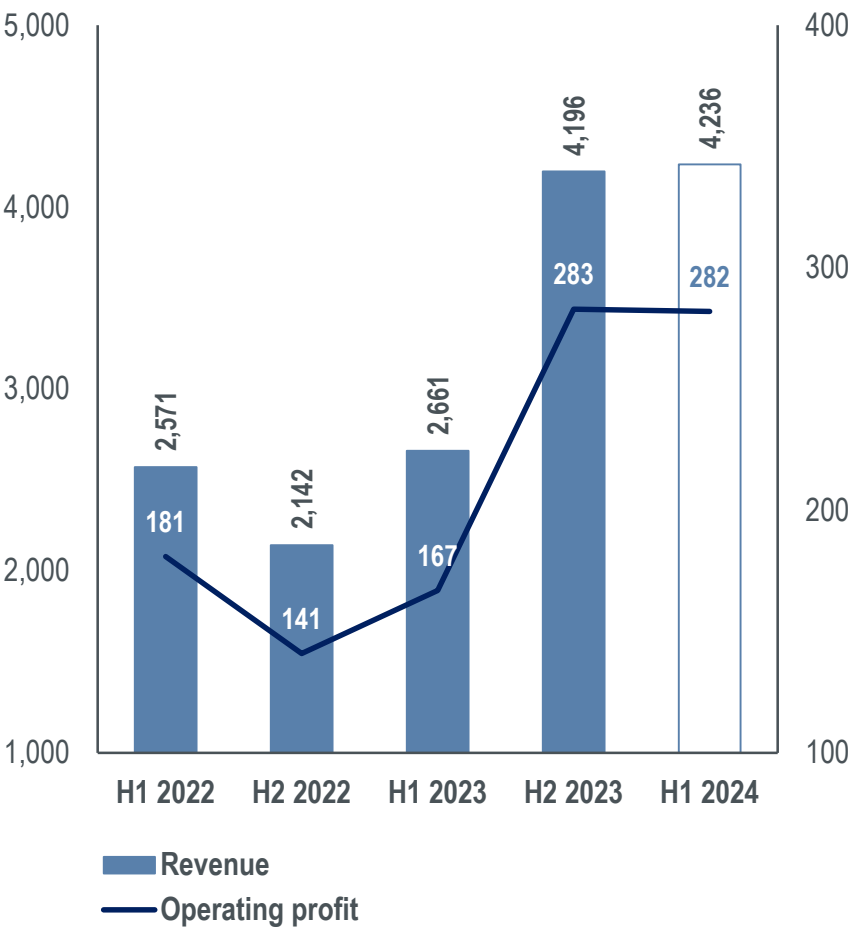
## H1:FY2023 PERFORMANCE

### SOUTH AFRICA

- Revenue increased by 60% while operating profit increased by 73%
- Strong contribution of 37% from mining infrastructure projects
- Roadwork contributed 42%
  - Large-scale Sanral projects have mobilised and construction is underway
- Public and private energy infrastructure work contributed 15%

### REST OF AFRICA

- Revenue increased by 59% and operating profit by 64%
- Activity was centred on mining and rail infrastructure projects in Ghana and Liberia and gas-related infrastructure projects in Mozambique
- Activity in Botswana remains subdued



