AGENDA

• CHAIRMAN’S ADDRESS
• STRATEGIC OVERVIEW
• FINANCIAL OVERVIEW
• SA REGIONAL CEMENT
• REST OF AFRICA CEMENT
• MATERIALS BUSINESSES
• QUESTIONS & ANSWERS
• CLOSING REMARKS
CHAIRMAN’S OPENING REMARKS

Peter Nelson
Chairman – PPC Ltd
PPC’s Investment Case

Quality Assets

PPC has a quality portfolio of assets with an established presence in sub-Saharan Africa.

Profitability

In delivering all our projects in the Rest of Africa:
- PPC has increased its geographic footprint
- Diversified its profitability base
- Capital intense cycle has come to end
- Long term exposure to countries with
  - Large populations
  - Rapid urbanisation
  - Low per capita consumption
  - Growth opportunities

Returns

PPC remains adequately capitalised and well positioned to deliver long term sustainable shareholder returns.
KEY THEME: UNLOCKING LONG TERM SUSTAINABLE SHAREHOLDER VALUE

We are focused on creating value for all stakeholders & shareholders
STRATEGIC OVERVIEW
STRATEGY OVERVIEW

World-class excellence in all we do

Provider of materials and solutions

Innovation culture

Taking a strategic approach

Doubling our business every ten years
### Population Growth

<table>
<thead>
<tr>
<th>Country</th>
<th>Population (m)</th>
<th>Urbanisation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH AFRICA</td>
<td>56.8</td>
<td>64.8</td>
</tr>
<tr>
<td>BOTSWANA</td>
<td>2.3</td>
<td>57.4</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td>16.2</td>
<td>32.4</td>
</tr>
<tr>
<td>RWANDA</td>
<td>11.8</td>
<td>28.8</td>
</tr>
<tr>
<td>DEMOCRATIC REPUBLIC OF THE CONGO</td>
<td>86.7</td>
<td>42.5</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>92.7</td>
<td>19.5</td>
</tr>
</tbody>
</table>

### GDP per Capita

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP per capita (US$)</th>
<th>Real GDP growth (17-20E) (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH AFRICA</td>
<td>5 589</td>
<td>1.7</td>
</tr>
<tr>
<td>BOTSWANA</td>
<td>7 140</td>
<td>4.2</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td>1 027</td>
<td>1.1</td>
</tr>
<tr>
<td>RWANDA</td>
<td>1 027</td>
<td>6.9</td>
</tr>
<tr>
<td>DEMOCRATIC REPUBLIC OF THE CONGO</td>
<td>474</td>
<td>3.5</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>846</td>
<td>7.5</td>
</tr>
</tbody>
</table>

### Drivers of Growth

- Mining, Services & Manufacturing
- Mining (diamonds) & Services
- Agriculture, Mining (Platinum) & Serv.
- Agriculture (coffee & tea) & Services
- Mining (copper and cobalt)
- Mining, Construction and Wholesale & Retail Trade

### Cement Consumption/Capita

<table>
<thead>
<tr>
<th>Country</th>
<th>Cement consumption/capita (kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH AFRICA</td>
<td>243</td>
</tr>
<tr>
<td>BOTSWANA</td>
<td>284</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td>284</td>
</tr>
<tr>
<td>RWANDA</td>
<td>284</td>
</tr>
<tr>
<td>DEMOCRATIC REPUBLIC OF THE CONGO</td>
<td>23</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>45</td>
</tr>
</tbody>
</table>

### Current National Cement Production Capacity

<table>
<thead>
<tr>
<th>Country</th>
<th>Current national cement production capacity (mtpa)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH AFRICA</td>
<td>17</td>
</tr>
<tr>
<td>BOTSWANA</td>
<td>0.6</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td>0.6</td>
</tr>
<tr>
<td>RWANDA</td>
<td>0.7</td>
</tr>
<tr>
<td>DEMOCRATIC REPUBLIC OF THE CONGO</td>
<td>2.5</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>15</td>
</tr>
</tbody>
</table>

### Imports

<table>
<thead>
<tr>
<th>Country</th>
<th>Imports (tpa)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH AFRICA</td>
<td>460 000</td>
</tr>
<tr>
<td>BOTSWANA</td>
<td>190 000</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td>47 000</td>
</tr>
<tr>
<td>RWANDA</td>
<td>264 000</td>
</tr>
<tr>
<td>DEMOCRATIC REPUBLIC OF THE CONGO</td>
<td>Imports banned</td>
</tr>
<tr>
<td>ETHIOPIA</td>
<td>Imports banned</td>
</tr>
</tbody>
</table>

### Source

PPC Research

**INVESTOR MANAGEMENT DAY SEPTEMBER 2017**
LONG TERM FUNDAMENTALS REMAIN INTACT

Source: World Cement report, IMF data, PPC research
THREE PROJECTS CONVERTED TO PPC BUSINESSES IN REST OF AFRICA BY APRIL 2017

DEMOCRATIC REPUBLIC OF THE CONGO
- 1.0mtpa
- Limestone reserves 76 Mt; 54 years
- 69% subsidiary of PPC Ltd

ZIMBABWE
- 1.4mtpa
- Limestone reserves 43 Mt; 41 years
- 70% subsidiary of PPC Ltd

BOTSWANA
- Milling Depot in Gabarone
- Kgale quarries and Aggregates Botswana
- 100% subsidiary of PPC Ltd

SOUTH AFRICA
- 7mtpa
- Limestone reserves 759 Mt; 240 years
- 7 cement plants
- Aggregates quarries and Lime factory
- Subsidiaries: Pronto Readymix, Ulula Ash and Safika Cement

ETHIOPIA
- 1.4mtpa
- Limestone reserves 27 Mt; 25 years
- 38% subsidiary of PPC Ltd

RWANDA
- 600 000 tpa
- Limestone reserves 7 Mt; 13 years
- 51% subsidiary of PPC Ltd

We command market leadership in the territories that we operate in.
CAPACITY INCREASED BY 33% FROM 2016 TO 2017

Capacity build up 2015 – 2018 (mt)

