

Benchmarking Indicators

January – June 2025

Bi-Annual Economic and Capacity Survey
Medium to Micro Firms (QSM, EME)

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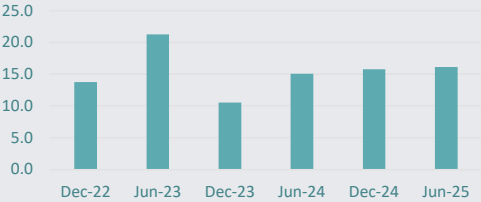
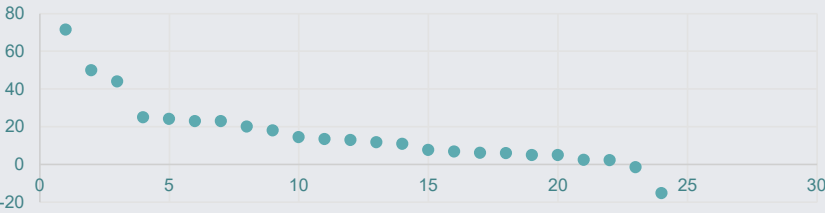
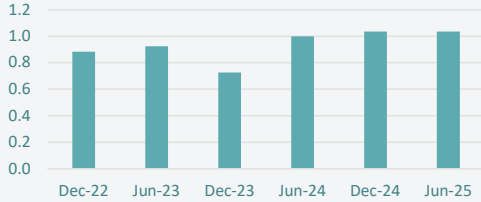
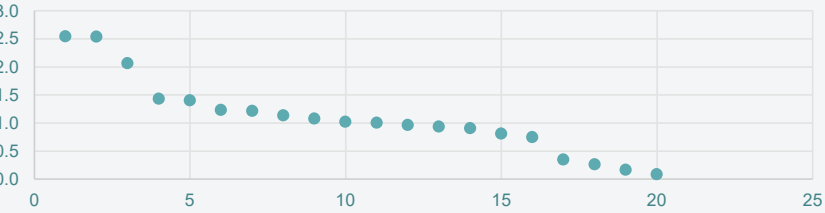
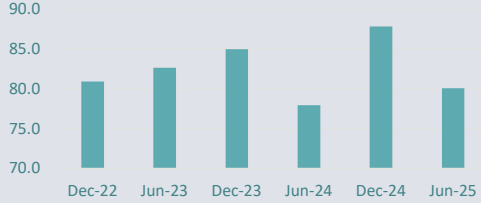
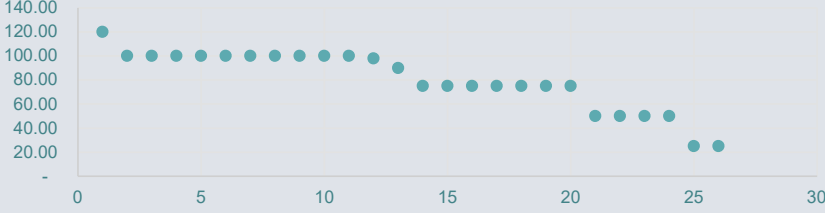
Benchmarking Indicators

Medium to Micro Firms (QSE, EME)		Dec-23	Jun-24	Dec-24	Jun-25
Profit Margin %	Min	-55.0	-7.0	0.1	-15.2
	Max	71.0	53.0	71.0	71.4
	Average	10.5	15.1	15.8	16.1
	Stdev	20.8	17.2	17.5	18.2
	Response Rate	98%	100%	96%	97%
ROWC %	Min	n.a	n.a	n.a	n.a
	Max	n.a	n.a	n.a	n.a
	Average	n.a	n.a	n.a	n.a
	Stdev	n.a	n.a	n.a	n.a
	Response Rate	n.a	n.a	n.a	n.a
Break Even Ratio	Min	0.1	0.1	0.1	0.1
	Max	1.6	22.8	2.3	2.5
	Average	0.7	2.2	1.0	1.1
	Stdev	0.4	5.2	0.6	0.7
	Response Rate	57%	60%	46%	67%
ROCE %	Min	-23.9	-23.0	-330.0	-6.0
	Max	80.0	611.0	446.0	167.6
	Average	16.8	57.1	19.7	34.5
	Stdev	19.8	140.9	145.7	40.9
	Response Rate	69%	63%	67%	57%
EBITDA	Min	-51.0	-5.4	-28.0	1.4
	Max	80.0	72.0	80.0	51.7
	Average	11.4	26.0	15.0	19.6
	Stdev	25.2	23.4	30.4	18.2
	Response Rate	59.5%	43.3%	50.0%	43.3%