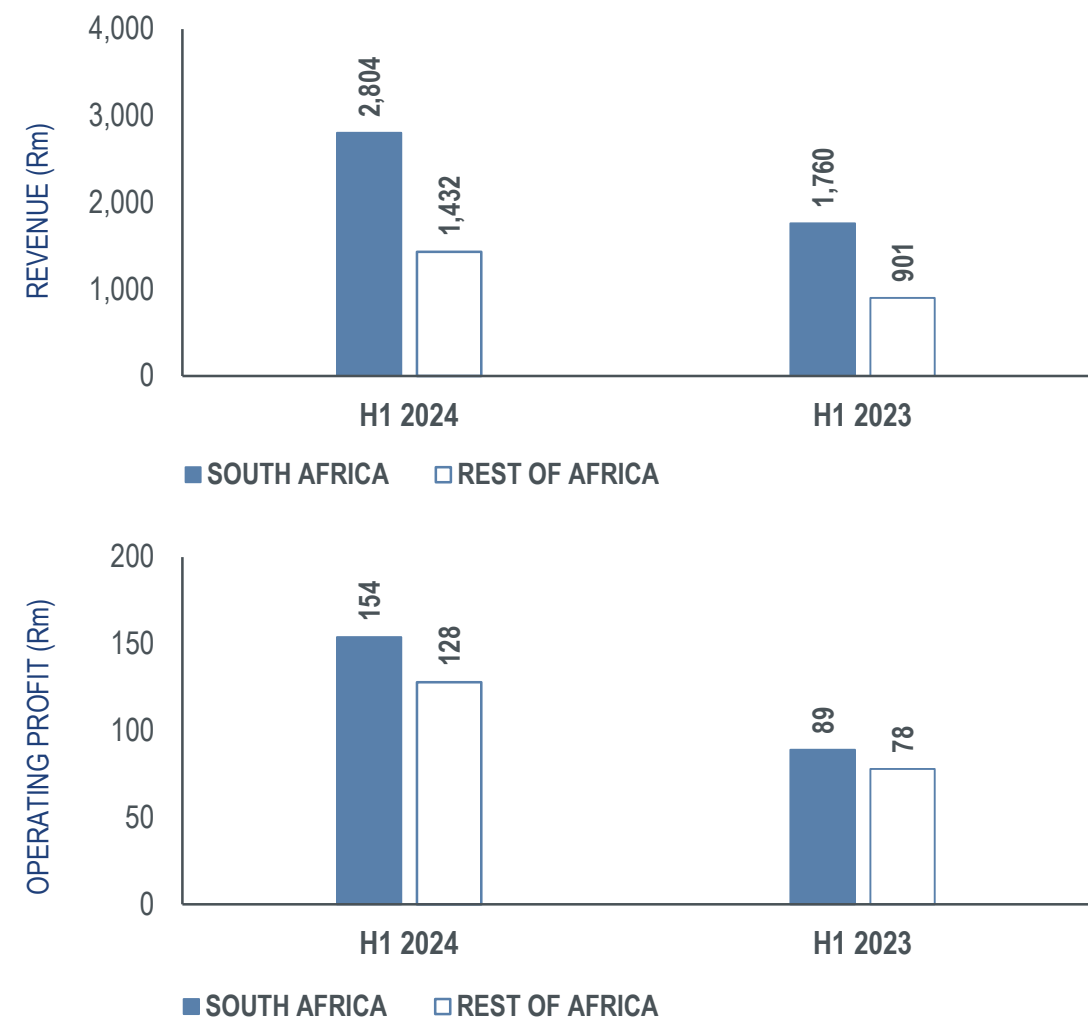


# ROADS AND EARTHWORKS

## GEOGRAPHIC FOOTPRINT



## GEOGRAPHIC PERFORMANCE





# ROADS AND EARTHWORKS

## ORDER BOOK DOWN 5%

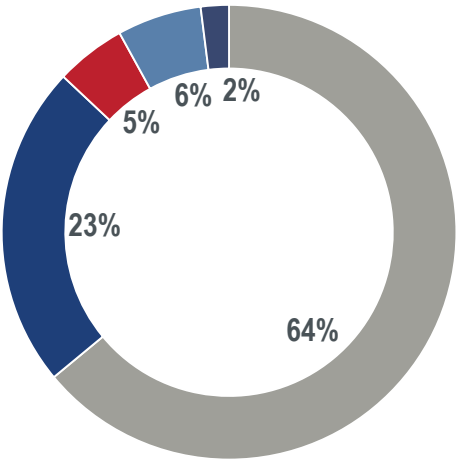
- South African order book levels maintained and outlook remains promising
  - Lowest on two Sanral tenders valued in excess of R5 billion
  - Advanced negotiations for large-scale water supply scheme
- Limited notice to proceed on gas-related project in Northern Mozambique and imminent new work in Ghana should support activity in the rest of Africa

## ORDER BOOK BY SECTOR

- Roadwork contribution in South Africa amounts to 78% of the local order book over a four-year horizon
- Strong baseload of mining and energy infrastructure projects in South Africa and the rest of Africa extend into FY2025
- Mining infrastructure activity in Botswana expected to improve during FY2025

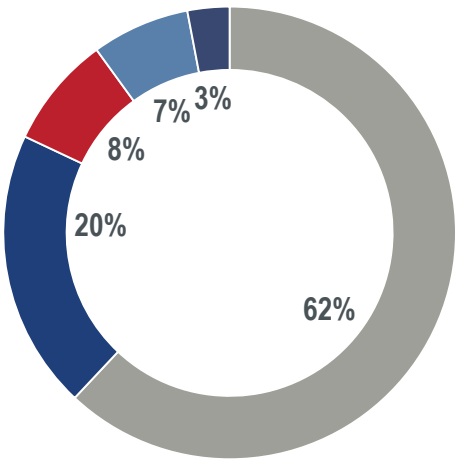
	31 December 2023	30 June 2023	% change
South Africa	12 124	12 228	(1)
Rest of Africa	2 001	2 561	(22)
Total	14 125	14 789	(5)

