

FY25

AUDITED ANNUAL

FINANCIAL STATEMENTS

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133
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BUILDING
STRENGTH



PPC

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PPC

FEEDBACK

We encourage feedback on our integrated reporting suite.

Kindly direct feedback to the group company secretary

Mr Kevin Ross
kevin.ross@ppc.co.za
+27(11) 386 9585

Details for obtaining copies of the integrated report are also available from our group company secretary.



APPROVAL OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

The directors of PPC Ltd (the company) and PPC Ltd and its subsidiaries (the group) are responsible for the preparation of the annual financial statements that fairly present the state of affairs of the company and group as at the end of the financial year and of the profit or loss and cash flows for that year in accordance with International Financial Reporting Standards (IFRS[®]) Accounting Standards and per the requirements of the Companies Act 71 of 2008 (Companies Act). The directors of the company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information.

The board of directors (the board) is responsible for the systems of internal control, including controls over the security of the group and company website and electronic distribution of annual reports and other financial information. These are designed to provide reasonable but not absolute assurance as to the reliability of the annual financial statements and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements and loss. The systems are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties.

The internal audit function is led by the group internal audit executive and comprises internal employees and external resources where required. It serves management and the board by performing, amongst other things, an independent evaluation of the adequacy and effectiveness of risk management, internal controls and financial reporting mechanisms.

The group continues to address control weaknesses identified. However, the group's improved system of internal controls, supplemented where necessary by compensating procedures, continues to provide a reasonable basis for the preparation of reliable annual financial statements in all material aspects.

The annual financial statements have been prepared in accordance with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act and are based on appropriate accounting policies, supported by reasonable judgements. These accounting policies have been applied consistently compared to the prior year.

The annual financial statements have been compiled under the supervision of B Berlin CA(SA) (chief financial officer) and have been audited in terms of section 29(1) of the Companies Act.

The board is of the opinion that the company and the group have adequate resources to continue in operation for the foreseeable future based on forecasts and available cash resources and accordingly, the annual financial statements have been prepared on a going concern basis (refer to note 1.4 and, in the case of the company, note 1.4).

It is the responsibility of the external auditor to express an opinion on the company and group annual financial statements. For their unmodified report to the shareholders of the company and group, refer to the independent auditor's report.

The annual financial statements of the company and the group for the year ended 31 March 2025 as set out on pages 07 to 120 were approved by the board at its meeting held on 6 June 2025 and are signed on its behalf by:



PJ Moleketi
Chairman



M Cardarelli
Chief executive officer



B Berlin
Chief financial officer

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER (FINANCIAL DIRECTOR) RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, hereby confirm that:

- (a) The annual financial statements set out on pages 07 to 120, fairly present in all material respects the financial position, financial performance and cash flows of PPC Ltd and its consolidated subsidiaries in terms of International Financial Reporting Standards (IFRS).
- (b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and separate annual financial statements false or misleading.
- (c) Internal financial controls have been put in place to ensure that material information relating to PPC Ltd and its consolidated subsidiaries have been provided to effectively prepare the consolidated and separate annual financial statements of PPC Ltd.
- (d) The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls. Where we are not satisfied, we have disclosed to the audit, risk and compliance committee (ARCC) and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies.
- (e) We are not aware of any fraud involving directors.



M Cardarelli
Chief executive officer

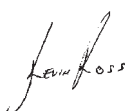


B Berlin
Chief financial officer

The directors confirm that remedial actions in respect of the deficiencies reported to the audit, risk and compliance committee and the auditor, as referred to above, commenced in the 2022 financial year and are ongoing. Refer to the report by the audit, risk and compliance committee on page 14 for further details.

CERTIFICATE BY COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that PPC Ltd has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that such returns are true, correct and up to date.



K Ross
Company secretary

6 June 2025

PREPARER OF THE FINANCIAL STATEMENTS

These financial statements have been prepared under the supervision of the chief financial officer, B Berlin CA(SA).



B Berlin
Chief financial officer

6 June 2025

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PPC LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of PPC Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

WHAT WE HAVE AUDITED

PPC Limited's consolidated and separate financial statements set out on pages 17 to 117 comprise:

- the consolidated and company statements of financial position as at 31 March 2025;
- the consolidated and company statements of profit or loss for the year then ended;
- the consolidated and company statements of other comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

OUR AUDIT APPROACH

Overview



As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

INDEPENDENT AUDITOR'S REPORT **CONTINUED**

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

	Consolidated financial statements	Separate financial statements
Final materiality	98 712 098	R40 070 000
How we determined it	1% of total revenue	1% of total assets However, as this calculated materiality exceeds the group allocated materiality, it was limited to R40 070 000 to ensure the lower materiality was used.
Rationale for the materiality benchmark applied	We chose consolidated revenue from contracts with customers as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users for evaluating the Group's performance in an environment of volatility in profits and reflects the Group's core operational activities. We chose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using revenue as a benchmark in calculating materiality.	We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of PPC Ltd (standalone) is most commonly measured by its users for evaluating the entity's performance. This is due to the main economic activity of PPC Ltd being the investment it holds in entities on behalf of the Group. We chose 1% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using total assets as a benchmark in calculating materiality.

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our scoping assessment included consideration of the financial significance of the Group's twenty components as well as the sufficiency of work planned to be performed over material consolidated financial statement line items. We identified three components that were considered to be significant financially or based on the risk associated with the components and their contribution to total consolidated revenue and total consolidated assets. Full scope audits were performed on these three components. In addition to the full scope audits we performed the audit of specified account balances over one component, based on their financial significance, and to obtain coverage across the Group. Where the work was performed by component auditors, we determined the level of involvement necessary in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

We assessed the competence, knowledge and experience of the component auditors and evaluated the procedures performed on the significant audit areas to assess the adequacy thereof in pursuit of our audit opinion on the consolidated financial statements. Throughout the audit, various discussions were held with the component auditors, and we inspected component auditors' working papers relating to areas of significant risks in the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

INDEPENDENT AUDITOR'S REPORT **CONTINUED**

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report*/the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	How our audit addressed the key audit matter
<p>Zimbabwe Land Grant</p> <p>Refer to the following notes to the Group financial statements for details: Note 1: Basis of Preparation; Note 5: Investment Property; and Note 21: Government Grant</p> <p>PPC Zimbabwe Ltd, a subsidiary of the PPC Group received a free grant from the Government of Zimbabwe in the form of 418 hectares of land, measured at a nominal amount of R37 million.</p> <p>The land located in Zimbabwe was previously owned by PPC Zimbabwe Ltd and expropriated by The Government of Zimbabwe in 2012. In December 2024, The Government of Zimbabwe granted to PPC Zimbabwe Ltd the land without any conditions.</p> <p>The land was transferred effectively in December 2024, which is also the initial date of recognition.</p> <p>IAS 20 is applicable on initial recognition of the land, since the free grant meets the definition of government grants in terms of IAS 20 and was provided unconditionally to PPC Zimbabwe Ltd.</p> <p>At year end, the PPC Group could not determine a reliable fair value for the land and therefore recognised the land at its nominal amount. In addition, as at 31 March 2025 management had not determined a use for the land and therefore in terms of IAS 40, par 8, land currently held for an undetermined future use is considered Investment Property.</p> <p>The transfer of the land was initially recognised at a nominal amount of R37 million in terms of IAS 20 and classified as Investment Property in terms of IAS 40 as at 31 March 2025. The recognition of the land resulted in a corresponding gain of R37 million in the statement of profit or loss for the year ended 31 March 2025.</p> <p>There were no tax consequences for the grant of the land in terms of the applicable Tax Rules.</p> <p>We considered the Zimbabwe free grant of land to be a matter of most significance to the current year audit due to this being a significant transaction that is outside the Group's normal business, and which resulted in judgements with respect to:</p> <ul style="list-style-type: none"> ● Recognition, measurement and presentation of the land granted; ● Legal compliance relating to the land transferred; and ● The tax treatment in terms of the applicable Tax Rules relating to the transfer of the land 	<p>Our audit addressed this key audit matter as follows:</p> <p>We assessed the land's:</p> <ul style="list-style-type: none"> ● initial recognition in terms of IAS 20 ● classification in terms of IAS 40 ● measurement of nominal amount using the initial cost price after making currency adjustments for hyperinflation and change in functional currency <p>We reviewed the "Deed of Transfer" relating to the transfer of the land. We confirmed the terms of the Deed of Transfer date as at December 2024, which rendered the transfer effective.</p> <p>We inspected other regulatory correspondence; to confirm the validity of the transfer in terms of the applicable laws and regulations. No matters for further consideration were noted.</p> <p>Using our technical experts, we evaluated the classification and measurement of the land in terms of IAS 20 and IAS 40, to ensure the appropriate accounting treatment of the land.</p> <p>We reperformed the accounting entries, including the land's nominal amount with currency adjustments. This was performed to assess, if the accounting entries were appropriate. No material misstatements were noted.</p> <p>We assessed the tax consequence of the land received, to ensure compliance with relevant tax rules. No material differences or matters for further consideration were noted.</p> <p>We reviewed the disclosures related to the land in the annual financial statements to confirm that they are appropriate in terms of IFRS Accounting Standards requirements.</p>

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the document titled "FY25 Audited annual financial statements", which include(s) the Directors' Report, the Audit, Risk and Compliance Committee Report and the Certificate by Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "PPC Integrated Report 2025", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT **CONTINUED**

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of PPC Limited for 3 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: N Ndiweni
Registered Auditor
Johannesburg, South Africa

6 June 2025

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The PPC board of directors has pleasure in presenting its report on the financial statements of the company and group for the year ended 31 March 2025.