- Rest of Africa capacity increased to 4.4mt

<table>
<thead>
<tr>
<th></th>
<th>Capacity in 2015</th>
<th>Rwanda</th>
<th>Capacity in 2016</th>
<th>Capacity in 2017</th>
<th>DRC</th>
<th>Ethiopia</th>
<th>Capacity in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity in 2015</td>
<td>8.0</td>
<td>0.6</td>
<td>8.6</td>
<td>11.4</td>
<td>1.4</td>
<td>11.4</td>
<td>12.4</td>
</tr>
<tr>
<td>Rwandan</td>
<td>0.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zimbabwe mill</td>
<td>8.6</td>
<td></td>
<td></td>
<td></td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DRC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethiopia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity in 2017</td>
<td>11.4</td>
<td>1.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SK9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity in 2018</td>
<td>12.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- +32.6%
- +8.8%
- +7.5%
PPC EXPANDED ITS PORTFOLIO OF ASSETS

Key opportunity to deliver returns above cost of capital

<table>
<thead>
<tr>
<th>Year</th>
<th>Countries</th>
<th>Capacity (mtpa)</th>
<th>Total Assets</th>
<th>Total equity</th>
<th>Rest of Africa (ROA) EBITDA contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>3</td>
<td>8.0</td>
<td>R6.4bn</td>
<td>R0.96bn</td>
<td>17%</td>
</tr>
<tr>
<td>2017</td>
<td>6</td>
<td>11.4</td>
<td>R18bn</td>
<td>R8.1bn</td>
<td>31%</td>
</tr>
</tbody>
</table>

Doubled
~ 2.8X
~ 8.4X
~ 1.8X

+33%
Diversified Revenue Contribution

- PPC has diversified its revenue and EBITDA
- PPC continues to generate favourable EBITDA margins in SA Cement and RoA
EBITDA CONTRIBUTIONS AND MARGINS

F2017 EBITDA Margins

- SA Cement: 21.6%
- ROA Cement: 30.5%
- Lime: 20.1%
- Agg & RMC: 12.3%

F2017 EBITDA Contribution

- SA Cement: 54%
- Lime: 7%
- ROA Cement: 8%
- Agg & RMC: 31%
### SHORT TO MEDIUM TERM STRATEGIC PRIORITIES

<table>
<thead>
<tr>
<th>Financial capital optimisation</th>
</tr>
</thead>
</table>
| • Optimal capital structure  
• Liquidity  
• Financial discipline  
• BEE III |

<table>
<thead>
<tr>
<th>Operational portfolio optimisation</th>
</tr>
</thead>
</table>
| • SA Regional Cement  
  • Revenue management – the price / volume equation  
  • Continued cost leadership – benefits from three mega plant strategy supported by three grinding plants  
  • EBITDA margin improvement of up to R50/tonne  
• Rest of Africa Cement  
  • Growing businesses to optimal levels of capacity utilisation and market share with positive cash flows  
  • Market penetration  
  • Cost leadership  
• Materials  
  • Lime – cash generation  
  • RMC – cement pull through  
  • Aggregates – optimise and maintain  
• Adopt Value Based Management principles to enhance focus on economic profit |

<table>
<thead>
<tr>
<th>Retaining and developing human capital</th>
</tr>
</thead>
</table>
| • Strong and capable leadership  
• Management continuity  
• Skills development  
• Localise expertise  
• Stability, culture and climate |
LONGER TERM STRATEGIC PRIORITIES

Leverage regional markets
- SA: Maintain/grow in our core SA Regional market
- ROA: Focus on developing cities
  - Capitalise on rapid urbanisation, large populations, low per capita consumption

Provider of materials & solutions
- Entrench the PPC brand across the continent
- Establish downstream businesses to enhance our core business
  - RMC, CPM’s in new geographies
  - Leverage PPC’s expertise and knowledge to provide solutions

Maintain competitive advantage
- Maintain quality and delivery reliability
- Leverage company footprint and logistics
- Retain/grow core skills and expertise
- Maintain efficiency and flexibility at plant level

Enhance shareholder returns
- Focus on delivering long term sustainable shareholder returns above cost of capital
  - Entrench Value Based Management principles to enhance focus on economic profit
  - Resumption of dividend payments
CORPORATE GOVERNANCE AND RISK FRAMEWORK

- Corporate governance structure
- Trust and confidence
- Leadership, sustainability and corporate citizenship
Experienced management team with the knowledge and expertise to deliver over the longer term.
STEWARDSHIP – OVER 100 YEARS OF CEMENT INDUSTRY EXPERIENCE

Interim CEO: Johan Claassen

CFO: Tryphosa Ramano

MD Southern Africa: Njombo Lekula

Executive Technical and Materials Division: Hardie de Beer

MD International: Mokate Ramafoko

Executive Sales and Marketing: Rob Rein
QUESTIONS & ANSWERS
FINANCIAL OVERVIEW
PPC continues to focus on the following:

1. **Optimal Capital Structure**
   1.1 Long-term gearing levels
   1.2 Current debt and maturity profile
   1.3 Liquidity management

2. **Financial Portfolio Optimisation**
   2.1 Cost of capital and hurdle rates
   2.2 Targeted investment returns
   2.3 Dividend framework

3. **Financial Disciplines and Processes**

4. **BEE Compliance**

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**FINANCIAL CAPITAL OPTIMISATION IN GROWING SUSTAINABLE SHAREHOLDER VALUE**
1. OPTIMAL CAPITAL STRUCTURE

- The group appointed two South African banks to assist in developing the optimal capital structure
- Significant progress has been made

**Ethiopia**
Not financially supported by the group
In production June 2017

**Zimbabwe**
Debt: R577m
PPC receives dividends and technical fees

**Southern Africa**
Debt: R1 720m
Pay technical fees

- Aggregate
- Lime
- Pronto & 3Q
- Safika
- Southern Africa

**Rwanda**
Debt: R938m
Ring-fenced debt

**DRC**
Debt: R2 208m
Debt ring-fenced post financial completion
In production April 2017

**Strategy in optimising capital structure:**
- Reduction in cost of capital
- Improving working capital
- Reducing cash tax
- Improving operational efficiencies
1.1 LONG-TERM GEARING LEVELS

- The group’s target Debt-to-EBITDA ratio is 3.5 times on a gross basis - southern Africa’s target Debt-to-EBITDA is 2.8 times on a gross basis.

- The group is actively working towards restoring the investment grade levels as per rating agencies.