Dec 2023



ROADWORK  
ENERGY INFRASTRUCTURE  
RAIL INFRASTRUCTURE

June 2023



MINING INFRASTRUCTURE  
PIPELINES

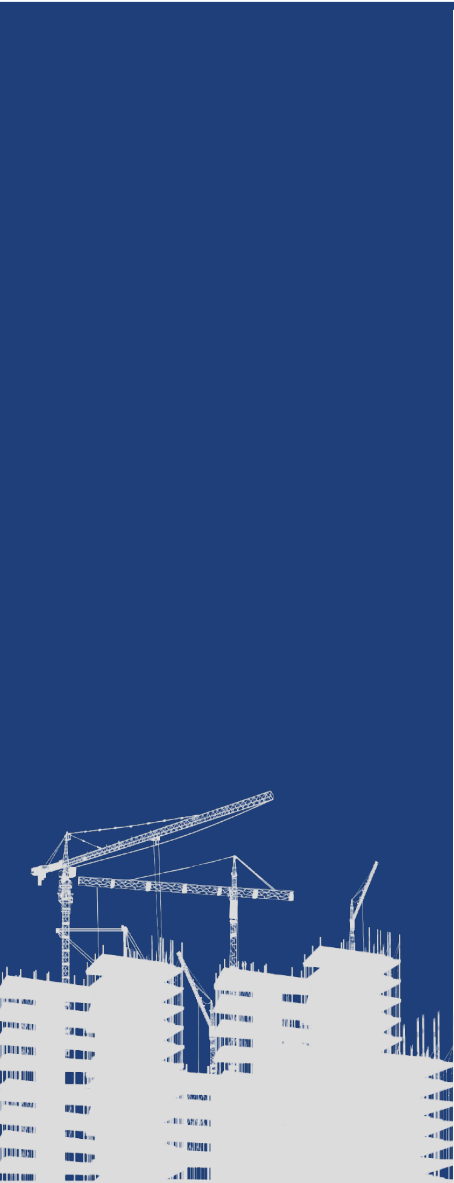


# UNITED KINGDOM

The background of the slide is a photograph of The Shard skyscraper in London, taken from a low angle looking up. The building is illuminated by the warm, golden light of the setting or rising sun, creating a strong silhouette effect. The sky is a clear, deep blue, and the city skyline is visible in the background with other buildings and construction cranes.

- 1 H1:FY2023 PERFORMANCE
- 2 GEOGRAPHIC ANALYSIS
- 3 ORDER BOOK





FY2022 PERFORMANCE

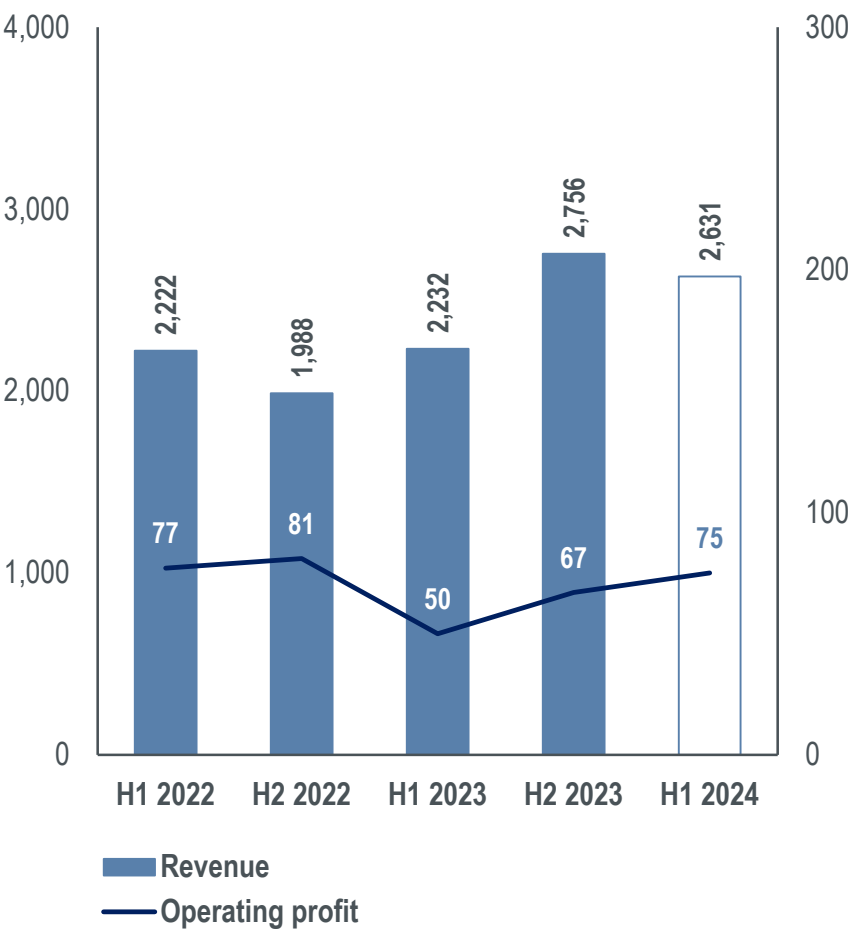
- Challenging macro-economic conditions affecting the UK construction market
- Elevated inflation and interest rates have lowered project yields and jeopardized feasibilities
- Project suspensions and delays in awards continue to affect new work procurement

BYRNE GROUP

- Revenue decreased by 8%
- Increased activity within Byrne Bros. outweighed by lower activity within Ellmers and O’Keefe
- Increase in volume of civil works supported an improved operating margin

RUSSELL WBHO

- Revenue increased by 58% following new awards
- Two of three pre-construction service agreements (PCSA) converted into full contracts but the large-scale commercial development under PCSA suspended