NATURE OF THE BUSINESS

PPC Ltd, its subsidiaries and equity-accounted investments operate in Africa as producers of cement, aggregates, readymix and fly ash.

The principal activities of the group remain unchanged from the previous reporting period.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

PPC delivered significantly improved profitability and cash flow generation for the twelve months to 31 March 2025 (the current year) compared to the twelve months to 31 March 2024 (the prior year), despite continued pressure on cement volumes in both South Africa and Zimbabwe, as well as in the readymix and ash businesses.

Group revenue decreased 1,9% to R9 871 million (FY24: R10 058 million) mainly due to a 6,7% reduction in Zimbabwe's revenue as PPC's SA & Botswana group revenue was relatively stable, increasing by 0,6%.

Due to the implementation of initiatives pursuant to the turnaround strategy, the main driver of the group's improved performance was the reduction in cost of sales, which decreased 5,8% to R7 922 million (FY24: R8 409 million), combined with the reduction in administration and other operating expenditure of 8,2% to R950 million (FY24: R1 035 million). These cost improvements were the primary driver of the 59% increase in trading profit to R982 million (FY24: R619 million).

Group EBITDA increased by 28% to R1 593 million (FY24: R1 242 million) and EBITDA margins expanded encouragingly. Group EBITDA margin increased by 3,8 percentage points to 16,1% (FY24: 12,3%) accelerating the group towards its medium-term target of >20%.

Depreciation reduced by R49 million in the current year, R25 million of which was due to an assessment of an increase in the useful lives of assets.

Impairments totalling R181 million were taken in the current year (FY24: R267 million). All the impairments taken in the current year were specific asset impairments. No cash-generating units needed to be impaired. Of the R181 million, R155 million relates to the De Hoek mine and the Riebeeck factory due to the decision to build a state-of-the-art integrated plant in the Western Cape (RK3). Mining of limestone at De Hoek will largely cease from FY26 as a direct result of the increased mining at the better quality Riebeeck quarry, and the existing raw milling lines at Riebeeck will cease to operate as RK3 is constructed. The prior year impairment related mainly to the mothballing of the swing kiln lines at Slurry and Dwaalboom as well as the Jupiter milling plant. All these assets however, remain readily available should they be needed due to increased volumes.

Finance costs decreased 19,1% to R106 million (FY24: R131 million) mainly due to lower long-term borrowing levels in South Africa compared to the prior year combined with improved pricing of these facilities when they were renegotiated in September 2024. Investment income increased to R63 million (FY24: R42 million) on higher cash balances compared to the prior year, mainly due to improved cash generation as well as the retention of 33% (some R250 million) of the net proceeds on the sale of CIMERWA in the prior year.

Profit before tax increased meaningfully to R774 million (FY24: R233 million) and profit after tax was R466 million (FY24: R88 million).

Higher profits resulted in an increase in taxation to R308 million (FY24: R145 million) although the effective tax rate for the current year is 40%, it has significantly improved from the prior year rate of 62%. The cash tax rate of the group, excluding a once-off item, is at 32,6%, in line with internal targets but higher than the statutory rate. This higher rate is mainly due to withholding taxes on dividends received, non-deductibility of costs in PPC Limited and non-deductibility of certain in-country costs in Zimbabwe. There was a once-off negative impact on the effective rate of 3,5% due to the conclusion of a SARS audit on PPC Cement SA for FY20 and FY21. The balance of the increase in the actual effective tax rate is largely due to not raising deferred tax assets for certain entities in the group with assessed losses.

Earnings per share increased to 32 cents (FY24: 6 cents) in line with the significant increase in profit for the year as there were only minor movements to the number of shares in issue during the year. Headline earnings per share increased to 40 cents (FY24: 19 cents), mainly due to the adjustments for the after tax impairment charges.

Cash generation and working capital management was defined as a key focus area. The group's net cash inflow before financing activities increased by R789 million to R1 049 million (FY24: R260 million, excluding discontinued operations) mainly due to the improved operating cash flows (R359 million) and reduced inventory levels (R368 million).

Disciplined capital allocation continued in the current year with capital expenditure totalling R373 million (FY24: R400 million) for the year.

Following the conclusion of the sale of PPC's investment in CIMERWA (Rwanda), a special dividend totalling R521 million, being 66% of the net proceeds received, was declared and settled during the current year. An ordinary cash dividend totalling R213 million, declared in June 2024, was also settled during the current year. The net cash outlay relating to both the special and ordinary dividends amounted to R703 million.

Group gross debt declined to R502 million (FY24: R779 million) and the group improved its net cash positive position to R370 million (FY24: R78 million) due to the lower gross debt number and a marginally stronger cash position of R872 million (FY24: R857 million). The main drivers of the movement in net cash from 31 March 2024 are the improvement in net cash inflows before financing activities to R1 049 million (FY24: R260 million from continuing operations) and the net dividend paid of R703 million (FY24: Rnil).

Of the R872 million group cash holdings, R720 million is attributable to the SA & Botswana group. The SA & Botswana group has total debt of R502 million and financial leases of R137 million leaving the overall SA & Botswana group is in a net cash position. The SA & Botswana group leverage objective remains at or below net debt to EBITDA of 1,3 – 1,5 times.

DIRECTORS' REPORT CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

SA AND BOTSWANA CEMENT

Cement sales volumes in South Africa and Botswana for the current year were down 2,3% when compared to the prior year. In the South African market, the competition across both the industrial and construction segments and the retail segment intensified during FY25. Nevertheless, the cement sales in the second half of the year grew period-on-period but a full year recovery was hampered by the heavy rains affecting the fourth quarter of the year. Botswana sales experienced a significant drop in the last quarter of the year due to the impact that rains had on the rail logistics that supply that market.

Notwithstanding declining volumes, average selling price increases resulted in cement revenues increasing year-on-year. However, the price increases implemented in June 2024 and February 2025 did not hold completely due to competitor pricing. Overall, including clinker sales outside the group, the SA & Botswana group revenue increased by 2,3% to R5 839 million (FY24: R5 709 million).

Despite input cost inflation and continued high electricity tariff increases during the year, total costs including depreciation decreased 1,8%, driven by cost discipline and the benefits of the turnaround actions, namely in-housing logistics, optimising the source of cement sales, fuel mix optimisation and increased use of extenders in cement.

In the current financial year, the methodology used by PPC Group Services (Group Services) to charge management fees to the other group companies was changed. In addition, with effect from 1 October 2024, all the assets and employees of Group Services were taken over by PPC Cement SA. It is therefore more representative in the current financial year to assess cost reduction in the SA and Botswana Cement segment, including admin and other operating expenses of the PPC Ltd and other segment. On this basis, total costs reduced by 2,8%.

EBITDA increased 22% to R837 million (FY24: R684 million) as margins expanded by 2,3 percentage points to 13,6% (FY24: 11,3%). In the first half of the financial year, EBITDA increased by 10% compared to first half of the prior year. However, in the second half of the current financial year, EBITDA increased by 40% on the comparable period partially due to a weaker comparable period but also as cost control was embedded and savings started to realise due to operational efficiencies.

Strict capital allocation criteria contained overall capital expenditure to R200 million (FY24: R263 million).

During the current year, PPC Cement SA refinanced its core borrowing facilities on behalf of the SA & Botswana group to re-establish an appropriate repayment profile and to secure improved pricing. Gross debt of the SA & Botswana group reduced by R277 million to R502 million (FY24: R779 million) and net leverage levels remain well below the target range of 1,3 to 1,5 times the last 12 months EBITDA of the SA & Botswana group. Post year-end these facilities were further enhanced as disclosed in some detail in note 34 – Events after the reporting date.

MATERIALS BUSINESS

Aggregates, readymix and ash

Overall, revenue for the materials division decreased by 9,3% to R910 million (FY24: R1 003 million), as volumes in the readymix and ash businesses reduced by 21,2% and 25,8% respectively. Aggregates volumes increased by 17% compared to the prior year. The segmental EBITDA amounted to R24 million (FY24: R43 million). This represents

an improvement in operational results given that the prior year EBITDA was enhanced by a positive once-off non-cash item of R55 million. In the current year, the second half was significantly weaker than the first half although total annual EBITDA remains positive due to a cost savings focus.