- The group’s net debt to EBITDA ratio was 3.7 times in March 2016, has now reduced to 2.3 times in March 2017.
1.2 CURRENT DEBT MATURITY AND PROFILE

- Significant de-gearing post successful rights issue coupled with inflows from the B-BBEE I transaction
- Net debt reduced from R9 billion in June 2016 to R4.4 billion in June 2017
- Since March 2017, gross debt has decreased by 7% to R5.3 billion
- The R1.6 billion of debt maturing in F2019 is being refinanced
- The improved balance sheet will mitigate the adverse impact of the cyclical nature of the business
1.2 CURRENT DEBT MATURITY AND PROFILE (cont.)

- A large portion of group’s debt is from the Rest of Africa

- The Rest of Africa’s debt increased mainly due to the expansion projects, which are now coming to an end
1.3 LIQUIDITY MANAGEMENT

- PPC group liquidity is informed by the following:
  - cash generation (ability to generate cash from operations)
  - working capital management
  - capital expenditure
- Southern Africa debt as at June 2017 was R1.7bn
- Unutilised short-term facilities of R1.2bn as at June 2017
- DRC deficiency funding:
  - PPC has obligation as first project sponsor on the DRC project
  - Project financing shortfalls to date of US$31.5m have been settled from cash reserves
  - DRC has a further US$20m –US$25m requirement for funding in F2018
- There is sufficient headroom to meet short-term obligations
- The group doesn’t anticipate utilising any short-term debt facilities

With above factors under control, PPC is expected to meet its funding obligations
### 1.3.1 CAPEX GUIDANCE

<table>
<thead>
<tr>
<th>Capex guidance</th>
<th>F2018</th>
<th>F2019</th>
<th>F2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA</td>
<td>R450m – R600m</td>
<td>R650m – R800m</td>
<td>R800m – R1bn</td>
</tr>
<tr>
<td>ROA</td>
<td>R200m – R300m</td>
<td>R100m – R200m</td>
<td>R100m – R200m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>R650m – R 900m</strong>*</td>
<td><strong>R750m – R1bn</strong>*</td>
<td><strong>R900m – R1.2bn</strong>*</td>
</tr>
</tbody>
</table>

- **F2018 and F2019 capex guidance has been reduced from previously reported**
- **RSA F2018 – F2019**: bulk of capex for Slurry kiln 9
- **F2018 – F2020**: Rest of Africa capex mainly for maintenance

*Excludes Ethiopia*
### Revenue analysis by segment

<table>
<thead>
<tr>
<th>Region</th>
<th>Twelve months ended 31 March 2017 Audited Rm</th>
<th>Twelve months ended 31 March 2016 Pro forma* Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Africa</td>
<td>7,760</td>
<td>7,478</td>
</tr>
<tr>
<td>Cement</td>
<td>5,712</td>
<td>5,659</td>
</tr>
<tr>
<td>Lime</td>
<td>818</td>
<td>817</td>
</tr>
<tr>
<td>Aggregates and readymix</td>
<td>1,230</td>
<td>1,002</td>
</tr>
<tr>
<td>Rest of Africa</td>
<td>2,118</td>
<td>1,946</td>
</tr>
<tr>
<td>Cement</td>
<td>2,118</td>
<td>1,946</td>
</tr>
<tr>
<td>Inter-segment revenue / group services and other</td>
<td>(237) (2%)</td>
<td>(237) (3%)</td>
</tr>
<tr>
<td>Total revenue</td>
<td>9,641</td>
<td>9,187</td>
</tr>
</tbody>
</table>

### EBITDA analysis by segment

<table>
<thead>
<tr>
<th>Region</th>
<th>Twelve months ended 31 March 2017 Audited Rm</th>
<th>Twelve months ended 31 March 2016 Pro forma* Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Africa</td>
<td>1,551</td>
<td>1,907</td>
</tr>
<tr>
<td>Cement</td>
<td>1,235</td>
<td>1,524</td>
</tr>
<tr>
<td>Lime</td>
<td>165</td>
<td>196</td>
</tr>
<tr>
<td>Aggregates and readymix</td>
<td>151</td>
<td>187</td>
</tr>
<tr>
<td>Rest of Africa</td>
<td>645</td>
<td>540</td>
</tr>
<tr>
<td>Cement</td>
<td>645</td>
<td>540</td>
</tr>
<tr>
<td>Group services and other</td>
<td>(131) (6%)</td>
<td>(62) (3%)</td>
</tr>
<tr>
<td>Total EBITDA</td>
<td>2,065</td>
<td>2,385</td>
</tr>
</tbody>
</table>

### Net profit analysis by segment

<table>
<thead>
<tr>
<th>Region</th>
<th>Twelve months ended 31 March 2017 Audited Rm</th>
<th>Twelve months ended 31 March 2016 Pro forma* Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Africa</td>
<td>594</td>
<td>991</td>
</tr>
<tr>
<td>Cement</td>
<td>445</td>
<td>812</td>
</tr>
<tr>
<td>Lime</td>
<td>85</td>
<td>109</td>
</tr>
<tr>
<td>Aggregates and readymix</td>
<td>64</td>
<td>79</td>
</tr>
<tr>
<td>Rest of Africa</td>
<td>-1</td>
<td>11</td>
</tr>
<tr>
<td>Cement</td>
<td>(1)</td>
<td>11</td>
</tr>
<tr>
<td>Group services and other</td>
<td>(565) (271)</td>
<td></td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>28</td>
<td>731</td>
</tr>
</tbody>
</table>

### HEPS analysis by segment

<table>
<thead>
<tr>
<th>Region</th>
<th>Twelve months ended 31 March 2017 Audited Rm</th>
<th>Twelve months ended 31 March 2016 Pro forma* Rm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Africa</td>
<td>36</td>
<td>147</td>
</tr>
<tr>
<td>Cement</td>
<td>26</td>
<td>120</td>
</tr>
<tr>
<td>Lime</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Aggregates and readymix</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Rest of Africa</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>Cement</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>Group services and other</td>
<td>(34) (54)</td>
<td></td>
</tr>
<tr>
<td>HEPS</td>
<td>7</td>
<td>107</td>
</tr>
</tbody>
</table>
1.3.3 DEFICIENCY FUNDING

As previously reported, PPC will provide deficiency funding to DRC to fund the following:

- VAT
- Funding obligations
- Shortfall in operational cash flows during ramp-up

Management is working on solutions to reduce the impact of the DRC on the Centre’s cash flows, which include:

- Negotiating with lenders to restructure DRC debt
- Successful renegotiation of in-country working capital facilities
- In the process of renegotiating a 24 month extension on the payment of retention fees, of approximately US$24m, to EPC contractors
- Unlocking value in the DRC by forming joint ventures with local DRC producers and other financial equity funders
- All the above factors will reduce cash requirements for the DRC for F2018 to US$55m – US$58m; already US$31.5m has been paid from PPC cash reserves and the balance will be remitted before year end
- From the above, plus ongoing improvements in southern Africa operations, it is likely that the group’s debt will be lower by the end of the financial year
2.1 COST OF CAPITAL AND HURDLE RATES

PPC Group Optimal WACC:

- Cost of capital calculated in terms of capital asset pricing model methodology
- Our real WACC is between 7-8% based on capital asset pricing model methodology
- Return on invested capital ranged between 3-5% above WACC

PPC Hurdle rates:

- Developed hurdle rates across different countries for evaluating projects
- The hurdle rates include independently calculated country risk premium adjustments that compensate for specific risk
- Projects that are compliance related do not have hurdle rates as a criteria
- Hurdle rates are re-evaluated every 6 months
2.3 DIVIDEND FRAMEWORK

- Dividend framework is guided by the following factors:
  - Prudency regarding capital structure
  - Growth considerations

- Dividend policy is therefore flexible with regard to the:
  - Quantum
  - Form
  - Timing
3. FINANCIAL DISCIPLINES AND PROCESSES

- Given the complexity of the group in operating in different countries with different jurisdictions, legislated year ends, ERP systems, accounting and tax frameworks, the group embarked on improving efficiencies and operating structures in the finance department:
  - Additional resources were employed at a senior level including Rwanda and DRC, that will assist in managing operational finance risks
  - Appropriate and effective systems implemented
    - Treasury Management – transactions and funding scenarios/estimates
    - ERP systems in ROA and improvements/optimisation in RSA
    - Standardized transaction processing
    - Tax management and compliance (Taxpacc)
  - The above will assist in improving efficiencies and speed of decision-making
  - Proactive funding and liquidity management with governance structures embedded in financial risk management committees, funding committees and tax and technical committees that meet quarterly
  - Significant progress made in implementing centres of excellence and transactional processing (through group shared services) to be finalised by December 2017
**4. IFRS AND B-BBEE III TRANSACTION UPDATE**

<table>
<thead>
<tr>
<th>IFRS 2 charges</th>
<th>March 2017</th>
<th>March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>B-BBEE modification*</td>
<td>R174 million</td>
<td>R-</td>
</tr>
<tr>
<td>B-BBEE 2 and other</td>
<td>R32 million</td>
<td>R36 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>R206 million</strong></td>
<td><strong>R36 million</strong></td>
</tr>
</tbody>
</table>

* Once-off due to maturity of B-BBEE 1 and modification

**Empowerment transaction update**

- South African operations are required to comply with the Mining Charter, based on the then 80%:20% revenue contribution split between the Group's South African and non-South African PPC operations.

- As a consequence of the completion of the PPC Rights Offer in September 2016 and following maturity of the components of the 2008 B-BBEE transaction in December 2016, PPC’s B-BBEE ownership credentials have declined to below the effective 26%.

- Accordingly, the Board has approved a framework for a new B-BBEE transaction to ensure that the Company achieves a higher B-BBEE shareholding.

- Further information on the B-BBEE transaction will be advised in due course.
The group continues to look at the following:

- Optimal Capital Structure
- Financial Portfolio Optimisation
- Financial Disciplines and Processes
- BEE compliance
Njombo Lekula
MD: Southern Africa Cement

Rob Rein
Group Executive: Sales & Marketing
SOUTHERN AFRICA: REGIONAL CEMENTITIOUS MARKET SUPPLY/DEMAND OVERVIEW

• Supply/Demand outlook indicates overcapacity will remain for 3 – 4 years at growth rate of 2.5%. Additional capacity required circa 2020

• Thereafter, minimum economic size of kiln 1.5mtpa - at growth rate of 2.5%, new kiln required every 3 years
SOUTHERN AFRICA: THE CHANGING LANDSCAPE

2012

- Installed capacity 15.6mt
- Domestic Demand 13mt
- PPC Capacity 8mt
- PPC Effective Capacity 6.5mt

5 YEARS LATER...

2016

- Installed capacity 18.6mt
- Domestic Demand 14.4mt
- PPC Capacity 8mt
- PPC Efficient Capacity 5.3mt
SOUTHERN AFRICA: ACCESS TO THE REGIONAL MARKETS

Key take-out: Competitive landscape changed with the entrance of new players putting pressure on price and volume.
The use of our most efficient plants, restructuring our operations and optimising our logistics have all contributed.

These improvements in production efficiency were mainly due to:

- Structuring the business to meet operational requirements
- Multi-skilling and training of employees
SA Cement delivered cost of coal (based to 100)

- Over this period the real delivered cost of coal has reduced markedly due to:
  - Procuring from various key coal suppliers and maintaining sustainable relationships
  - Operating the most efficient kilns – reduced energy consumption costs

SA Cement Electricity costs (based to 100)

- Electricity costs have risen significantly but managed to achieve cost increases below the prevailing inflation rate:
  - Due to effectively managing time of use
  - Operating our most efficient units – Higher output
SOUTHERN AFRICA: KEY PRIORITIES

- Achieve sustainable pricing and grow volumes
- Bed down 3 mega plant strategy – Optimal sourcing
- Capacity expansion and optimisation
  - SK9 Expansion
  - Compliance to environmental legislation
  - SAFIKA integration
  - WC capacity plans and AMSA agreement
- Alternative fuel and energy projects
- Streamline product strategy

Successful delivery of projects
- The R1,7 billion Slurry SK9 project includes:
  - Construction of a new 3000tpd production line (SK9) using the latest energy efficient technology
  - Replacement of SK8’s electrostatic precipitator (ESP) with a bag filter in order to ensure compliance with environmental legislation in 2020
- Commissioning remains scheduled for the first half of 2018
DRIVING THE PPC VALUE PROPOSITION

- A proud South African since 1892 – 125 years
- Trusted brand with high equity
- World class lab facilities
- Intelligent cement solutions
- Consistent quality product – more than 230 000 hours of quality control annually
- Builder’s APP – real time access to information
- Technical support line & Product Support Services
- Efficient deliveries for better building project management
  - Delivers on time
  - Has a tracking mechanism to track orders
  - SMS notification on orders
  - Wider distribution network
- Customer synergy sessions
- Thought leader in all sectors
Based on actual industry numbers and PPC’s best estimates post 2016
## PPC PRODUCT PORTFOLIO: GEARED TO SERVE ENTIRE MARKET SEGMENT