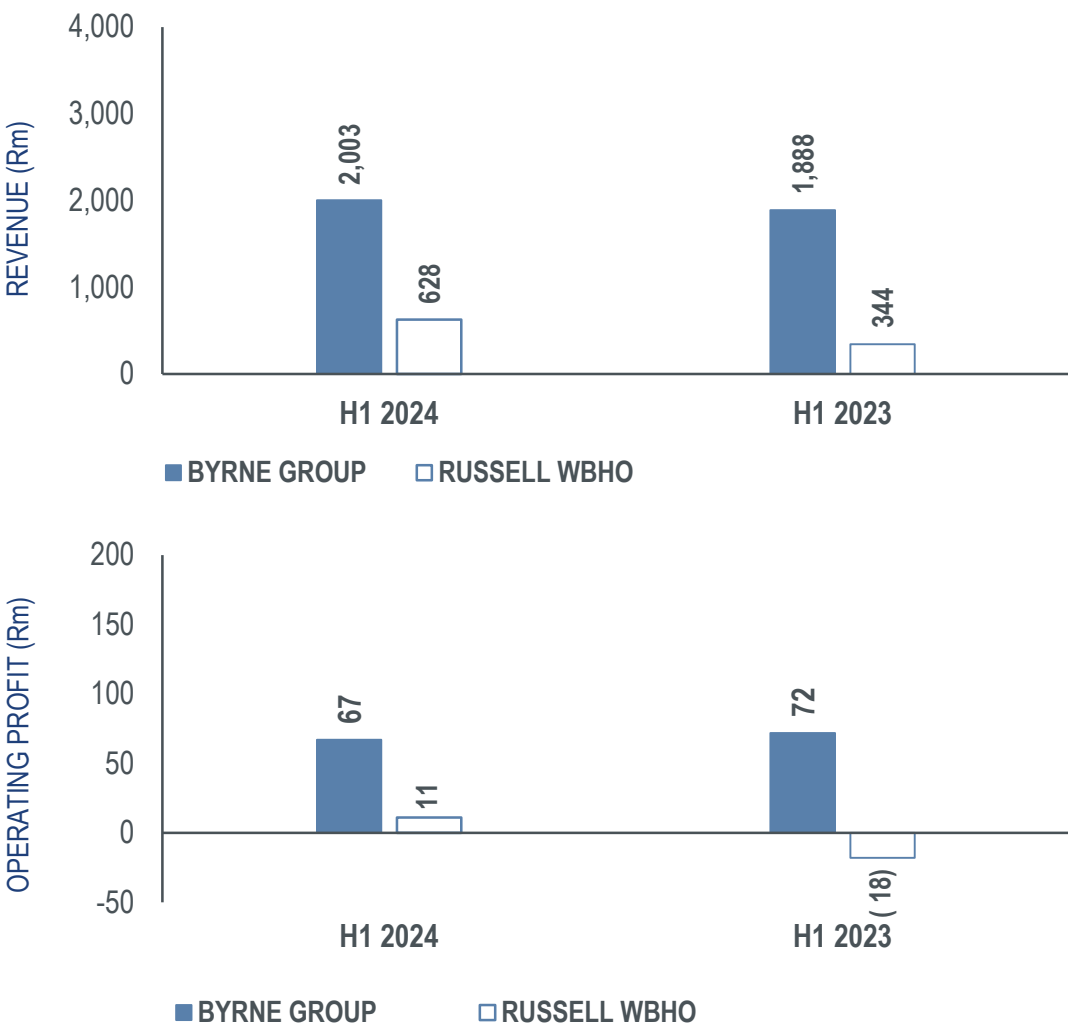


# UNITED KINGDOM

## GEOGRAPHIC FOOTPRINT



## GEOGRAPHIC PERFORMANCE





# UNITED KINGDOM

## ORDER BOOK UP 5%

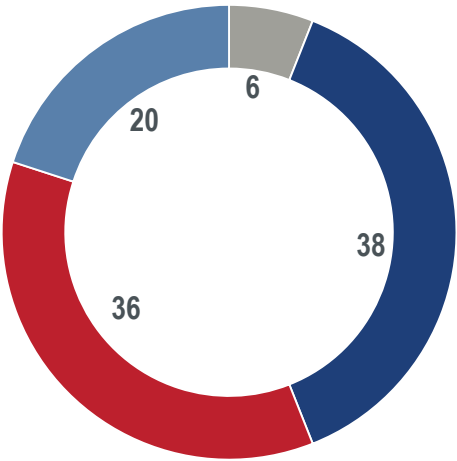
- Growth in order book attributable to new awards within Russell WBHO
- Procurement activity difficult to convert into new work

	31 December 2023	30 June 2023	% change
Byrne Group	3 630	3 988	(9)
Russell WBHO	1 439	817	76
Total	5 069	4 815	5

## ORDER BOOK BY SECTOR

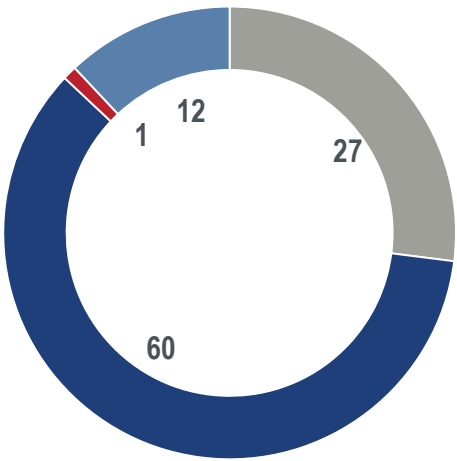
- High value awards within Ellmers order book support residential activity
- Waste-to-energy plants and HS2 projects support increased contribution from industrial and civil works sector
- Improved contribution from hotel and leisure sector following sizeable awards within Russell WBHO and Ellmers

Dec 2023



■ COMMERCIAL  
■ HOTELS AND LEISURE

June 2023



■ RESIDENTIAL  
■ INDUSTRIAL AND CIVIL WORKS



# FINANCIAL REVIEW

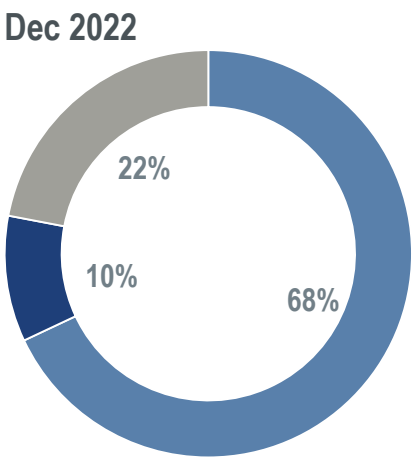
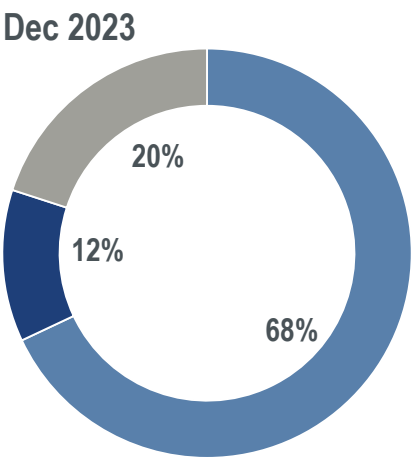