Zimbabwe

PPC's operation in Zimbabwe reported a 5,5% decrease in sales volumes compared to the prior year. In H2 FY24, imports in the country normalised and volumes in H2 FY25 recovered to almost the comparable period levels.

While revenue for the current year decreased by 6,7% to R3 122 million (FY24: R3 346 million) profitability improved significantly due to improvements across all cost lines – variable, fixed and administrative costs. Against a background of volumes reducing by 5,5%, cost of sales reduced by 14,4% (R392 million) and admin and other operating expenses reduced by R46 million. Improved in-country clinker production resulted in a lower volume of purchased clinker further improving margins.

EBITDA increased to a record R849 million (FY24: 675 million) and EBITDA margin increased 7,0% points to 27,2% (FY24: 20,2%).

Zimbabwe remains debt-free and had unrestricted cash holdings at 31 March 2025 of R118 million up from R40 million at 31 March 2024. Some 94% of PPC Zimbabwe's cash is held in hard currencies. Zimbabwe declared and paid US\$13 million in dividends during the current year (FY24: US\$11 million).

Capital expenditure increased to R147 million in the current year (FY24: R105 million). The driver of the increased spend was maintenance expenditure at the Colleen Bawn integrated plant due to two kiln stoppages in the current year, mainly to replace mill liners, compared to one short stop in the prior year given the extended kiln shutdown in FY23.

DIVIDENDS

The board approved an amendment to the distribution policy in June 2024, which has the effect of calculating a distribution in two distinct parts being:

- a distribution in an amount that would result in the target leverage range for the SA and Botswana group being net debt at or below 1,3x – 1,5x the SA and Botswana EBITDA, before dividends from Zimbabwe; plus
- a distribution of an amount up to the gross dividend received by PPC Ltd from PPC Zimbabwe.

The SA & Botswana group reported strong cash generation in the current period, including receiving record dividends from PPC Zimbabwe. At 31 March 2025, the SA & Botswana group is net cash positive.

The board considered the five-year budgets it approved in February 2025, which included the material capital expenditure commitment for the new integrated plant in the Western Cape (RK3). Taking all the variables into consideration, the board has approved the continuation of a cash dividend based on a 12-month forward-looking gearing level of 1,0 x the SA and Botswana EBITDA, excluding dividends from Zimbabwe. The board also approved the distribution of the gross dividend received by PPC Ltd from PPC Zimbabwe as an ordinary dividend. The board is comfortable that sufficient headroom is maintained on the SA and Botswana facilities after taking into account the committed RK3 capital expenditure.

DIRECTORS' REPORT **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

Accordingly, an ordinary dividend of 17,6 cents per share has been declared, resulting in a gross cash outlay of R274 million (FY24: ordinary dividend of R213 million). This is broken down as follows:

- a dividend of 1,9 cents per share (R30 million) from the SA and Botswana group; plus
- a dividend of 15,7 cents per share (R244 million) being the dividends received from Zimbabwe.

Taking into account the dividends received by the subsidiary that repurchased PPC Ltd shares in FY24, the net cash outlay is R264 million.

STRATEGIC UPDATE

As explained previously, the "Awaken the Giant" strategy includes the addressing and fixing of identified gaps, the turnaround plan itself and the continued strategic focus on value accretive opportunities. Together, these are fundamental to our goal of improving competitiveness and ensuring sustainable growth.

Addressing and fixing the gaps identified was the initial priority and is well advanced. While this challenge was considerable, the sense of urgency to change the organisational core and refocus our people has been tremendously impactful. The specific initiatives to close the gaps included appointing key strategic expertise, simplifying the previous complex structure, the realignment of the corporate culture and rebuilding data quality and reliability. After months of development, detailed management information, specifically pertaining to costing and revenue generation, is now available for decision making. These cultural changes require ongoing energy and focus to remain entrenched and are key to the effective implementation of the rest of the turnaround strategy.

The turnaround plan itself is centred on eight focus areas, which are grouped into four key performance areas namely: the operations and supply chain functions, the commercial area, a 'less is more' approach and finally a cost discipline mindset. The current year's results delivered a step change ahead of expectations, and are mainly driven by those initiatives that could be implemented relatively quickly. These are within the "cost discipline mindset" and "less is more" key performance areas, and the early stages of the operational improvements. While progress has been made with insourcing logistics and has yielded some benefits in the current year, incremental change will now come from the longer lead time initiatives which include a new commercial division, continued logistics changes and the delivery of operational efficiencies through the plant performance improvement plan. Although there is an execution challenge in delivering these plans, we have the discipline, as well as a committed team, to deliver the goals and objectives.

Finally, in line with PPC's continued strategic focus on value accretive opportunities, the development of a best-in-class integrated cement plant in the Western Cape was announced on 16 January 2025. This strategic initiative will secure PPC's cost competitiveness and low carbon cement leadership in the years ahead. The material reduction in variable costs due to the advanced technology being introduced, and lower fixed costs, as well as efficiencies stemming from a single site operation, will ensure the plant is far more value accretive, when compared to our existing plants in the Western Cape. Importantly, this will be achieved without relying on market growth. The real benefit of this project is expected to start materialising in FY28. We have also intensified our decarbonisation plan, implementing a series of renewable energy projects including embedded solar, wheeling solar, wind power and battery storage.

The cement industry landscape is changing in terms of market players, global and local competitors and expansion strategies. One thing that is common is the increased competition from new plants

and advanced technology. This will change the market dynamics and the existing producer's position in the medium-term. PPC's competitiveness strategy is built to better position PPC in an evolving market. It is a comprehensive strategy designed to enable short-term value growth, while the foundations for long-term sustainable value creation are built.

OUTLOOK

PPC's view of the macro-economic environment remains positive. We believe that there will be steady and slow improvements in the environment in the coming years. However, PPC's long-term sustainability does not rely on an improved overall economic environment. Our focus will continue, as demonstrated in the FY25 results recovery, to be on unlocking internal value. Ultimately, our competitiveness strategy will position PPC even better once infrastructure projects begin to materialise.

The PPC group remains committed to building a successful local cement industry. This means accountability to ensure that South African consumers receive quality products. Constructive dialogue, and more importantly, action from producers and public regulators is needed to safeguard the industry and public safety.

During the year under review, PPC's strategy was defined and implementation started. We have set a new direction for sustainable growth and value creation for the short, medium and long term. Underpinning our strategy are clear financial metrics, namely, consistent growth in the EBITDA margin and return on invested capital (ROIC). FY25 was initially 'year zero' of our turnaround strategy, but the combined effect of closing the gaps and accelerating the turnaround has delivered substantial results ahead of schedule. Notwithstanding the significant margin and cash flow improvements in the current year, opportunities remain to unlock additional value. Incremental improvements are anticipated in the financial years FY26 and FY27 from the turnaround efforts.

While these will include further cost savings, the longer lead time changes to:

- the commercial function, focused on maximising contribution margin;
- the operations and supply chain functions, especially in relation to logistics and the plant performance improvement plan, will be the main drivers of further financial improvements.

The next step change in financial performance is envisaged in FY28 after the new integrated plant in the Western Cape (RK3) becomes operational. Supported by a strong balance sheet, the construction of RK3, entailing a spend of R3 billion over two years, will commence in FY26.

FINANCIAL RESULTS

Accounting policies

The annual financial statements have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Companies Act 71 of 2008. The principal accounting policies have been applied consistently with the previous year.

The company and consolidated annual financial statements include balances, transactions and other items where the application of judgement is necessary. To the extent that significant judgement was applied, the areas of judgement are noted and the appropriate disclosure is reflected in the respective notes to the consolidated and company annual financial statements.

Further details on the judgements, key inputs and sensitivity disclosures can be found in note 1 to the consolidated and company annual financial statements.

DIRECTORS' REPORT **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

Impairments testing

PPC performs impairment assessments annually. In accordance with IAS 36 *Impairment of Assets*, goodwill is assessed irrespective of whether there is any indication of impairment.

Individual material assets included in property, plant and equipment were considered for impairment. During the year, certain assets that are no longer in use with carrying amounts were identified. These assets were impaired and derecognised from the asset register.

The board concluded that the following impairments were appropriate:

Impairments	Rm 2025
Impairment of individual assets	
PPC Cement SA (Coastal business unit)	155
Readymix Gauteng region	15
PPC Cement SA (Inland business unit)	11
Net impairment loss	181

SIGNIFICANT ACCOUNTING MATTERS

Arlington land

In 2012, the Government of Zimbabwe expropriated 530 hectares of land from PPC Zimbabwe (Arlington land). In December 2024, The Government of Zimbabwe issued PPC Zimbabwe with a Deed of Transfer for 418 hectares of the Arlington land. The issue of the land was stated to be a "free grant". The receipt of the land was recognised as an unconditional government grant. Management has not established what the land will be used for, therefore classification as investment property was determined as appropriate. The investment property was recognised at a deemed nominal value of R37 million.

