



MURRAY & ROBERTS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1948/029826/06

JSE Share Code: MUR

ISIN: ZAE000073441

(“Murray & Roberts” or “Company” or “Group”)

PROPOSED SALE OF 100% OF MURRAY & ROBERTS' INTERESTS IN CLOUGH LIMITED TO WEBUILD S.P.A., CAUTIONARY ANNOUNCEMENT AND RENEWAL OF CAUTIONARY ANNOUNCEMENT

1. BACKGROUND

Shareholders are referred to the trading statement and cautionary announcement released on 17 October 2022 regarding the implications of ongoing disruption to the delivery of the Group’s order book and in particular the acute working capital pressures being experienced in the Energy, Resources & Infrastructure (“ERI”) platform (“**Cautionary Announcement**”). The ERI platform comprises substantially the Group’s interest in Clough Limited (“**Clough**”) in Australia.

As a direct consequence of the events described in the Cautionary Announcement, shareholders are advised that Murray & Roberts has entered into a sale and purchase agreement (“**SPA**”) with Webuild S.p.A (“**Webuild**”) in terms of which Murray & Roberts intends to dispose of 100% of its interest in Clough to Webuild, subject to the fulfilment and or waiver of certain conditions precedent (“**Proposed Transaction**”).

2. RATIONALE AND SALIENT TERMS OF THE PROPOSED TRANSACTION

The Group has been reviewing a number of strategic options to address Clough’s working capital needs, which have become increasingly urgent. Having reviewed all available alternatives and based on the above background, the board of directors of Murray & Roberts concluded that a transaction with Webuild was the preferred course of action.

Webuild is a multinational Italian industrial group specialising in construction and civil engineering and is headquartered in Milan. Webuild has a history of working with Clough on major projects, including its joint venture with Clough on Snowy 2.0, a hydropower project in Eastern Australia and its participation with Clough (and other members) in Regionerate Rail, a consortium appointed as preferred bidder for the development of the Gowrie to Kagaru section of Inland Rail, as detailed in the announcement by Murray & Roberts of 22 March 2022.

In terms of the SPA, the financial benefit of the Proposed Transaction for Murray & Roberts is circa A\$350 million (equivalent to approximately R4 billion), achieved through the cancellation of an outstanding intercompany loan account between Murray & Roberts Pty Ltd, the Group’s Australian holding company, and Clough, and a cash payment of A\$500,000 to Murray & Roberts by Webuild. The intercompany loan in favour of Clough originated through the buy-out of the minority shareholders in Clough by Murray & Roberts in 2013.

In conjunction with the Proposed Transaction, Webuild has committed to put in place an interim loan facility of A\$30,000,000 for the benefit of Clough (“**Interim Loan**”).

The SPA is subject to the fulfilment and/or waiver of a number of conditions precedent, including completion of confirmatory due diligence, obtaining the requisite regulatory approvals in Australia and third-party consents, as well as continuing obligations typical for a transaction of this nature.

Following the implementation of the Proposed Transaction, Murray & Roberts will have no residual exposure to Clough. The Group's interests in Australia will, however, continue through RUC Cementation Mining, one of the three operating companies in the Group's multinational Mining platform.

3. **CATEGORISATION OF THE PROPOSED TRANSACTION AND CAUTIONARY ANNOUNCEMENT**

The Proposed Transaction constitutes a Category 1 transaction for the Group in terms of the JSE Listing Requirements. A circular to Murray & Roberts shareholders, incorporating a notice of general meeting to approve the Proposed Transaction, will accordingly be posted to shareholders in due course.

The Group will shortly release a further announcement containing the full details the Proposed Transaction and the Interim Loan, as required by the JSE Listings Requirements for a Category 1 transaction ("**Category 1 Announcement**").

As the full details of the Proposed Transaction are not included in this announcement and that the Proposed Transaction may have a material effect on the price of Murray & Roberts shares, shareholders are advised to exercise caution when trading in the Group's shares until such time as either the Category 1 Announcement or a further announcement in this regard is made.

4. **RENEWAL OF CAUTIONARY ANNOUNCEMENT**

Further to the Cautionary Announcement, shareholders are advised that engagement with clients on the Traveler and Waitsia projects are ongoing. As there is still no certainty regarding the precise impact on the earnings per share ranges, shareholders are advised to continue to exercise caution when trading in the Group's shares until a further announcement is made.

The information contained in this announcement has not been reviewed or reported on by the Company's external auditors.

For further information contact:

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Bedfordview
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Company and Transaction Sponsor: The Standard Bank of South Africa Limited

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