- 1 KEY FINANCIAL INDICATORS
  - 2 FINANCIAL PERFORMANCE
  - 3 FINANCIAL POSITION
- 

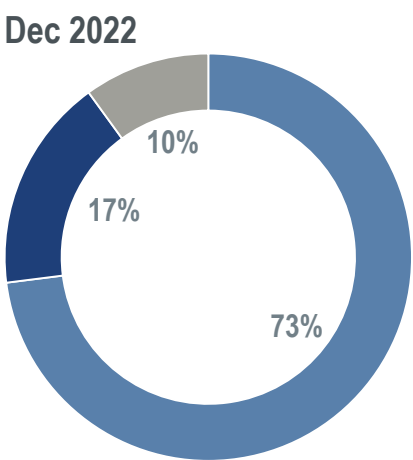
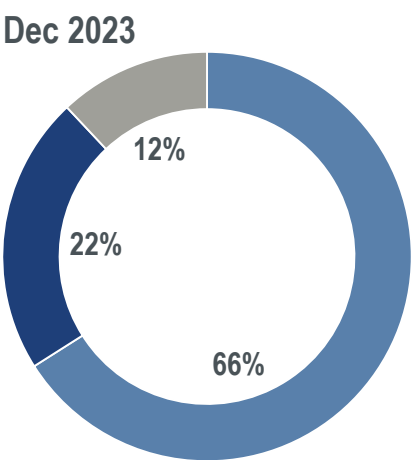


# CONTINUING OPERATIONS – CONTRIBUTION BY GEOGRAPHY

	December 2023	December 2022	% change
REVENUE			
South Africa	9 050	7 020	29
Rest of Africa	1 618	1 078	50
United Kingdom	2 631	2 232	18
Total	13 299	10 330	29



	% margin	December 2023	% margin	December 2022	% change
SEGMENT OPERATING PROFIT					
South Africa	4.7	422	5.0	352	20
Rest of Africa	8.6	139	7.5	81	73
United Kingdom	2.9	75	2.2	50	50
Total	4.8	636	4.7	482	32



■ SOUTH AFRICA   ■ REST OF AFRICA   ■ UNITED KINGDOM



# FINANCIAL PERFORMANCE

Rm	December 2023	December 2022	June 2023
Revenue	13 299	10 330	23 769
Operating profit before non-trading items	636	482	1 112
Share-based payment expense	(34)	(20)	(55)
<b>Operating profit</b>	<b>602</b>	<b>462</b>	<b>1 057</b>
Share of profits from interests in associates and joint ventures	40	94	131
Loss on disposal of associate	-	-	(20)
Net finance income	85	49	125
<b>Profit before tax</b>	<b>727</b>	<b>605</b>	<b>1 294</b>
Tax	(201)	(150)	(360)
<b>Profit after tax</b>	<b>526</b>	<b>455</b>	<b>934</b>
Loss from discontinued operations	(5)	(100)	(100)
<b>Net profit for the period</b>	<b>521</b>	<b>355</b>	<b>834</b>

# DISCONTINUED OPERATIONS

## CURRENT POSITION

- A\$6.5 million of A\$7 million in cash secured guarantees recovered and cash refunded, outstanding A\$500 thousand still to be recovered but little to no risk
- Administration period for the DOCA has been extended to ensure that creditors that may have rights to access the Australian entities' insurance policies are not adversely affected by the closure of those businesses
- Slow progress made in recovering spuriously called guarantees with the process is moving toward court litigation
- Additional R5 million in legal and administrative costs incurred to monitor DOCA and pursue spuriously called guarantees





## KEY FINANCIAL INDICATORS

	December 2023	December 2022	Target / growth
Revenue from continuing operations (%)	28.7	14.9	>10
Segment operating margin from continuing operations (%)	4.8	4.7	4.0 - 6.5
Earnings per share from continuing operations (cents)	915	829	10%
Headline earnings per share from continuing operations (cents)	906	819	11%
Earnings per share (cents)	906	641	41%
Headline earnings (cents)	897	630	42%
Ordinary dividend per share (cents)	230	-	-
Net asset value (Rm)	4 442	3 289	35%

# FINANCIAL POSITION

<b>Property, plant and equipment (Rm)</b>	<b>December 2023</b>	<b>June 2023</b>
Property, plant and equipment	<b>2 246</b>	2 111
Depreciation (property, plant and equipment)	<b>144</b>	202
Depreciation (Right-of-use assets)	<b>19</b>	46

<b>Capital expenditure (Rm)</b>	<b>Approved 2024</b>	<b>Actual spend December 2023</b>	<b>Actual spend June 2023</b>
Replacement	403	<b>214</b>	263
Expansion	132	<b>166</b>	247
<b>Total</b>	<b>535</b>	<b>380</b>	<b>510</b>