Refer to note 5 and 21 for more details.

EVENTS AFTER REPORTING DATE

Refer to note 34 in the consolidated financial statements for events after the reporting date.

FINANCIAL REPORTING PROCESS

Under the oversight of the audit, risk and compliance committee (ARCC), PPC has continued to embed and improve the design and effectiveness of its comprehensive financial reporting framework. The framework ensures there are key controls in five main financial reporting areas which are elaborated on in the ARCC report.

The ARCC's overall assessment of the group's internal controls over financial reporting is that such controls are operating effectively. However, given that the group's control environment can mature further, adequate compensating measures have been taken where appropriate to provide reasonable assurance that the annual financial statements fairly present in all material respects the financial position, performance and cash flows of the group and company in accordance with the accounting standards.

The chief executive officer and chief financial officer (CFO) have disclosed to the ARCC and the auditors a comprehensive list of the deficiencies in design and operational effectiveness of the internal financial controls, together with a description of the actions required to be taken to remediate these deficiencies. The committee is satisfied that the rectification actions will improve the effectiveness of the internal financial controls, particularly at the business-unit level.

PPC performs impairment calculations annually or whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. All of PPC's cash-generating units (CGUs) are assessed for indicators or conditions that may suggest an impairment or a reversal of previous impairments recognised.

During the current financial year, management reassessed the appropriateness of the aggregation of assets for the group's previously identified CGUs and concluded that no change was needed.

Refer to note 20 for further detail on impairments.

The ARCC reviewed the expertise of the CFO for the year ended 31 March 2025 under whose supervision the FY25 annual financial statements have been prepared, and was satisfied that she had the qualifications and experience to discharge her duties.

MATERIAL RISKS

People and critical skills

PPC faces a shortage of relevant experience and knowledge in critical roles, with a limited internal talent pool. This has resulted in poor decision-making and operational inefficiencies. Having to rely on external hires for key positions has resulted in delays in filling these roles.

Targeted training programmes to upskill employees and on-the-job training is the core strategy to transfer skills to our existing employees.

Organisational culture

A lack of discipline and ownership leads to poor accountability and inconsistent performance, which negatively affects the implementation of the turnaround plan.

Further strengthening the management team and enforcing stricter consequence management will instil a culture of accountability and commitment.

Business and operational processes

Many business processes are outdated, inconsistently applied, or not well understood by users. This results in inefficiencies, delays, poor quality outputs and a weakened culture of execution.

Modernising and enforcing key processes will streamline operations, reduce cost and embed consistency, improving overall performance and agility.

Business operations

High costs of production, lack of equipment reliability and a reactive safety culture increase margin pressure.

Strict adherence to the asset care and maintenance plan and driving a reduction in clinker factor will improve plant reliability and reduce costs. Instilling a proactive safety culture will also enhance margins and operational resilience.

DIRECTORS' REPORT **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

System and data inadequacies

Poor system use, data inaccuracy and weak SAP proficiency impair decision-making and increase inefficiencies. Data gaps and manual processes raise the risk of fraud and operational misalignment.

A systematic review of and closure of business process gaps combined with training of all system users will result in better system use. Data integrity will support informed decision-making, enhance productivity and enable automation across the value chain.

External factors

PPC is exposed to a range of external risks including unreliable state-owned enterprises, sub-standard products, political instability, fiscal uncertainty in Zimbabwe and rising carbon regulation. These factors threaten operations, cost structures and revenue stability.

Proactive management of external risks will enhance resilience, ensure regulatory compliance and position PPC for sustainable, competitive growth in a volatile market.

Compliance and reputation liabilities

Weak procurement and environmental controls, along with regulatory misalignment at plant level, expose PPC to reputational, legal and financial risk. These issues also affect compliance with evolving environmental and mining regulations.

Strengthening compliance and operational governance will reduce legal exposure, build trust with regulators and enhance PPC's licence to operate.

Policies

An overload of complex and overlapping policies is slowing down decisions and increasing non-compliance risk. This creates confusion across teams and burdens management with unnecessary administrative load.

Simplifying and clarifying the policy framework will facilitate faster decision-making, improved compliance and greater alignment across business functions.

SUBSIDIARY COMPANIES

Details of the group's subsidiaries can be found in note 35 to the annual financial statements. There have been no changes to the shareholding of operating subsidiaries during the year.

DIRECTORS' INTEREST IN THE ISSUED SHARES OF THE COMPANY

The aggregate direct and indirect beneficial holdings of directors and members of their immediate families (none of whom holds over 1%) in the issued ordinary shares of the company are detailed below.

	Number of shares as at 31 March 2025	%	Number of shares as at 31 March 2024	%
Matias Cardarelli	7 455 255	0,48	7 455 255	0,48
Noluvuyo (Nono) Mkhondo indirect non-beneficial holding through Value Capital Partners	246 300 866	15,85	246 300 866	15,85
	253 756 121	16,33	253 756 121	16,33

There has been no change in the directors' interest since year-end.

CORPORATE GOVERNANCE

The group subscribes to the code of good corporate practices and conduct as contained in the King IV Report on Corporate Governance for South Africa (King IV). The PPC board has satisfied itself that the company has complied in all material aspects with the code as well as the JSE Limited (JSE) Listings Requirements.

PROPERTY, PLANT AND EQUIPMENT

At March 2025, the group's net investment in property, plant and equipment amounted to R5 543 million (2024: R5 894 million), details of which are set out in note 2 to the consolidated annual financial statements.

There has been no change in the nature of the property, plant and equipment or to the policies relating to the use thereof during the year.

Impairment assessments of individual material assets and all CGUs were undertaken during FY25. Details of these impairments have been discussed earlier in this report. Discussion around the methodology applied is included in note 20 to the consolidated annual financial statements.

Details of the group's capital commitments of R2 552 million (2024: R206 million) can be found in note 27.

STATED CAPITAL

On 31 March 2025, the issued stated capital of the company was 1 553 764 624 (2024: 1 553 764 624) no par value shares.

At year-end, stated capital amounted to R4 379 million (2024: R4 352 million). The only movements in stated capital were as a result of the purchase, vesting and forfeiture of shares for participants of the long-term employee incentive scheme.

Details of authorised, issued and unissued shares at 31 March 2025 are disclosed in notes 12 and 25 to the consolidated annual financial statements.

SHAREHOLDER INFORMATION

The register of members of the company is open for inspection to members and the public, during normal office hours, at the offices of the company's transfer secretaries, Computershare Investor Services (Pty) Ltd or at Corpserve (Pvt) Ltd (Zimbabwe).

Details of the transfer secretaries can be found in the corporate information section on page 120.

Details relating to the beneficial shareholders owning more than 3% of the issued stated capital of the company appear on page 119 of this report.

COMPLIANCE WITH APPLICABLE LAWS

The board hereby confirms that the company is:

- In compliance with the provisions of the Companies Act and laws of establishment, specifically relating to its incorporation
- Operating in conformity with its memorandum of incorporation (MOI)

DIRECTORS' REPORT **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

DIRECTORS

The directors in office at the date of this report are as follows:

Name	Designation	Date of appointment
Phillip Jabulani (Jabu) Moleketi	Non-executive independent chair	March 2018
Matias Cardarelli	Executive director – CEO	December 2023
Brenda Berlin	Executive director – CFO	February 2021
Nonkululeko Gobodo	Non-executive director	February 2017
Bjarne Moltke Hansen	Non-executive director	November 2021
Kunyalala Maphisa	Non-executive director	February 2021
Nono Mkhondo	Non-executive director	March 2018
Charles Naude	Non-executive director	January 2015
Mark Richard Thompson	Non-executive director	May 2019

Mr BM Hansen and Mr C Naude are required to retire by rotation in terms of the company's MOI at the AGM on 3 September 2025. Abbreviated CVs for each director will be provided in the notice to the AGM.

The PPC board charter provides for a clear balance of power and authority at board level to ensure that no one director has unfettered powers of decision-making.

In accordance with principle 7 paragraph 10 of King IV, the board approved a directors diversity policy, which became effective from 4 December 2019. In accordance with that policy, the PPC reward and talent committee (RTC) reviews and assesses board composition on behalf of the board and recommends the appointment of new directors.

Board committees

Audit, risk and compliance committee (ARCC)

Along with its statutory responsibilities, the ARCC provides independent oversight of the effectiveness of the group's internal audit, finance and assurance functions, risk management, and technology and information governance, in addition to overseeing PPC's compliance with relevant laws and regulations. The committee also assists the board in monitoring PPC's reporting activities, including the annual financial statements, integrated report and other external reports (or other external reporting functions).