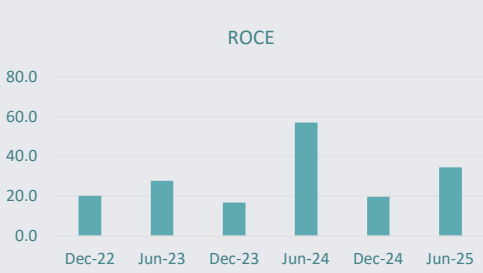
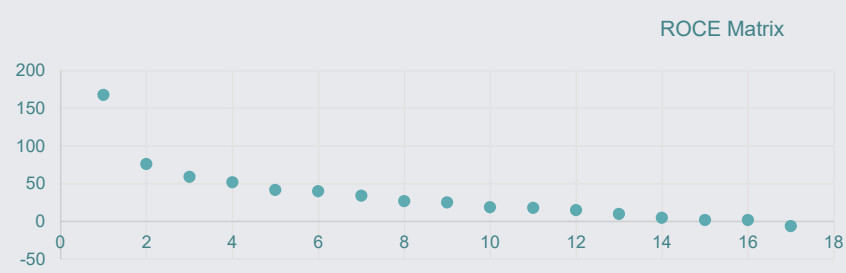
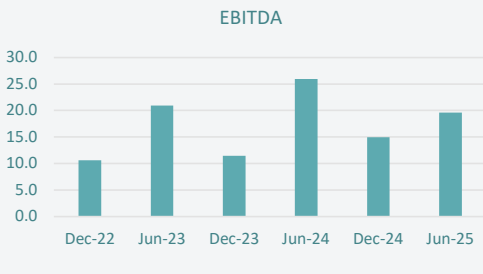
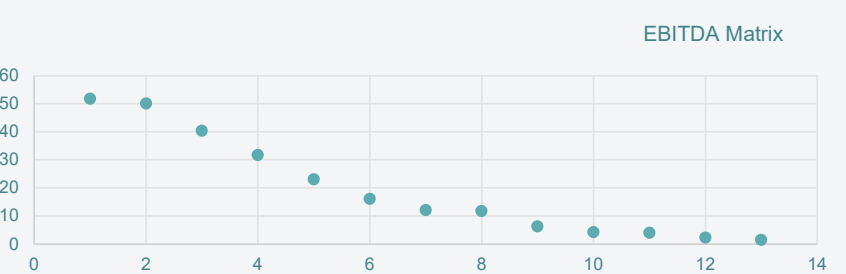
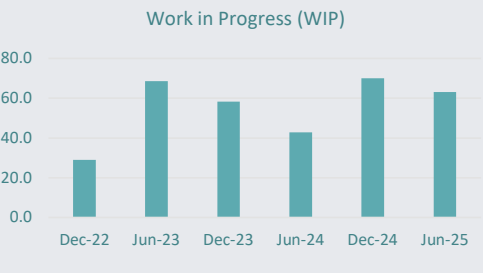
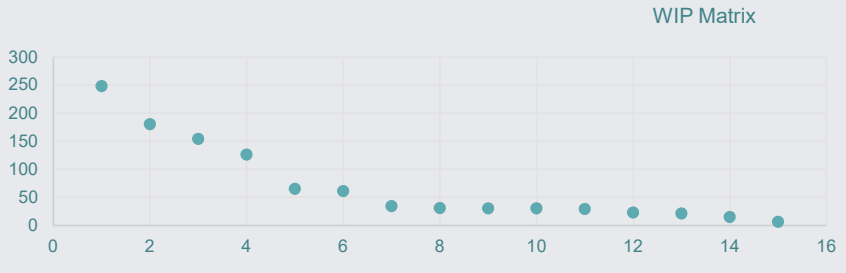
Medium to Micro Firms (QSE, EME)		Dec-23	Jun-24	Dec-24	Jun-25
WIP (Days)	Min	-90.0	1.2	6.2	6.8
	Max	306.9	1345.0	247.9	258.2
	Average	58.3	126.9	70.1	63.1
	Stdev	74.1	293.5	72.5	72.3
	Response Rate	60%	70%	63%	60%
Hours spent on marketing % of total hours worked	Min	0.2	0.0	0.1	5.0
	Max	65.0	70.0	65.0	70.0
	Average	18.7	18.4	18.3	24.7
	Stdev	18.3	19.1	20.1	21.8
	Response Rate	76%	83%	91%	77%
Pipeline work (%)	Min	12.0	0.0	0.0	0.8
	Max	138.9	164.0	115.0	200.0
	Average	68.1	63.3	59.0	82.4
	Stdev	42.7	38.2	37.3	57.2
	Response Rate	69.0%	73.3%	77.3%	70.0%
Capacity Utilisation	Min	25.0	0.0	0.3	25.0
	Max	110.0	120.0	110.0	120.0
	Average	85.0	78.0	87.9	80.1
	Stdev	24.6	34.5	0.2	25.2
	Response Rate	90%	100%	88%	87%
Return on Staff Employed %	Min	-65%	0%	1%	-15%
	Max	131%	242%	229%	56%
	Average	21%	24%	43%	20%
	Stdev	40%	74%	59%	18%
	Response Rate	79%	83%	83%	73%

