

PPC Ltd

(Incorporated in the Republic of South Africa)
(Company registration number 1892/000667/06)

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("PPC" or "the group")



OPERATIONAL UPDATE FOR THE TEN MONTHS ENDED 31 JANUARY 2026

The **Awaken the Giant** strategic plan is progressively being embedded across PPC, delivering sustained improvements in operating and financial performance. The turnaround was deliberately ambitious, designed to rebuild PPC's iconic status by restoring competitiveness and long-term value creation. The results for the ten months ended 31 January 2026 clearly demonstrate the ongoing and compounding benefits of disciplined execution of this strategy.

Much has been achieved over the past two years, with improvement in the group's performance across all financial metrics. On top of the strong progress achieved in FY25, in FY26 the results continue to expand, underscoring the structural and sustainable nature of the improvements.

In South Africa, the structural, cultural and people changes implemented across the organisation have translated into delivery ahead of initial expectations. The changes in logistics, procurement, plant efficiencies and the re-alignment of the business to maximize contribution margin, continue to deliver further results reinforcing that the right fundamentals drive growth and value. In Zimbabwe, implementation of the turnaround advanced meaningfully during the current financial year. Record year-to-date cash flow generation reflects the initial benefits of improved execution supported by strong and sustainable underlying market demand.

Reflecting this progress, for the ten months ended 31 January 2026, the group's EBITDA margin (adjusted)² strengthened further to 19,4%. The turnaround plan is focused on consistency of delivery and a sustainable growth trajectory underpinned by disciplined execution, high quality earnings generation and cash flow generation.

² *Adjusted to eliminate the accounting profit recognised pursuant to the sale by SA Cement of a non-core property during the current period*

GROUP PERFORMANCE

The key performance metric improvements for the ten months ended 31 January 2026 ("the current period") when compared to the ten months ended 31 January 2025 ("the comparable period") are depicted below.

FY26 vs FY25	10 months Jan'26¹	10 months Jan'26¹ Adjusted²
Revenue change	4%	4%
EBITDA change	32%	22%
Absolute EBITDA margin	21,0%	19,4%
EBITDA margin change	+4,4 pp	+2,8 pp

¹ Changes compared to the comparable period

² During the current period SA Cement sold a non-core property for an accounting profit, which is included in EBITDA as sundry income. In the 'Adjusted' column above, this accounting profit has been eliminated from EBITDA.

The increase in group revenue for the current period was driven mainly by the increase in PPC's Zimbabwe operations while the South Africa & Botswana group revenue remained much the same as the prior period.

Group EBITDA margins (adjusted) improved to 19.4% in the current period from 16.6% in the comparable period. This resulted in a 22% increase in total group EBITDA (adjusted). The increase in both absolute EBITDA and EBITDA margins is due to effective growth in both SA Group and Zimbabwe. Operational results improved materially for the second consecutive year, as the turnaround plan benefits continue to materialise

Capital expenditure for the group is expected slightly below the guidance of R450 million for the full financial year. This is largely due to the timing of maintenance activity, with shutdowns at two of the major South African plants commencing in March 2026 and extending into the FY27 financial year.

The focus on quality returns and cash generation remains relentless, reflecting in the underlying performance of the business. Free cash flow in the South African group, being net cash inflow before financing activities, but excluding dividends from Zimbabwe and investment expenditure in the new plant in the Western Cape (RK3), amounted to R567 million in the current period. This represents a reduction from R692 million in the comparable period due to a temporary increase of R208 million in inventories, which is due to the timing of planned maintenance shutdowns, some of which will occur in March 2026. The increase in working capital will unwind as planned maintenance activities are completed.

Investment in RK3 continues to progress in line with strategic priorities. Spend on the project, including realised foreign exchange losses, amounted to some R491 million in the current period. Despite this strategic investment, at 31 January 2026, the South African group was in a net cash position of R367 million, a significant improvement from R106 million at 31 January 2025.

PPC Zimbabwe delivered a robust step change in its free cash flow generation leading to a substantial increase in total dividends declared and paid of US\$36 million (R595 million) in the current period,

compared to the US\$8 million (R142 million) paid in the comparable period. PPC Zimbabwe continues to remain debt-free and held US\$7 million in unencumbered cash at 31 January 2026.

SOUTH AFRICA & BOTSWANA CEMENT

In the current period, overall sales volumes in South Africa & Botswana remained broadly flat relative to the comparable period. The South African volumes increased by approximately 2%, but this was offset by a decline in Botswana volumes. Importantly, the low growth environment did not constrain performance, as the business continued to prioritise value, margin and quality sales over volume growth.

EBITDA (adjusted) increased by a strong 17% resulting in noteworthy margin expansion to 17.3% in the current period from 14.8% in the comparable period. This is an increase from the margin of 13.7% at the half year ended 30 September 2025. Further benefits are expected from the key areas of commercial, operations and supply chain, reinforcing the margin-led and sustainable growth trajectory.

ZIMBABWE

Volumes increased by over 22% in the current period supported by sustained strong demand across the industrial and retail sectors. Revenue increased by 19% in rand terms (24% in US\$ terms), while EBITDA grew by 23% in rand terms (28% in US\$ terms). The increase in revenue and EBITDA in rand terms was marginally lower due to the rand strengthening in the current period compared to the comparable period.

After the longer maintenance shut in the first quarter of this financial year, margins have recovered leading to overall increase by 0,9 percentage points, from 26,0% to 26,9%.

On 3 February 2026, after the close of the current period, a mill gearbox failure occurred at the Bulawayo factory, constraining cement milling at the site. Management has implemented several mitigation measures to minimise disruption for customers. The failure is expected to have a temporary negative impact on margins, mainly in February and March 2026.

SUCCESSION PLANNING

The group's chief financial officer, Brenda Berlin, has advised that she will be retiring at the end of her contract on 30 June 2026. A process is well underway for her successor to ensure a smooth handover.

OUTLOOK

Following a strong set of results for the ten months ended 31 January 2026, PPC remains well positioned to continue executing on its strategy. Growth in FY26 earnings is on top of the robust improvement achieved in FY25. In accordance with previous guidance, these improvements are expected to be consolidated in FY27, with FY28 anticipated to deliver a further step change as the benefits of the new RK3 plant are fully realised.

The construction of the best-in-class integrated cement plant is progressing well and remains on schedule, and within budget. RK3 is a core strategic investment that will result in a considerable increase in competitiveness and returns.

The Awaken the Giant strategy is delivering ahead of plan and importantly, it is a strategy not only focused on consistent execution and delivery, but also on building sustainable long-term value. Following the strong cash generation in the current period, resulting in record dividends from PPC Zimbabwe, the board of directors of PPC (“the board”) will consider a dividend in terms of its distribution policy which, amongst other factors, provides for a flow through to shareholders of any dividends received from PPC Zimbabwe.

CAPITAL MARKETS DAY

A capital markets day is planned for 18 March 2026 and will include further detail on the execution of the various initiatives in the Awaken the Giant turnaround and growth plan, progress on the new integrated plant and insights into the cement market. Further details can be found at <https://www.corpcam.com/PPC18032026>.

The financial information contained in this announcement is the responsibility of the board and has not been reviewed or reported on by the group’s independent external auditor.

Dunkeld
18 March 2026

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