The ARCC comprises at least three non-executive directors elected by shareholders at the AGM on recommendation from the RTC. All members of the ARCC are independent non-executive directors with the appropriate qualifications. Furthermore, the chairman of the board is not eligible to be a member of the ARCC. The ARCC met six times during the financial year, all of which meetings were scheduled ordinary meetings. The ARCC comprised the following members throughout the period:

Membership as at 31 March 2025	Meeting attendance	Appointed to committee
Mark Thompson (chair)	6/6	1 May 2019
Nonkululeko Gobodo	6/6	8 February 2017
Nono Mkhondo	6/6	17 May 2018

Attendees by invitation

CEO
CFO
Chief strategy officer (CSO)
Chief operations officer (COO)
Head of group internal audit
Head of internal control
Chief legal and compliance officer and group company secretary (CLCO)
Head of group treasury, risk and assurance
Chief information officer
Senior financial executives
Representatives from the external auditor

Social, ethics and transformation committee (SETCO)

The role of SETCO is to assist the board by providing independent oversight and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships while facilitating and supporting the development of transformation objectives. SETCO's activities include fulfilling its statutory duties as set out in section 72(4)(a) of the Companies Act 78 of 2001 (the Act), read with regulation 43 to the Act. SETCO comprises at least three directors or prescribed officers, the majority of whom are independent non-executive directors, with the required skills and experience to fulfil their duties pertaining to the company's matters and businesses to be elected by shareholders at the AGM on recommendation from the RTC. The committee met three times during the year and no extraordinary meetings were held.

DIRECTORS' REPORT **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

SETCO comprised the following members at year-end:

Membership as at 31 March 2025	Meeting attendance	Appointed to committee
Nonkululeko Gobodo (chair)	3/3	10 November 2017
Matias Cardarelli	3/3	14 March 2024
Bjarne Hansen	3/3	1 November 2021
Kunyalala Maphisa	3/3	1 February 2021
Jabu Moleketi	3/3	13 April 2018
Attendees by invitation		
CLCO		
CSO		
COO		
Chief human resources officer (CHRO)		

Reward and talent committee (RTC)

In its nominations role, the RTC oversees the appointment of executive and non-executive directors to the board, ensures succession planning at board level, reviews the structure, size and composition of the board and its committees, and evaluates the performance of the board, its committees, its chairman and individual members. In its remuneration role, the RTC ensures PPC remunerates fairly, responsibly and transparently while promoting the achievement of strategic objectives and positive outcomes in the short, medium and long-term.

The RTC comprises at least three non-executive directors, the majority of whom are independent, with the required skills and experience to fulfil their duties. The RTC meets at least three times per year, with additional meetings scheduled as necessary. The RTC met eight times during FY25 of which four were extraordinary meetings. The RTC comprised the following members at year-end:

Membership as at 31 March 2025	Meeting attendance	Appointed to committee
Nono Mkhondo (chair)	8/8	1 October 2021
Jabu Moleketi	8/8	1 October 2021
Charles Naude	8/8	1 October 2021
Attendees by invitation		
CEO		
CLCO		
CHRO		
Representatives from external remuneration advisers		

The remuneration policy and remuneration implementation report will be circulated with the notice of the AGM.

Strategy and investment committee (S&IC)

The S&IC supports the board with recommendations relating to PPC's investment and divestment decisions, as well as recommendations on operational improvement projects to maximise stakeholder value. The committee operates within the strategic guidelines established by the board.

The S&IC comprises at least three non-executive directors, the majority of whom are independent and have the appropriate expertise and experience to fulfil their duties. The S&IC is mandated to hold three meetings annually, with additional sessions held as required to effectively discharge its duties. During FY25, the S&IC

met three times. The S&IC comprised the following members at year-end:

Membership as at 31 March 2025	Meeting attendance	Appointed to committee
Charles Naude (chair)	3/3	13 April 2015
Matias Cardarelli	3/3	14 March 2024
Bjarne Hansen	3/3	1 November 2021
Kunyalala Maphisa	3/3	1 February 2021
Mark Thompson	3/3	1 August 2019
Daniel Smith ^(a)	3/3	1 October 2022
Attendees by invitation		
CFO		
COO		
CSO		
CLCO		

^(a) Resigned 31 March 2025.

SPECIAL RESOLUTIONS

At the AGM held on 4 September 2024, the following special resolutions were approved:

- Granting approval for the company to enter into intercompany loans by way of financial assistance in terms of sections 44 and 45 of the Companies Act with subsidiaries and other related entities within the group
- Authorised the company to pay remuneration to non-executive directors for their services as non-executive directors
- General authority to repurchase own shares or acquisition of the company's shares by a subsidiary company

SPECIAL RESOLUTIONS PASSED BY SUBSIDIARY COMPANIES

PPC South Africa Holdings (Pty) Ltd as the sole shareholder of PPC Group Services (Pty) Ltd adopted a special resolution authorising the sale and assignment of the assets and liabilities of PPC Group Services (Pty) Ltd to PPC Cement SA (Pty) Ltd.

COMPANY SECRETARY

The company secretary of PPC Ltd is Kevin Ross. His business and postal addresses appear in the corporate information section. The board has considered and satisfied itself of the competence, qualifications and experience of the company secretary.

ARCC

The directors confirm that the ARCC has addressed specific responsibilities required in terms of section 94(7) of the Companies Act 71 of 2008, as amended. Further details are contained within the report of the ARCC.

AUDITOR

The board approved, on the recommendation of the ARCC, that PricewaterhouseCoopers Inc (PwC) be appointed as the group's auditors for the financial year ended 31 March 2025, in terms of section 90 of the Companies Act, which appointment was approved by shareholders at the AGM held on 4 September 2024.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT



I am pleased to present our report to the shareholders on the activities of the audit, risk and compliance committee (ARCC) for the year ended 31 March 2025.

Mark Thompson
Chairman

TERMS OF REFERENCE

The ARCC has formal terms of reference that were reviewed during the year and approved by the board. The committee is satisfied that it has dealt with all matters delegated to it in terms of its approved terms of reference for the year ended 31 March 2025 (FY25).

The ARCC met six times during FY25, all of which meetings were scheduled meetings. During FY25 and as of the date of this report, the committee comprised the following independent non-executive directors:

Committee member	Qualifications	Meeting attendance	Appointed to committee
Mark Thompson (chairman)	CA(SA), BCom, LLB, BAcc	6/6	1 May 2019
Nonkululeko Gobodo	CA(SA)	6/6	8 February 2017
Nono Mkhondo	CA(SA), BAcc, MBA	6/6	17 May 2018

Mr Mark Thompson was appointed as chairman of the ARCC on 29 August 2019. The CEO, CFO, head of internal audit, senior financial executives, along with representatives from the external auditors, attend committee meetings by invitation. The head of internal audit and external auditors have unrestricted access to the committee.

ROLES AND RESPONSIBILITIES

The ARCC is a statutory committee established in terms of section 94 of the Companies Act 71 of 2008, as amended (Companies Act), and is a committee of the board. In addition to its specific statutory responsibilities, the board has assigned additional responsibilities to the committee in terms of the JSE Limited (JSE) Listings Requirements and King IV. In summary, the ARCC's responsibilities include:

- Assisting the board by advising and making submissions on financial reporting
- Overseeing governance, risk management and compliance processes, and internal controls over financial reporting
- Overseeing information technology (IT) and IT governance within the group
- Overseeing the external and internal audit functions

During the year, the committee continued to work closely with the management team to further improve the main governance systems for which it has oversight responsibility, namely the risk management, compliance, combined assurance systems and the group's financial reporting function.

The committee receives and deals appropriately with any concerns or complaints, whether from within or outside PPC or on its own initiative, relating to the accounting practices and internal audit of the group, the content and audit of the group's financial statements, the internal financial controls of the group and any other related matter.

Appointment of an independent external auditor

In executing its statutory duties for the year, the ARCC:

- In terms of the provisions of section 94 of the Companies Act, nominated PricewaterhouseCoopers Inc (PwC) for reappointment as PPC's external auditors for FY25
- Approved PwC's terms of engagement, audit plan and fees for the year
- Ensured that the appointment of PwC complies with the Companies Act and the JSE Listing Requirements
- Satisfied itself with the credentials of both the firm and Mr Nqaba Ndiweni as the designated audit partner, both of whose appointments were approved at PPC's annual general meeting on 4 September 2024
- Satisfied itself that PwC and the designated audit partner are independent of the group, as set out in section 94(8) of the Companies Act

PPC has an approved policy setting out the nature and extent of any non-audit services that may or may not be provided by the group's external auditors. The committee is satisfied that all non-audit related services were carried out in accordance with the non-audit-services policy.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT **CONTINUED**

FINANCIAL STATEMENTS

The committee reviewed the audited annual financial statements (AFS), short-form announcements and accompanying reports to shareholders and other announcements on the group's FY25 results. The committee oversaw the preparation of the AFS in terms of IFRS and other appropriate standards as required by the JSE, taking into account the JSE's report on proactive monitoring of financial statements and its report on the combined findings (over the years) of the proactive monitoring of financial statements. This included a review of the group's materiality policy, key accounting items (including the significant matters mentioned in the directors' report), and areas of significant judgement and material assumptions and estimates made by management. In the committee's view these were appropriate, and it recommended the AFS for approval by the board.