<table>
<thead>
<tr>
<th>Country</th>
<th>Bags</th>
<th>Bulk</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa, Swaziland &amp; Lesotho</td>
<td><img src="image1.png" alt="Bags" /></td>
<td><img src="image2.png" alt="Bulk" /></td>
</tr>
<tr>
<td>House brands</td>
<td><img src="image3.png" alt="Bags" /></td>
<td></td>
</tr>
<tr>
<td>Botswana</td>
<td><img src="image4.png" alt="Bags" /></td>
<td><img src="image5.png" alt="Bulk" /></td>
</tr>
<tr>
<td>Mozambique</td>
<td><img src="image6.png" alt="Bags" /></td>
<td></td>
</tr>
</tbody>
</table>
SOUTH AFRICAN MARKET STRUCTURE

Domestic Cementitious Demand* (Est. 14mt)

- **Retail**: 8.6 million tonnes per annum, 61% segment share
- **CPM**: 1.7 million tonnes per annum, 12% segment share
- **Readymix**: 2.2 million tonnes per annum, 16% segment share
- **Building & Construction**: 1.5 million tonnes per annum, 11% segment share

Source: PPC Research

INVESTOR MANAGEMENT DAY SEPTEMBER 2017
**Imports Declined by 28% in Q2-2017 from Q2-2016**

Imports in the first half of 2017 have increased by 4% when compared to the first half of 2016.

However, in the second calendar quarter of 2017 imports have declined by 28% from 137k tons to 98k tons quarter on quarter.

Moreover in the Western Cape, in the same period imports declined by 41% from 39k tons to 23k tons.

Over the past 12 months the bulk of the imports have been from China.

Shipping rates have steadily been increasing over the past year while the R/$ exchange rate has strengthened over the period.

Source: South African Revenue Services

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INVESTOR MANAGEMENT DAY SEPTEMBER 2017
PRICE RECOVERY IN DIFFICULT TRADING ENVIRONMENT

Average Selling Price (“ASP”) Trends

Cement SA - net ASP (average selling price) trends

Source: PPC Research

INVESTOR MANAGEMENT DAY SEPTEMBER 2017
VOLUMES: EFFECTIVENESS OF PPC BRAND EQUITY

Resilient PPC performance in tough operating environment

Source: PPC Research - Based on PPC’s best estimate on industry volumes for H1 2016 and H1 2017
**SOUTHERN AFRICA PERFORMANCE UPDATE**

<table>
<thead>
<tr>
<th>Volumes</th>
<th>Pricing</th>
<th>PPC Performance</th>
<th>Focus Areas</th>
</tr>
</thead>
</table>
| **South Africa** | • Competitive landscape  
• Subdued growth  
• Pricing starting to move in an upward direction across the industry | • Realised an effective selling price increase of 2%  
• Volumes down marginally in this period  
• Imports down 25% in the Western Cape | • Achieve sustainable pricing and volumes  
• Enhance value offering to customers – technical support, innovative solutions, etc.  
• Strengthen partnerships with end-users – across all sectors  
• Continue to exploit synergies with Materials division  
• Enhance Route to Market strategy |

| • Low GDP growth forecast  
• Business confidence and consumer confidence levels at muted levels  
• Two less trading in this period compared to the same period last year  
• Public and private construction expenditure has slowed down | | |

| **Botswana** | • Highly competitive landscape in the Southern African region  
• Prices driven down by exports from South Africa | • Flat volumes  
• Selling price down 9% | |

| • Economy is heavily reliant on the commodity cycle  
• Economy is also mainly driven by government  
• Government spending in this period has been subdued | | | • Continue building the brand  
• Marketing activities driving the pull factor  
• Ensure we achieve sustainable price increases  
• Ensure we secure the major infrastructure projects |
INVESTOR MANAGEMENT DAY SEPTEMBER 2017

REST OF AFRICA CEMENT

Mokate Ramafoko
MD: Rest of Africa Cement
DELIVERY OF PROJECTS TO DIVERSIFIED GEOGRAPHIC PORTFOLIO

**DEMOCRATIC REPUBLIC OF THE CONGO**
- 1.2mtpa
- Limestone reserves 76 Mt; 54 years
- Project cost: ~US$300 million
- Commissioned August 2015
- 69% subsidiary of PPC Ltd

**ZIMBABWE**
- 1.4mtpa
- Limestone reserves 43 Mt; 41 years
- Constructing a 700 000tpa mill for US$82 million
- Commissioned November 2016
- 70% subsidiary of PPC Ltd

**ETHIOPIA**
- 1.4mtpa
- Limestone reserves 27 Mt; 25 years
- Project cost: US$172 million
- Commissioned April 2017
- 38% subsidiary of PPC Ltd

**SOUTH AFRICA**
- 7mtpa
- Limestone reserves 759 Mt; 240 years
- 7 cement plants
- Aggregates quarries and Lime factory
- Subsidiaries: Pronto Readymix, Ulula Ash and Safika Cement

**BOTSWANA**
- Grinding plant and depot
- Kgale quarries and Aggregates Botswana
- 100% subsidiary of PPC Ltd

**RWANDA**
- 600 000 tpa
- Limestone reserves 7 Mt; 12 years
- Project cost: US$165 million
- Commissioned August 2015
- 51% subsidiary of PPC Ltd

*Cement capacity dependent on product mix

Source: PPC Research
DELIVERING ON OUR STRATEGY THROUGHOUT THE VALUE CHAIN

**Operational excellence**

I. Energy efficiency initiatives
II. Product mix and composition
III. Entrenching PPC Best Practices
IV. Build in-country capabilities
V. Localise input costs
VI. Secure strategic input materials
VII. Compliance to legislation

**Route to market strategy**

I. Grow market share and achieve ramp up volumes
II. Excellent service delivery
III. Grow secondary businesses
IV. Provide innovative solutions to customers
V. Build sustainable relationships with customers
VI. Optimise logistics costs
VII. Build Brand in our respective markets
VIII. Technical service and support
IX. Offer vertically integrated solutions
**OPERATIONAL EXCELLENCE: ANTICIPATED INPUT COSTS AT STEADY STATE**

