



## MESSAGE FROM THE CEO DR. FRANK DIRKSEN

01 March 2024

# Working together to achieve the best Q1 production results

Dear RDM Team, I hope this message finds you all in good health. As we approach the end of Q1, the next four weeks are crucial for us to meet our production targets and finish the quarter one strong. I encourage you all to remain focused and determined in our efforts. At this point, we need to prioritise the critical paths of our production plans and, as a team, identify potential bottlenecks, resource constraints and areas where additional support is required. This is a defining moment for us of what we can accomplish together.

We are continuously striving to improve our efficiency through streamlined processes, investing in plant upgrades and through training and development. This is our commitment towards ensuring RDM's success and a sustainable future. South Africa faces significant economic challenges in creating employment opportunities, and it is vital that we work hard to ensure RDM's sustainability and profitability. As a world leader in artillery ammunition, we must improve continuously and stay ahead of the development curve to preserve our status.

One of our key drivers this year is managing and reducing our costs while increasing cash flow. I encourage you to identify cost-saving opportunities within your teams. One area of improvement is to minimise scraps and reworks by doing things right the first time, which is Quality. If we can keep our costs down, it will allow us to invest more in our organisation, and I genuinely believe this is within our reach.

Our current operational demands require us to remain operational around the clock throughout the year. However, we are working diligently to find shift systems that are fair to everyone. I advise team RDM to start planning their leave periods now in such a way that it does not impact production in December. Fatigue and burnout can be significant concerns, so planning your time off in advance is crucial to ensure you're well-rested and ready to perform at your best. Last month, I emphasised that our results should be attained safely. Therefore, we should work together to avoid fatigue-related incidents.

I am pleased to announce that because of your hard work and determination, RDM company's year-end target achievement was 135%. This achievement is made up of both company and individual performance. I want to express my sincere appreciation to you for your support and all the hard work and sacrifice that went into achieving these results. Before the end of this month, I trust you will have completed the Performance Reviews and FY2024 Performance Contracting. This will help us to align with company goals, ensure we track individual development and growth and promote accountability.

In late February, we welcomed the Rheinmetall delegation, led by the CEO of our Indirect Fire Business Unit, Roman Köhne. During the visit, we had the chance to explain our operations and receive an overview of Rheinmetall's global Indirect Fire portfolio. This provided an excellent opportunity for all business entities under Indirect Fire, namely Rheinmetall Expal Munitions, Rheinmetall NIOA Munitions, Rheinmetall Laingsdale and Rheinmetall Denel Munition, to align and benchmark their processes.

Let me conclude by saying that in a changing world, RDM is making a difference. Rheinmetall Group recognises our achievements globally, for which we can be proud.

Best regards  
**Dr. Frank Dirksen**