During the year, PPC continued to embed and improve the design and effectiveness of its comprehensive financial reporting framework. This framework ensures that there are key controls in the following five key financial reporting risk areas:

- Comprehensively documented controls, which have been allocated to control owners across the group, for the purpose of providing reasonable assurance as to the integrity of the routinely produced (day-to-day) numbers
- A formalised process to deal with (via formal technical papers) key accounting matters, being matters involving complex accounting, non-business as usual transactions, areas where significant judgement or estimation is applied and where new accounting standards/interpretations are involved
- Procedures aimed at ensuring compliance with accounting disclosure requirements, including where these are not readily apparent from the accounting records – such as going concern issues, covenant compliance, post balance sheet events, related-party transactions, provisions and contingent liabilities and material commitments
- Controls and review procedures over the consolidation process
- A range of higher-level review procedures designed to give additional comfort as to the material correctness and fair presentation of the AFS in terms of IFRS

During the year, the group internal control function continued to focus on the testing of the design and operating effectiveness of the controls over routine transactions across the group. The CFO and the committee were satisfied that other components in the financial reporting framework compensated for those controls that were not fully effective.

At year-end, with the CFO, the committee reviewed the operating effectiveness of the 16 controls in the five areas of the financial reporting framework and was well satisfied with the progress made on entrenching these across the group.

Based on this work, the committee's overall assessment of the group's internal controls over financial reporting is that:

- A comprehensive, effectively designed control and financial reporting framework has been in place and that, in general, the various components are operating effectively
- Ownership of controls has been embedded in the organisation down to individual sites across the business
- Any identified shortcomings in the design and/or operation of specific controls or processes have either been addressed or plans are in place to address the shortcoming
- No material financial loss or error has resulted from a failure in the financial control environment

- Given that the group's control environment can mature even further, adequate compensating measures have been taken where appropriate to provide reasonable assurance that the financial reporting of the group fairly presents in all material respects the financial position, performance and cash flows of the group and the company in accordance with the accounting standards

As required by the JSE Listing Requirements (paragraph 3.84(k) thereof), the CEO and CFO have disclosed to the committee and the auditors a comprehensive list of the identified deficiencies in design and operational effectiveness of the internal financial controls, together with a description of the actions required to be taken to remediate these deficiencies. The committee is satisfied that the rectification actions will further improve the effectiveness of the internal financial control environment.

CFO and finance function

Ms Brenda Berlin was appointed as CFO on 1 April 2021. The committee is satisfied with the effectiveness of the finance function under her direction.

The committee also satisfied itself as to the qualifications and experience of the CFO to discharge her duty to supervise the preparation of the FY25 AFS and to manage the financial affairs of the group.

Other responsibilities

Internal audit

The committee is responsible for overseeing the internal audit function and the appointment and remuneration of the head of group internal audit. The committee was satisfied with the competency of the head of group internal audit and the internal audit function but is of the view that this function could add more value to the group than it currently does.

During the year, the committee:

- Reviewed and approved the group's internal audit plan, along with amendments thereto, the internal audit charter and internal audit budget
- Monitored the progress internal audit made compared to the plan
- Reviewed internal audit's compliance with its charter
- Ensured that the internal audit function is independent, adequately qualified and experienced, and that its scope of work and access to required information was not restricted
- Reviewed the extent to which the internal audit function has coordinated with other internal and external assurance providers in providing assurance coverage
- Reviewed the internal audit results and significant audit findings together with the relevant management comments and remediation plans
- Reviewed internal audit's periodic reporting and the overall annual assessment of the effectiveness of the group's governance, risk management and control processes, in accordance with King IV principle 15 recommended practice 59

During the year, the group internal audit risk-based plan assessed the effectiveness of internal controls (including financial controls), risk management and governance processes. The operating effectiveness of the financial controls selected for testing in FY25 varied and exceptions were reported for remediation. In assessing the group's risk management, compliance and combined assurance processes, internal audit identified certain areas where improvements were required, and these are being attended to by management.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT **CONTINUED**

Combined assurance

The committee is charged with ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities which address the significant risks facing PPC and the effectiveness of its key governance systems. This model assesses effectiveness of assurance across the group's four key risk frameworks, being: business risks, legal and policy compliance risks, financial reporting risks and IT risks.

The combined assurance function is responsible for:

- the maintenance of the combined assurance frameworks, policies and map
- consolidating and reporting on combined assurance activities across the four levels of assurance
- Identifying any gaps in the assurance process and working with assurance providers across the group to address these gaps

During the reporting period, the group's risk management framework and policy were updated and the combined assurance map re-aligned to the risks outlined in the updated framework and policy.

In the committee's view the combined assurance process remains effective, but could be improved with further automation and this will be reconsidered in due course.

Tax function

As part of its overall responsibility for financial reporting, the committee also has specific responsibility for the tax function. The function is responsible for the group's tax compliance, tax related financial reporting and for providing transaction advice. The function operates within a solid control environment. The institutional knowledge and technical competence within the tax team has matured very well.

During the year, the function also focused on further strengthening of its control environment through regular detailed control self-assessments. The committee is satisfied that the tax function is performing well.

Treasury function

The treasury function is responsible for liquidity planning, debt funding and compliance with funding terms. Additionally, the team manages the group's financial risks, including interest rate, foreign exchange and counterparty risk. The function manages and monitors these exposures and recommends appropriate hedging strategies to address them.

The treasury function has good resources and a stable team with firmly entrenched skills to perform optimally and ensure efficient and effective management of all treasury aspects. The committee is satisfied that the treasury function has a good control environment and is performing well.

Business risk management

The committee is responsible for overseeing the group's risk governance framework and policy, risk disclosures and reporting procedures.

The group business risk management function is charged with the:

- Maintenance of the risk management framework and policies
- development and implementation of a structured environment for the identification, consolidation and reporting of the business risks and opportunities faced by the group

During FY25, the function revised the risk framework and policy and provided a detailed report of the material risks of the group and mitigating actions being addressed by the responsible risk owners in the business. The framework and policy further entrenched the risk management process as follows:

The risk management process comprises the following stages, namely:



The updated framework also outlined which risks would be overseen by the various sub-committees of the board with the board directly responsible for oversight of the main strategic risks of the group.

The group business risk function supports the business risk owners in identifying, categorising, and evaluating their risks and also assists the risk owners in consistent documentation of appropriate mitigating actions.

The committee is satisfied with the progress made in the management of the group's risks and opportunities. During FY26, the focus will be on embedding the new risk framework in the business.

Information technology (IT)

The committee exercises ongoing oversight over the group's IT function and IT governance.

The IT function is responsible for providing:

- a stable infrastructure for the business
- a secure technology environment
- continuity and recovery of information and services
- effective risk management practices

The IT function remains stable, and its performance in providing stable infrastructure, a secure technology environment and continuity of systems is good.

Further progress is required to automate and standardise high-risk business processes. This, together with SAP training for business users, needs improvement and will remain a key area of focus in FY26.

Compliance with laws, regulations and group policies

The committee is also responsible for overseeing the effectiveness of the system that aims to provide reasonable assurance as to the group's compliance with laws, regulations and group policies, as well as the results of management's investigation and follow-up of any fraudulent acts or non-compliance.

The legal and compliance function is responsible for:

- identification and management of legal risks
- managing any litigation by or against the group
- monitoring compliance with relevant laws and regulations
- investigating whistleblower complaints and any detected or reported fraud

The committee is of the opinion that the performance of the function is satisfactory, with particular progress having been made in FY25 on compliance monitoring using a new electronic compliance tool. Various reports on the effectiveness of the systems, procedures and controls employed by the company to ensure compliance with statutes, regulations and the group policies were considered by the committee.

The committee is satisfied that all relevant regulatory compliance matters were considered during the preparation of the group's FY25 AFS.

Opinion

The committee is satisfied that it has discharged its legal, regulatory and governance duties and responsibilities, and that it has functioned in accordance with its terms of reference.