**Input cost (ex factory, including overheads)**

<table>
<thead>
<tr>
<th>Rwanda</th>
<th>DRC</th>
<th>Zimbabwe</th>
<th>Ethiopia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contribution to total cost of sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable cost of sales</td>
<td>60%</td>
<td>65%</td>
<td>59%</td>
</tr>
<tr>
<td>Fixed cost of sales</td>
<td>40%</td>
<td>35%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Key variable cost components as a % of total cost of sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thermal energy (note 1)</td>
<td>23%</td>
<td>34%</td>
<td>5%</td>
</tr>
<tr>
<td>Electricity (note 2)</td>
<td>12%</td>
<td>1%</td>
<td>10%</td>
</tr>
<tr>
<td>Gypsum (note 3)</td>
<td>8%</td>
<td>9%</td>
<td>1%</td>
</tr>
<tr>
<td>Packaging (note 4)</td>
<td>4%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>5%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Clinker and limestone transport</td>
<td>-</td>
<td>-</td>
<td>18%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
<td>7%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Key fixed cost components as a % of total cost of sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>17%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Overheads</td>
<td>17%</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Staff cost (note 5)</td>
<td>6%</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>Fixed component of electricity (note 2)</td>
<td>-</td>
<td>7%</td>
<td>-</td>
</tr>
</tbody>
</table>

**Note 1**
- **Thermal energy**
  - Rwanda: A combination of coal (regional source), peat (local source) and charcoal (local source)
  - DRC / Ethiopia: Coal, sourced from South Africa
  - Zimbabwe: Coal, sourced locally. Significantly lower cost than Rwanda, DRC and Ethiopia

**Note 2**
- **Electricity**
  - DRC structure different to Zimbabwe, Ethiopia and Rwanda, with a higher fixed charge. The total steady state electricity cost per ton cement in Rwanda is higher, whereas the cost in the DRC is the lowest

**Note 3**
- **Gypsum**
  - Rwanda: Sourced regionally
  - DRC: Sourced from Angola
  - Zimbabwe/Ethiopia: Sourced locally. Significantly lower cost than Rwanda and DRC

**Note 4**
- **Packaging**
  - Rwanda: Sourced regionally
  - Ethiopia: Sourced from Saudi Arabia/Pakistan
  - DRC: Sourced from South Africa and Saudi Arabia
  - Zimbabwe: Sourced from South Africa; paper bags sourced locally

**Note 5**
- **Staff costs**
  - Zimbabwe cost of labour generally higher: dollarization and footprint
## OPERATIONAL EXCELLENCE: FOCUS AREAS GOING FORWARD

### ZIMBABWE
- Localisation of input costs to deal with liquidity constraints
- Secure strategic materials
- Improve operational efficiencies
  - Thermal energy
  - Electrical energy
  - Product optimisation
- Reduce inbound logistics costs

### RWANDA
- Optimising operational efficiency to support growth in volumes
- Exploration for additional limestone reserves
- Skills development
- Implementation of PPC best practices
- Localisation of input costs
- Reduction in energy costs

### DRC
- Align fixed costs to ramp-up volumes
- Reduction in variable costs
  - Thermal energy
  - Product optimisation
- Develop human capital
- Entrench PPC Business architecture
  - HR
  - Finance, IT
  - Technical
  - Safety and environment

### ETHIOPIA
- Optimise operation to achieve ramp-up volumes
- Reduction in cost of production
  - Thermal energy
  - Product optimisation
- Stabilise operation utilising PPC support
  - Finance, IT
  - Technical/Operations
  - Safety and environment
- Structured knowledge sharing and transfer
SUCCESSFUL ROUTE TO MARKET

UNDERSTANDING OF REGION AND LANDSCAPE

REGIONAL AND MACRO DYNAMICS

UNDERSTANDING OF "WARZONE"

COMPETITIVE ENVIRONMENT

UNDERSTANDING OF MARKET STRUCTURE

MARKET DRIVERS AND INFLUENCERS

EFFECTIVE FORMULATION OF ROUTE TO MARKET STRATEGY

SUSTAINABLE BUSINESS GROWTH

INVESTOR MANAGEMENT DAY SEPTEMBER 2017
GENERAL STRUCTURE OF THE ROUTE TO MARKET

Manufacturer → Transporter → Distributor → Retailer → End-user → Market price

KEY CONSIDERATIONS

- Active co-existence within the value chain
- Optimised logistics costs
- Enhanced service delivery to customers
- Direct access to end-user
- Sustainable margins
**ROUTE TO MARKET: DIFFERENTIATION APPROACH**

Differentiation approach intends to;

1. Create purposeful partnerships geared towards mutual growth

2. Provide innovative building solutions to cater for various customer needs

3. Develop building competencies across our markets to ensure lasting legacies

4. Achieve sustainable pricing and value
ROA DIFFERENTIATORS: PURPOSEFUL PARTNERSHIPS GEARED TOWARDS MUTUAL GROWTH

**PPC container Strategy**
- Growing existing customer base
- Attracting and capacitating new customers in all potential areas especially remote areas with limited access to the trade
- Supporting third party customers in the growth of their businesses i.e. customer’s customer

**Developing customers**
- Exposure to other markets
- Mentorship for business growth
ROA DIFFERENTIATORS: PROVIDING INNOVATIVE SOLUTIONS TO CATER FOR VARIOUS CUSTOMER NEEDS

PPC bulk cement delivery Solution:
• Improved construction efficiencies at site
• Cater to large construction sector to ensure faster delivery of infrastructural projects
• Optimised customer’s business to ensure growth prospects

Product innovation:
• Provide innovative solutions to customers (i.e. Spreaders, Surecast, etc.)