- The Group adopts a plant replacement policy aimed at ensuring an optimal size and age of its fleet
- Increased investment in plant of approximately R850 million over FY2023 and FY2024 to support order book growth and rebalance curtailed expenditure in FY2021 and FY2022
- Ratio of owned plant to hired-in plant maintained
- 71% of budgeted expenditure spent in H1:FY2024



# FINANCIAL POSITION

						Share of profits	
Interest in associates and joint ventures (Rm)	Industry	Country of operation	Effective %	Carrying amount		December 2023	December 2022
<b>Construction operations:</b>							
Edwin Construction	Road/civil construction	South Africa	-	-		-	4.3
						-	4.3
<b>Concession investments:</b>							
Gigajoule International Group	Gas and power supply	Mozambique	26.6	361.4		39.6	89.6
Dipalopalo Concession	Serviced accommodation	South Africa	27.7	50.3		-	-
DFMS Joint Venture	Serviced accommodation	South Africa	14.6	13.6		1.9	1.8
Tshala Bese Uyavuna (RF)	Serviced accommodation	South Africa	32.5	95.1		-	-
				520.4		41.5	91.4

# FINANCIAL POSITION

					Share of profits	
Interests in associates and joint ventures (Rm)	Industry	Country of operation	Effective %	Carrying amount	December 2023	December 2022
<b>Property developments:</b>						
Lizcobiz (fomally Catchu Trading (Pty) Ltd)	Property development	South Africa	50	11.9	-	-
19 on Loop (Pty) Ltd (Rubik)	Property development	South Africa	20	19.8	-	-
				<b>31.7</b>	-	-
<b>Property developer:</b>						
Russell Homes Limited	Building construction	United Kingdom	31.7	94.8	(1.4)	(1.9)
				<b>646.9</b>	<b>40.1</b>	93.8
Expected credit loss				(0.9)	-	-
<b>Total</b>				<b>646.0</b>	<b>40.1</b>	93.8



# FINANCIAL POSITION

<b>Tax (Rm)</b>	<b>December 2023</b>	<b>June 2023</b>
Net deferred tax asset	<b>432</b>	445
Net current tax asset	<b>210</b>	193

<b>Tax expense (Rm)</b>	<b>Africa</b>	<b>United Kingdom</b>	<b>December 2023</b>	<b>December 2022</b>	<b>June 2023</b>
Profit before tax	633	94	<b>727</b>	605	1 294
Share of (profits)/losses from associates and joint ventures	(41)	1	<b>(40)</b>	(94)	(131)
Attributable profit before tax	592	95	<b>687</b>	511	1 163
Income tax expense	(173)	(22)	<b>(195)</b>	(148)	(343)
Dividend tax	(6)	-	<b>(6)</b>	(2)	(17)
Total tax charge	(179)	(22)	<b>(201)</b>	(150)	(360)
Effective tax rate	30%	23%	<b>29%</b>	28%	31%

## Deferred tax asset consists of:

- Tax losses of R58m (June 2023: R70m)
- Timing differences of R374m (June 2023: R375m)

## Current tax asset consists of:

- Foreign tax credits of R27m (June 2023: R26m)
- Tax refundable of R212m (June 2023: R203m)
- Tax liability of R29m (June 2023: R36m)

# FINANCIAL POSITION

Long-term liabilities (Rm)	December 2023	June 2023
Property development funding	101	101
SCMB loan	71	170
Asset-based finance	334	277
VRP settlement	72	90
City of Cape Town settlement	11	20
Cash-settled share scheme liability	11	11
Other	2	2
	602	672
Less: current portion	(395)	(345)
<b>Total</b>	<b>207</b>	<b>327</b>

- Property development funding raised in respect of student accommodation building in Tshwane
  - Repayment delayed by suspension of sale agreement due to reduction in NSFAS rates
- Asset-based finance increased in line with capital expenditure requirements
- SCMB operating loan reduced by R279 million over the preceding 12 months
- VRP settlement has four remaining instalments of R21m
- City of Cape Town liability will be fully settled by the end of 2024