On behalf of the audit, risk and compliance committee

Mark Thompson
Chairman

6 June 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
ASSETS			
Non-current assets		6 025	6 359
Property, plant and equipment	2	5 543	5 894
Right-of-use assets	3.1	125	144
Other intangible assets	4	61	68
Investment Property	5	37	—
Financial assets	6.1	221	207
Other non-current assets	6.2	18	4
Deferred taxation assets	7.3	20	42
Current assets		2 990	3 193
Inventories	9	1 219	1 355
Trade and other receivables	10	892	969
Taxation receivable		7	12
Cash and cash equivalents	11	872	857
Assets held for sale	8	1	3
Total assets		9 016	9 555
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	12.1	4 379	4 352
Other reserves	12.2	(7 201)	(7 204)
Retained profit		8 585	8 822
Equity attributable to shareholders of PPC Ltd		5 763	5 970
Non-controlling interests	12.3	(75)	(73)
Total equity		5 688	5 897
Non-current liabilities		1 656	1 637
Provisions	13	138	164
Deferred taxation liabilities	7.3	917	1 131
Long-term borrowings	14	500	225
Lease liabilities	3.2	101	117
Current liabilities		1 672	2 021
Provisions	13	6	8
Trade and other payables	16	1 521	1 327
Lease liabilities	3.2	40	37
Short-term borrowings	14	2	554
Taxation payable		103	95
Total equity and liabilities		9 016	9 555

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
Continuing operations			
Revenue from contracts with customers	17	9 871	10 058
Cost of sales		(7 922)	(8 409)
Gross profit		1 949	1 649
(Increase)/decrease in expected credit losses on financial assets		(17)	5
Administration and other operating expenditure		(950)	(1 035)
Trading profit before items listed below:	28	982	619
Fair value and foreign exchange movements	19	(21)	(30)
Impairments	20	(181)	(267)
Government grant	21	37	—
Profit before finance costs and investment income		817	322
Finance costs	23	(106)	(131)
Investment income	24	63	42
Profit before taxation		774	233
Taxation	7	(308)	(145)
Profit for the year from continuing operations		466	88
Profit for the year from discontinued operations	8.1	—	422
Profit for the year		466	510
Attributable to:			
Shareholders of PPC Ltd – continuing operations		466	88
Shareholders of PPC Ltd – discontinued operations		—	318
Non-controlling interests		—	104
		466	510
Earnings per share (cents)			
	25		
Basic – group		32	27
Diluted – group		32	27
Basic – continuing operations		32	6
Diluted – continuing operations		32	6
Basic – discontinued operations		—	21
Diluted – discontinued operations		—	21

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Foreign currency translation reserve		Financial assets at fair value through other comprehensive income		Post-retirement benefits		Retained profit		Total comprehensive income/(loss)	
	March 2025	March 2024	March 2025	March 2024	March 2025	March 2024	March 2025	March 2024	March 2025	March 2024
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Profit for the year	—	—	—	—	—	—	466	510	466	510
Items that will be reclassified to profit or loss on disposal										
Translation of foreign operations ^(a)	(9)	32	—	—	—	—	—	—	(9)	32
Loss reclassified to profit or loss on disposal of foreign operation	—	12	—	—	—	—	—	—	—	12
Revaluation of financial assets ^(b)	—	—	3	—	—	—	—	—	3	—
Items that will be not reclassified to profit or loss										
Actuarial loss on post-retirement benefits ^(c)	—	—	—	—	(1)	—	—	—	(1)	—
Other comprehensive income/(loss) net of taxation	(9)	44	3	—	(1)	—	—	—	(7)	44
Total comprehensive income/(loss)	(9)	44	3	—	(1)	—	466	510	459	554
Attributable to:										
Shareholders of PPC Ltd – continuing operations	(9)	113	3	—	(1)	—	466	88	459	201
Shareholders of PPC Ltd – discontinued operations	—	(50)	—	—	—	—	—	318	—	268
Non-controlling interests	—	(19)	—	—	—	—	—	104	—	85

^(a) The currency conversion guide is presented in note 1.5. and 19.2.

^(b) Revaluation of financial assets has a tax impact of R1 million (2024: R0.1 million).

^(c) Actuarial loss on post-retirement has a tax impact of R0.3 million (2024: Rnil).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Other reserves ^(a)								Total equity
	Stated capital	Foreign currency translation reserve	Financial assets at fair value through other comprehensive income	Post-retirement benefit	Equity compensation reserve	Retained profit	Equity attributable to shareholders of PPC Ltd	Non-controlling interests	
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
March 2025									
Balance at 31 March 2024	4 352	(7 325)	(4)	5	120	8 822	5 970	(73)	5 897
Movement for the year	27	(9)	3	(1)	10	(237)	(207)	(2)	(209)
IFRS 2 charges	—	—	—	—	42	—	42	—	42
Shares purchased in terms of the share incentive scheme	(5)	—	—	—	—	—	(5)	—	(5)
Vesting of share incentive scheme	32	—	—	—	(32)	—	—	—	—
Actuarial loss	—	—	—	(1)	—	—	(1)	—	(1)
Profit/(loss) for year	—	—	—	—	—	466	466	—	466
Other comprehensive income/(loss)	—	(9)	3	—	—	—	(6)	—	(6)
Dividends declared	—	—	—	—	—	(703)	(703)	(2)	(705)
Balance at 31 March 2025	4 379	(7 334)	(1)	4	130	8 585	5 763	(75)	5 688
March 2024									
Balance at 31 March 2023	4 544	(7 388)	(4)	5	569	7 999	5 725	617	6 342
IFRS 2 charges	—	—	—	—	28	—	28	—	28
Disposal of subsidiaries	—	—	—	—	—	(75)	(75)	(659)	(734)
Shares purchased in terms of the share incentive scheme	(24)	—	—	—	—	—	(24)	—	(24)
Vesting of share incentive scheme	31	—	—	—	(31)	—	—	—	—
Purchase of PPC Ltd shares by a subsidiary	(199)	—	—	—	—	—	(199)	—	(199)
Other movement ^(b)	—	—	—	—	(446)	492	46	(46)	—
Profit/(loss) for year	—	—	—	—	—	406	406	104	510
Other comprehensive income/(loss)	—	63	—	—	—	—	63	(19)	44
Dividends declared	—	—	—	—	—	—	—	(70)	(70)
Balance at 31 March 2024	4 352	(7 325)	(4)	5	120	8 822	5 970	(73)	5 897

^(a) Description of other reserves:

The foreign currency translation reserve includes exchange differences arising on monetary items that form part of PPC's net investment in a foreign operation.

Financial assets at fair value through other comprehensive income includes fair value changes and impairment adjustments on fair value through other comprehensive income assets. The cumulative gain or loss is recognised in the statement of profit or loss on derecognition of the financial assets.

Equity compensation reserve represents the increase in equity from the issuance of shares relating to the forfeitable share plan and black economic empowerment (BEE) transactions. Due to the expiry of the Zimbabwe indigenisation arrangement, there has been a reclassification between the reserve and retained earnings.

The post-retirement benefit reserve includes actuarial gains and losses on the post-retirement benefit.

^(b) The PPC Zimbabwe indigenisation arrangement expired at 31 July 2023 and the shares did not vest, as such the accumulated compensation reserve has been reclassified to retained earnings.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	26.1	1 874	900
Finance costs paid	23.1	(98)	(124)
Interest received		53	32
Taxation paid	7.2	(419)	(185)
Cash available from operations		1 410	623
Net operating activities from discontinued operations	8.2	—	183
Net cash inflow from operating activities		1 410	806
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in intangible assets	4	(4)	(8)
Investment in property, plant and equipment (adjusted for capital expenditure accruals)	2	(373)	(400)
Proceeds from disposal of property, plant and equipment		12	24
Proceeds from long-term receivables		2	21
Proceeds from sale of investment		2	—
Proceeds from sale of a subsidiary		—	656
Net investing activities from discontinued operations	8.2	—	(50)
Net cash outflow from investing activities		(361)	243
Net cash inflow before financing activities		1 049	1 049
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of PPC Ltd shares by a subsidiary		—	(199)
Proceeds from shares forfeited in terms of the share incentive scheme		5	—
Purchase of PPC Ltd shares in terms of the share incentive scheme		(10)	(24)
Repayment of interest rate swap		(1)	—
Repayment of borrowings	26.2	(275)	(150)
Repayment of principal portion of lease liabilities	26.3	(39)	(34)
Dividends paid to non-controlling interest		(2)	(70)
Dividends paid		(703)	—
Net financing activities from discontinued operations	8.2	—	(127)
Net cash outflow from financing activities		(1 025)	(604)
Net movement in cash and cash equivalents		24	445
Cash and cash equivalents at the beginning of the year		857	424
Effect of exchange rate movements on cash and cash equivalents – continuing operations		(9)	1
Effect of exchange rate movements on cash and cash equivalents – discontinued operations	8.2	—	(13)
Cash and cash equivalents at the end of the year		872	857
Cash and cash equivalents comprise			
Cash and cash equivalents – continuing operations	11	872	857
Cash and cash equivalents – discontinued operations		—	—
Cash and cash equivalents at the end of the year		872	857

SEGMENTAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

The group discloses its operating segments according to the business units, which are reviewed by the group executive committee, which is also the chief operating decision-maker for the group. The group executive committee views the South African and Botswana cement businesses as one business unit and reviews the results on this basis. The group executive committee includes executive directors. The group executive

committee primarily uses a measure of earnings before interest, tax, depreciation and amortisation (EBITDA) to assess the performance of the operating segments. The operating segments are initially identified based on the products produced and sold and then per geographical location. The operating segments are SA and Botswana Cement, Zimbabwe, aggregates, ash and readymix and group services.