Improved service:
• Improved deliveries to customers
• Technical product support
• Palletised cement
• Use of virtual warehouse
ROA DIFFERENTIATORS: DEVELOPING BUILDING COMPETENCE ACROSS OUR MARKETS TO ENSURE LASTING LEGACIES

PPC Product education and application workshops
- Enhancing builder’s knowledge of our products and correct applications
- Driving quality practices
- Ensuring that customers derive value from every PPC bag. Optimised usage = $ savings
Transport Management System

- Improved management of transporters = improved delivery efficiencies to customers; saving time and money
- Effective use of transport = transport cost savings
- Growth of secondary businesses like transport also improves the sustainability of each region
ROA – Performance in Q1 2017

ZIMBABWE
• Harare mill running very well
• Achieved YoY growth in the Northern region above 40%
• Net realised selling price improved by 5-10%
• Double digit growth in domestic volumes
• Strong partnerships with customers
• Product innovation – successful launching of Surecast

RWANDA
• Improved delivery efficiencies
• Domestic volumes up 42%
• Exports increased by more than 300%
• Net realised selling price reduced by 2% due to under-recovery on transport
• Improvements in thermal energy
  • Through use of alternative energy sources

DRC
• Successful commissioning of DRC plant
• Market share increasing month-on-month
• Improved delivery efficiencies
• Slow ramp-up due structure of the market
• Banning of imports in the Western DRC since August 2017

ETHIOPIA
• Plant commissioning started
• Commenced with cement sales in June 2017
• Pre-sold >100kt of cement
MATERIALS BUSINESS

Hardie de Beer
Group Executive: Technical and Materials Business

Piet Booysen
Executive: Materials Business

Dave Miles
MD: Readymix
MATERIALS BUSINESS

- Leadership team
- Materials within PPC context
- Geographical footprint and capacities
- EBITDA contribution
- Drivers of strategy
- Materials overall strategy
- Materials competitive advantage
- Lime
- RMC, Aggregates and Fly-ash

Ulula Ash
MATERIALS BUSINESS LEADERSHIP TEAM

**Piet Booysen**  
BEng (mining), MDP  
21 years experience in the cement and materials industry (mining expertise and operational management at various levels)

**Hardie de Beer**  
BEng (mechanical), MBL  
21 years experience in the cement industry (extensive technical and management expertise at various levels)

**Riaan Redelinghuys**  
HND (industrial engineering)  
22 years experience in the aggregates and materials industry (aggregate expertise and operation and sales management)

**Dave Miles**  
HND (civil engineering and advance concrete technology), LDP  
26 years experience in the readymix and materials industry (concrete technical expertise and operational and sales management)

**Altes van Zyl**  
CA (SA), BCom (law)  
4 years experience in the ready-mix and ash industry (audit expertise and financial management)

**Con Schoombie**  
BEng (industrial), MBA  
20 years experience in the lime industry (lime expertise and operational and sales management)

Materials Division consists of 950 employees
PROVIDER OF MATERIALS AND SOLUTIONS

- PPC has defined itself as a materials and solutions business
- Large investment in cement, both in South Africa and the rest of the continent
  - New investment opportunities limited in short term
- Relatively low investment in materials and solutions
  - RMC and Aggregates presents opportunities to grow in a low capital, small increments, quick entry, quick cash generation and easy exit environment
  - RMC important pull-through for cement – 180 kt per annum
  - Lime business deliver solid cash flows, but limited strategic fit

3Q readymix integrated to the PPC brand
### GEOGRAPHICAL FOOTPRINT AND CAPACITY

<table>
<thead>
<tr>
<th></th>
<th>Gauteng</th>
<th>N-West</th>
<th>Limpopo</th>
<th>MP</th>
<th>EC</th>
<th>NC</th>
<th>Botswana</th>
<th>Moz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lime</td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agg</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>RMC</td>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Ash</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Lime** has a mine and factory in the Northern Cape and a depot in Mpumalanga. Burnt products 950 kt per annum, currently at 65% utilisation.

- **Aggregates** has 4 commercial quarries supplying aggregates, metallurgical dolomites, agricultural lime, etc: Two quarries are situated in Gauteng and two in southern Botswana with a total of 4200 kt per annum.

- **Readymix** has 29 plants: There are 11 plants in Gauteng (divided into Pretoria, Midrand and East Rand regions), 16 plants in North West, Mpumalanga, Limpopo, Eastern Cape and Northern Cape and 2 operations in Northern Mozambique - total of 100 000 m³ per month capacity, currently at 70% utilisation.

- **Ash** has a plant at Kriel power station in Mpumalanga. Total of 500 kt capacity per annum, currently at > 95% utilisation.
MATERIALS BUSINESS STRATEGY – KEY DRIVERS

- **Strategy driven by:**
  - Sites (location and material)
  - Market size and location
  - Nature:
    - ✓ Fragmented (RMC and Aggregates)
    - ✓ Capital intensive (Lime and Ash)

Lime Quarry
MATERIALS OVERALL STRATEGY SHORT TERM

Protect and Grow selectively

<table>
<thead>
<tr>
<th>WATCH</th>
<th>GROW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sites &amp; products</td>
<td>RMC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISINVEST</th>
<th>HOLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potentially specific sites</td>
<td>Lime but continuously evaluate</td>
</tr>
<tr>
<td>Ulula</td>
<td>Aggregates</td>
</tr>
</tbody>
</table>
Protect and Grow selectively

**WATCH**
- Technology & projects
- Sites & products

**GROW**
- Aggregates
- RMC

**DISINVEST**
- Potentially specific sites
- Lime but continuously evaluate

**HOLD**
- Ulula
### PORTFOLIO COMPARISON AND COMPETITIVE ADVANTAGE

<table>
<thead>
<tr>
<th>Core Activities</th>
<th>PPC</th>
<th>AFRIMAT</th>
<th>RAUMIX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregates</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Mining</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Lime</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Asphalt</td>
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</tr>
<tr>
<td>RMC</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Contract Crushing</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ash</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

**PPC Materials competitive advantage**

- **RMC**: Agile, innovative with industry leading expertise. Business model pivots on profit centre basis down to each operating unit.

- **Aggregates**: Great asset base, but limited footprint.

- **Ash**: Well located (Gauteng and exports) and leverage to keep bought-in fly-ash prices in check.

- **Lime**: Cost control, long term relationships, innovative exploitation of markets.
PPC LIME MARKET SEGMENTATION

- **Iron & Steel**: 84%
- **Nonferrous Metals**: 3%
- **Building Materials**: 3%
- **Environmental Protection**: 6%
- **Chemical & Others**: 4%

**Key takeouts**

- Market leader in SA lime industry
- Significant exposure to Iron and Steel, environmental offers strong growth opportunities
LIME CUSTOMER FOOTPRINT

Key takeout

• Well located for exports and wide customer base
LIME STRATEGY EXECUTION

- **Market:**
  o Holding its own under difficult trading conditions for the steel and gold mining industries, which are major customers. I&S outlook is flat, but stable as it is a strategic industry in SA. Declining gold being replaced by growing environmental market
  
  o Diversification is a focus area in our current strategy. PPC is targeting value added products and services, especially in the green and blue economies where lime products play role. PPC invested in a Mpumalanga depot to exploit aglime and water treatment opportunities and improve service offering to current steel customers
  
  o Positioning for key projects and products (tailings treatment, autoclave aerated concrete production, precision farming fertilizers, high density milk of lime opportunities, etc.)