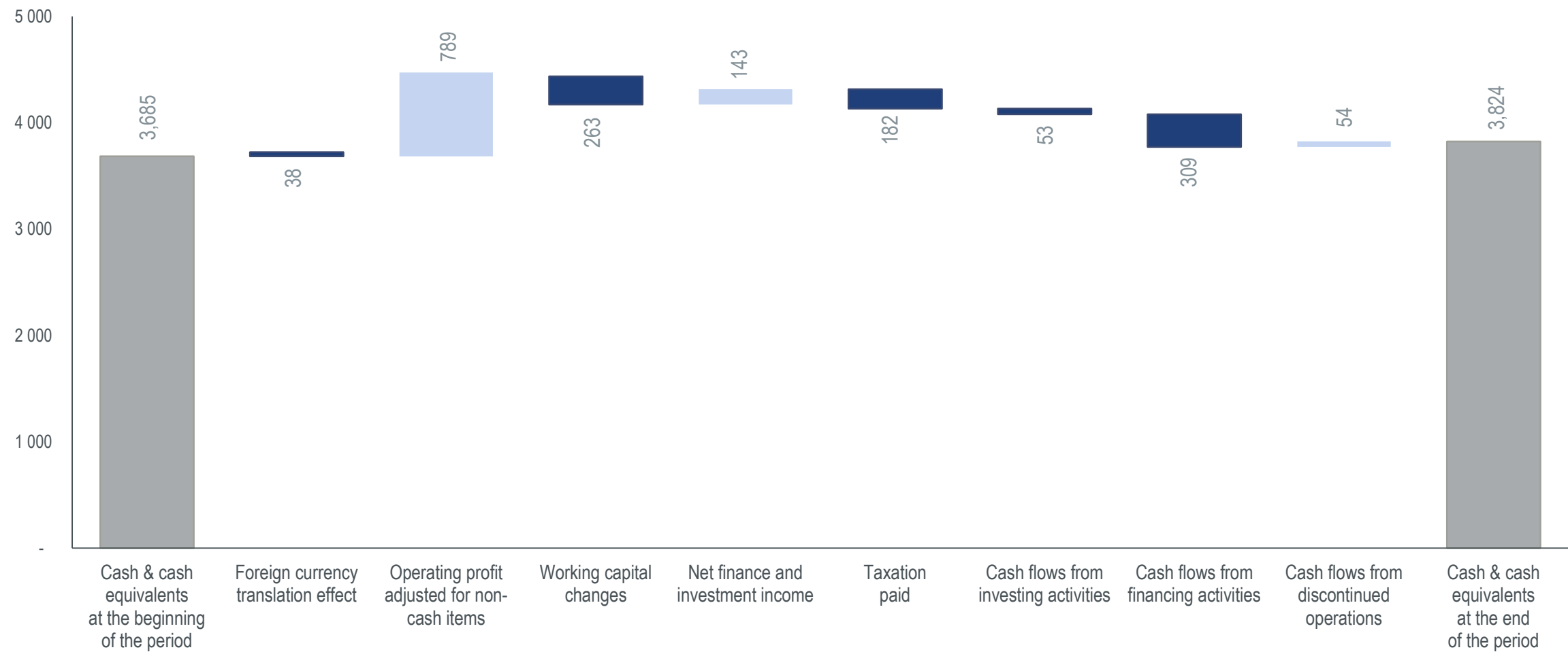


# FINANCIAL POSITION

Cash and cash equivalents (Rm)	December 2023	June 2023
South Africa	2 108	2 030
Africa	856	838
United Kingdom	860	817
<b>Total</b>	<b>3 824</b>	<b>3 685</b>
Restricted cash	14	101

- Cash balances remain stable across all geographies
- Cash generation is healthy
- R86 million of restricted cash in Mozambique at 30 June 2023 was successfully repatriated and utilised to settle SCMB loan

# FINANCIAL POSITION





# ORDER BOOK, PIPELINE AND OUTLOOK

- 1 CONSOLIDATED ORDER BOOK
- 2 PROJECT PIPELINE
- 3 OUTLOOK



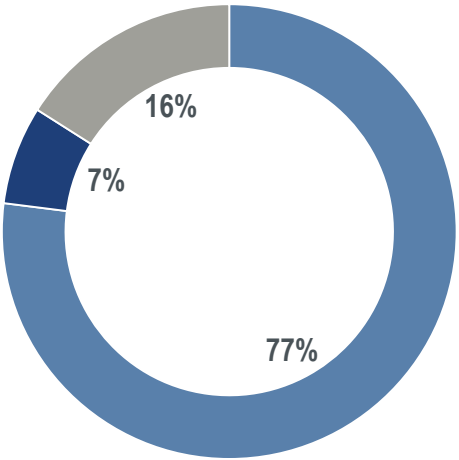
# CONSOLIDATED ORDER BOOK

## GROUP ORDER BOOK MAINTAINED

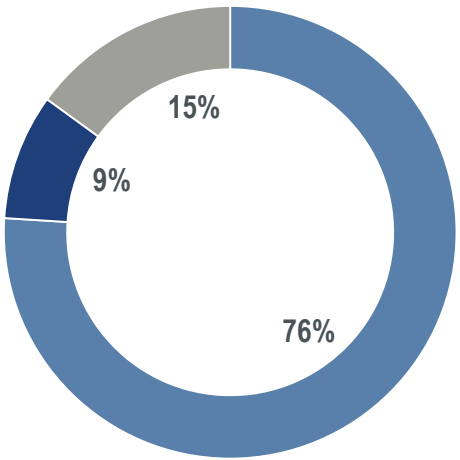
- Group order book sustained at record levels
- Resilience across all divisions and key regions
- Potential awards in excess of R13 billion within the Roads and earthworks division and R6 billion within the Building and civil engineering division in H2:2024
- Financial close reached on EPC contracts for two further windfarms valued at R1.5 billion in February 2024
- South African pipeline remains strong
- UK market likely to remain subdued until H2:2025

	31 Dec 2022	30 June 2023	31 Dec 2023	To June 2024	Beyond June 2024
South Africa	17 616	24 738	24 810	8 547	16 262
Rest of Africa	3 810	2 998	2 434	1 215	1 220
United Kingdom	5 080	4 815	5 069	2 812	2 257
Total	26 506	32 551	32 313	12 574	19 739