Note: As of June 2024, survey indicators refer to Qualifying Small Enterprises (QSM) and Exempt Micro Enterprises (EME) according to BBBEE classifications, rather than a classification by the number of employees.

Benchmarking Indicators

Table					Chart		Response Matrix Current Survey	
PROFIT MARGIN		Jun-24	Dec-24	Jun-25	Profit Margin 		Profit Margin Matrix 	
	Min	-7.0	0.1	-15.2				
	Max	53.0	71.0	71.4				
	Average	15.1	15.8	16.1				
	Stdev	17.2	17.5	18.2				
	Response Rate	100%	96%	97%				
BREAK EVEN RATIO		Jun-24	Dec-24	Jun-25	Break Even Ratio 		Break Even Ratio Matrix 	
	Min	0.1	0.1	0.1				
	Max	3.0	2.3	2.3				
	Average	1.0	1.0	1.0				
	Stdev	0.7	0.6	0.6				
	Response Rate	57%	46%	46%				
CAPACITY UTILISATION		Jun-24	Dec-24	Jun-25	Capacity Utilisation 		Capacity Utilisation Matrix 	
	Min	25.0	0.3	25.0				
	Max	120.0	1.1	120.0				
	Average	78.0	87.9	80.1				
	Stdev	26.3	0.2	25.2				
	Response Rate	90%	88%	87%				

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	Stdev	293.5	72.5	72.3				
	Response Rate	70%	63%	60%				

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Explanatory Notes

- Including firms that have an annual turnover not exceeding R25 million.
- Profit Margin: Total income less direct and indirect costs
- Direct Costs: Total client project salary cost plus external project expenses
- Indirect Costs: All productive employment costs, outsourcing costs, group overhead chargers etc, but excluding finance charges
- WIP: Work in progress in days, calculated as “WIP as at date of reporting / (Direct + Indirect costs) x reporting days”
- ROWC: Return on Working Capital. Annual profit after interest and tax as percentage of net working capital (assets less liabilities)
- ROCE: Return on capital employed (Capital = Assets and Liabilities)
- EBITA: Earnings before deduction of interest, tax, and amortisation expenses. Measurement of efficiency and profitability
- Marketing: Hours spent on marketing including bidding and preparation of proposals as percentage of total hours worked
- Pipeline work: Fee value of secured appointments at the end of the reporting period vs the start of the reporting period, expressed as a percentage
- Capacity utilisation of existing technical staff.
- Return on staff employed: Profit as percentage of total salary and wage bill as an indicator of return of staff employed. Salary and wage bill is the largest expense for an engineering firm.
- Break Even Ratio : Gross income / Breakeven Revenue
 - (Breakeven Revenue = (Operating expenses/GP%)