- **Margin:**
  
  o PPC lime has maintained its very positive EBITDA and free cash flows. Excellent cost performance with costs flat in real terms over last 3 years

- **Outlook:**
  
  o Focus on logistic solutions, reducing energy intensity and costs further and securing extended supply agreements

---

**Lime Factory**
RMC, AGGREGATES AND ASH – QUALITY ASSET PORTFOLIO
RMC, AGGREGATES AND ASH FOOTPRINT

**Limpopo**
- Amandelbult
- Lephalale

**Gauteng**
- 11 Plants
- 2 Quarries

**North West**
- Boshoek
- Brits
- Rustenburg

**Northern Cape**
Kathu

**Mpumalanga:**
- eMalahleni
- Everest
- Kusile
- Mafube
- Middelburg
- Rietspruit
- Secunda
- Ulula Ash

**Eastern Cape**
Port Elizabeth

- Two plants in northern Mozambique
- Two quarries in southern Botswana
- Three plants being refurbished

**Key take outs**
- Opportunities to grow geographically within SA, target metros and rural with specific tailor-made strategies
Key take out:

- Aggregates in north only, RMC well represented across Gauteng
Key take outs

• Healthy balance between major segments and wide spread across others
ULULA ASH MARKET SEGMENTATION

Key takeouts
- 2nd largest player in market
- Healthy balance between three largest segments
ASh average selling price trend

Ash Sand 3%

Class S 38%

Class N 59%

Product split 2017
RMC AVERAGE SELLING PRICE

Pronto average selling price trend

3Q average selling price trend

USD based project

Specific low margin contract

Mamba initiated drop
RMC, AGGREGATES AND ASH STRATEGY

- RMC: Optimise footprint and maximize pull-through at the highest possible price. Very focused cost management. Explore further synergies with cement and aggregates. Customer base spread to minimize margin risk and downstream integration opportunities.

- Aggregates: Maintain, optimise margins from dolomitic limestone and spread revenue base. Exploit Tshwane Integrated Development Plan opportunities due to favorable location.

- Fly-ash: Focussed operation, optimise export opportunities, maintain high value customers. Secure future competitive cost supply of fly-ash to PPC.
CLOSING REMARKS

Johan Claassen
CEO: PPC Ltd
STRATEGIC ACTION TO UNLOCK SUSTAINABLE LONG TERM SHAREHOLDER VALUE

- PPC is focused on delivering long term sustainable shareholder returns above its cost of capital
- We continue to execute on our short and long term strategic priorities
- This is supported by a robust corporate governance framework
- We have an experienced management team to deliver on our strategic priorities
- This should ensure that the company realises its intrinsic value
STEWARDSHIP – EXECUTIVE LEADERSHIP TEAM

Tryphosa Ramano (45)  
CFO  
• Appointed CFO of PPC in 2011  
• Tryphosa was CEO of WIP International (a subsidiary of WIPHOLD focused on African expansion)  
• Tryphosa also served as CFO of SAA, and prior to that, she was requested to join National Treasury, where she set up a business unit with financial oversight of state-owned entities  
• CA(SA)

Njombo Lekula (49)  
MD - Cement RSA  
• Johan is a professional engineer who joined PPC in 1989  
• He has served PPC in a number of key positions including as an executive in cement operations and lime  
• He was previously employed by the Department of Water Affairs, progressing to regional engineer  
• BEng (University of Stellenbosch), EDP (Wits Business School)

Johan Claassen (58)  
Interim CEO  
• Appointed CFO of PPC in 2011  
• Tryphosa was CEO of WIP International (a subsidiary of WIPHOLD focused on African expansion)  
• Tryphosa also served as CFO of SAA, and prior to that, she was requested to join National Treasury, where she set up a business unit with financial oversight of state-owned entities  
• CA(SA)

Njombo Lekula (49)  
MD - Cement RSA  
• Njombo is a chemical engineer who joined PPC in 1990  
• He joined PPC Zimbabwe from May 2013 in the position of Managing Director  
• He previously held the position of executive group services where he headed the Technical, Projects, Procurement and Supply Chain divisions  
• BSc (Chemical) and MBA degree from the University of Stellenbosch

Mokate Ramafoko (44)  
MD: International  
• Mokate joined PPC in February 2004  
• He has over 23 years of experience and expertise in cement manufacturing, quality assurance and cement process optimisation.  
• BSc (Hons) Metallurgy, MBA

Rob Rein (41)  
Executive: Sales and Marketing  
• Rob joined PPC in February 2015 on secondment from Safika Cement  
• He joined IDM’s sales department in 1998 and is now a Director and shareholder  
• BCom (Accounting) from the University of Pretoria
STEWARDSHIP – EXECUTIVE LEADERSHIP TEAM

- Hardie joined PPC in February 1996
- He has engineering and technical expertise in the cement industry.
- Beng (mechanical), MBL (University of South Africa)

- Jaco joined PPC in 2007
- He has practiced law at some of the prestigious corporate legal firms in Sandton, but then left practice for corporate life.
- BA (Law), LLB (University of the North West), MBA, LLM

- Neil joined PPC in February 2016
- He has strategic leadership in manufacturing and mining industries
- BSc (mechanical), MBA (University of Cape Town) and Bproc (University of South Africa)

- Siobhan joined PPC in November 2014
- She has extensive experience and expertise in communications.
- BSc Microbiology (University of Leeds), MBA (GIBS)

- Anashrin joined PPC in October 2014
- He has more than 12 years of investment experience having worked as an equity analyst at Stanlib Asset Management and as a rated sell side analyst at Afrifocus Securities covering the industrials sector.
- BSc Actuarial Science
INVESTOR CONTACTS

Anashrin Pillay
Investor Relations – anashrin.pillay@ppc.co.za
Vuyo Nombila
Investor Relations – vuyo.nombila@ppc.co.za

Tel. +27 11 386 9000
www.ppc.co.za
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