Dec 2023



June 2023

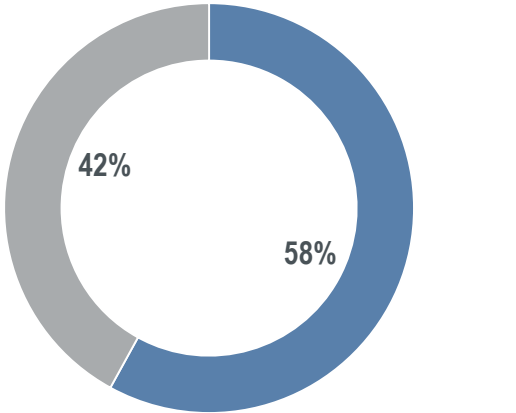
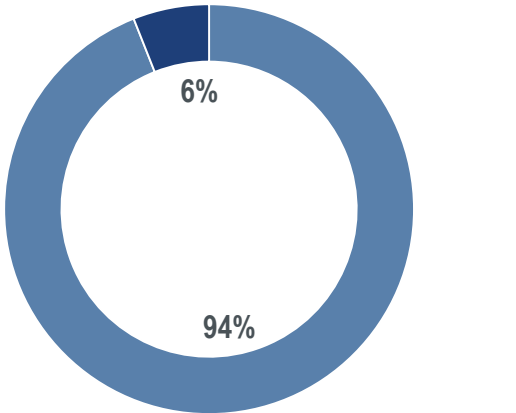


■ SOUTH AFRICA    ■ REST OF AFRICA    ■ UNITED KINGDOM



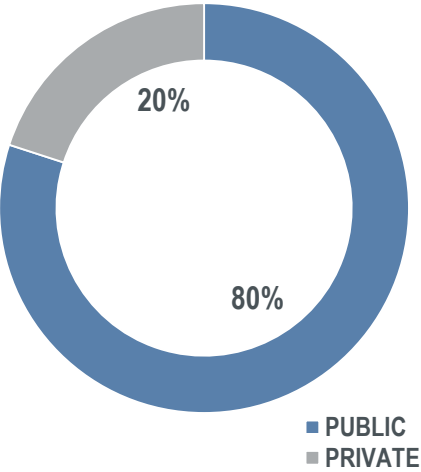
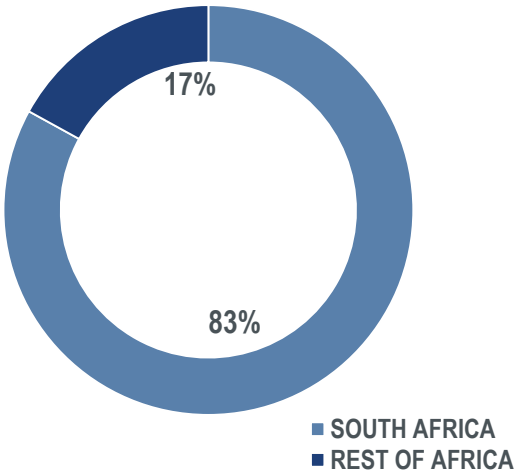
# PROJECT PIPELINE

Building and civil engineering (Rm)	South Africa	Rest of Africa	Total
Commercial and mixed-use developments	12 238	1 092	13 330
Residential	9 415	-	9 415
Industrial buildings and warehousing	8 599	1 675	10 274
Data centres	7 800	470	8 270
Hotels, healthcare and education	11 817	-	11 817
Retail	2 318	-	2 318
Energy infrastructure	45 569	2 500	48 069
Mining infrastructure	1 895	1 100	2 995
Water infrastructure	600	-	600
<b>Total</b>	<b>100 251</b>	<b>6 837</b>	<b>107 088</b>
Public	45 003	-	45 003
Private	55 248	6 837	62 085
<b>Total</b>	<b>100 251</b>	<b>6 837</b>	<b>107 088</b>



# PROJECT PIPELINE

Roads and earthworks (Rm)	South Africa	Rest of Africa	Total
Roadwork	24 940	4 100	29 040
Mining infrastructure	8 300	9 870	18 170
Energy infrastructure	925	8 650	9 575
Water infrastructure	32 000	-	32 000
<b>Total</b>	<b>66 165</b>	<b>25 120</b>	<b>91 285</b>
Public	56 940	6 600	63 540
Private	9 225	18 520	27 745
<b>Total</b>	<b>66 165</b>	<b>25 120</b>	<b>91 285</b>





# PROJECT PIPELINE

United Kingdom	Rm
Byrne Group	33 024
Russell WBHO	8 808
Total	41 832

Summary	Rm
Building and civil engineering	107 088
Roads and earthworks	91 285
United Kingdom	41 832
Total	240 205

# OUTLOOK

- Earnings at best levels in over a decade following growth trajectory
- Well-managed liquidity position has allowed for resumption of dividend payments
- Good progress made in re-strengthening of the balance sheet
- Strong order book and robust pipelines within multiple sectors of the African operations provide a positive near to medium-term outlook
- VRP is on track for successful completion this year
- Australia firmly behind us and the business is in a healthy space



# DISCLAIMER

Certain statements contained within this presentation may be classified as forward-looking statements. Words, including but not limited to, “believe”, “anticipate”, “expect”, “seek”, “intend”, “estimate”, “project”, “plan”, “indicate” or “predict” are used to identify such statements. Forward-looking statements, by their very nature, contain known and unknown risks as well as other uncertainties, the outcome of which may have a material impact on the future predictions expressed or implied therein.

No assurance can be given that future-looking statements will prove to be correct. Furthermore, no obligation is undertaken by the Group to update or revise any forward-looking statements contained within this presentation and investors are cautioned not to place any reliance thereon.





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