No individual customer comprises more than 10% of the group revenue.

	Cement								Materials business			
	Consolidated		SA and Botswana		Zimbabwe		Rwanda		Aggregates, ash and readymix		PPC Ltd and other ^(a)	
	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm
Revenue from contracts with customers												
Gross revenue	10 209	10 457	6 138	6 080	3 122	3 346	—	—	949	1 031	—	—
Inter-segment revenue ^(b)	(338)	(399)	(299)	(371)	—	—	—	—	(39)	(28)	—	—
Total revenue^(c)	9 871	10 058	5 839	5 709	3 122	3 346	—	—	910	1 003	—	—
Gross revenue	9 871	10 058	6 138	6 080	3 122	3 346	—	—	949	1 031	(338)	(399)
Cost of sales	(7 922)	(8 409)	(5 068)	(5 114)	(2 337)	(2 729)	—	—	(862)	(964)	345	398
(Increase)/decrease in expected credit losses on financial assets	(17)	5	(9)	3	(1)	(2)	—	—	(2)	3	(5)	1
Admin and other operating expenses ^(d)	(950)	(1 035)	(590)	(648)	(147)	(136)	—	—	(86)	(62)	(127)	(189)
Trading profit before items listed below	982	619	471	321	637	479	—	—	(1)	8	(125)	(189)
Fair value and foreign exchange movements	(21)	(30)	23	(6)	(34)	(41)	—	—	3	(3)	(13)	20
Impairments	(181)	(267)	(166)	(197)	—	—	—	—	(15)	(70)	—	—
Government grant	37	—	—	—	37	—	—	—	—	—	—	—
Profit/(loss) before finance costs, investment income and investments	817	322	328	118	640	438	—	—	(13)	(65)	(138)	(169)
Finance costs	(106)	(131)	(98)	(123)	(3)	(4)	—	—	(2)	(1)	(3)	(3)
Investment income	63	42	49	30	3	—	—	—	1	1	10	11
Profit/(loss) before taxation	774	233	279	25	640	434	—	—	(14)	(65)	(131)	(161)
Taxation	(308)	(145)	(111)	(13)	(170)	(112)	—	—	(6)	6	(21)	(26)
Profit/(loss) for the year from continuing operations	466	88	168	12	470	322	—	—	(20)	(59)	(152)	(187)
Profit for the year from discontinued operations	—	422	—	—	—	—	—	225	—	—	—	197
Profit/(loss) for the year	466	510	168	12	470	322	—	225	(20)	(59)	(152)	10
Attributable to:												
Shareholders of PPC Ltd – continuing operations	466	88	168	12	470	322	—	—	(20)	(59)	(152)	(187)
Shareholders of PPC Ltd – discontinued operations	—	318	—	—	—	—	—	121	—	—	—	197
Non-controlling interests	—	104	—	—	—	—	—	104	—	—	—	—
	466	510	168	12	470	322	—	225	(20)	(59)	(152)	10
Basic EPS – continuing operations cents per share	32	6	11	1	32	21	—	—	(1)	(4)	(10)	(12)
Basic EPS – discontinued operations cents per share	—	21	—	—	—	—	—	8	—	—	—	13
Headline EPS – continuing operations cents per share	40	19	20	11	32	22	—	—	(1)	(1)	(11)	(13)
Headline EPS – discontinued operations cents per share	—	8	—	—	—	—	—	8	—	—	—	—
Depreciation and amortisation	574	623	366	363	175	196	—	—	25	36	8	28
EBITDA ^{(d)(g)}	1 593	1 242	837	684	849	675	—	—	24	43	(117)	(160)
EBITDA margin (%) ^(e)	N/A	N/A	13,6	11,3	27,2	20,2	—	—	2,5	4,2	—	—
EBITDA margin (%) ^(f)	16,1	12,3	14,3	12,0	27,2	20,2	—	—	2,6	4,3	—	—
Assets												
Non-current assets	6 025	6 359	3 421	3 673	2 204	2 188	—	—	213	221	187	277
Assets held for sale	1	3	1	—	—	3	—	—	—	—	—	—
Current assets	2 990	3 193	1 950	2 245	844	688	—	—	191	208	5	52
Total assets	9 016	9 555	5 372	5 918	3 048	2 879	—	—	404	429	192	329
Investments in property, plant and equipment and intangibles (refer to notes 2 and 4)	369	411	201	264	147	105	—	—	18	18	3	24
Liabilities												
Non-current liabilities	1 656	1 637	1 165	1 004	453	485	—	—	26	24	12	124
Current liabilities	1 672	2 021	1 086	1 393	415	404	—	—	174	162	(3)	62
Total liabilities	3 328	3 658	2 251	2 397	868	889	—	—	200	186	9	186
Capital commitments (refer to note 27)	2552	206	2 548	78	—	114	—	—	4	1	—	13

^(a) PPC Ltd and other comprises PPC LTD, Group Shared Services (GSS), PPC International Holdings, BEE entities and group eliminations.

^(b) Segments are disclosed net of inter-segment transactions.

^(c) Revenue from external customers generated by the group's material foreign operations is as follows:

Botswana R421 million (2024: R459 million)

Zimbabwe R3 122 million (2024: R3 346 million)

^(d) EBITDA is defined as trading profit before interest, tax, depreciation and amortisation.

^(e) EBITDA margin is defined as EBITDA divided by total revenue (including inter-segment revenue).

^(f) EBITDA margin is defined as EBITDA divided by total revenue (excluding inter-segment revenue).

^(g) Includes a once-off non-cash item for the Arlington land in Zimbabwe of R37 million, refer to note 5.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. BASIS OF PREPARATION

The consolidated financial statements of PPC Ltd group comprise the company and its subsidiaries and the group's interest in associates (together referred to as the group and individually as group entities). The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and IFRIC[®] Interpretations issued by the IFRS Interpretations Committee and effective for the group at 31 March 2025 and comply with the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee (APC) and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listings Requirements and the requirements of the Companies Act. The consolidated annual financial statements have been prepared using the historical cost convention except for certain financial instruments which are stated at fair value, and assets held for sale which are measured at fair value less costs to sell.

These group consolidated financial statements have been prepared under the supervision of the CFO, B Berlin CA(SA), and were approved by the board on Friday, 6 June 2025. The directors take full responsibility for the preparation of these consolidated annual financial statements.

The accounting policies are consistent with the prior year, except where the group has adopted new or revised accounting standards, amendments and interpretations of those standards, which became effective during the year under review.

The group adopted the following standards during the year:

Standard, amendment or interpretation	Impact on the financial statements
Amendment to IFRS 16 <i>Leases</i> regarding measurement of sale and leaseback transactions	No significant impact on the group financial statements
Amendment to IAS 1 <i>Presentation of Financial Statements</i> regarding disclosure of non-current liabilities with covenants	No significant impact on the group financial statements

All monetary information and figures presented in these financial statements are stated in rands, unless otherwise indicated.

1.1 BASIS OF CONSOLIDATION

The group consolidates all of its subsidiaries. Refer to subsidiaries and non-controlling interests (note 35) for details about the group subsidiaries.

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

All subsidiaries have the same financial year-end as the company. PPC Ltd sold its 51% effective stake in CIMERWA on 25 January 2024.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of financial position, respectively.

Non-controlling interests comprehensive income or loss is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights, except where management exercises judgement to recognise an investment in an associate when the shareholding is less than 20% or greater than 50%. Investments in associates are accounted for using the equity method of accounting (refer to note 32), after initially being recognised at cost.

1.2 ACCOUNTING POLICIES

All accounting policies applied in the preparation of these financial statements are in compliance with IFRS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

1. BASIS OF PREPARATION *continued*

1.3 SIGNIFICANT JUDGEMENTS MADE BY MANAGEMENT AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS requires management to make estimates, assumptions and judgements that affect reported amounts and related disclosures, and therefore actual results, when realised in the future, could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgements made by management in applying the accounting policies that could have a significant effect on the amounts recognised in the financial statements are disclosed in the respective notes.

The following are the critical judgements and sources of estimation uncertainty that management has made in the process of applying the group accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Significant judgements made by management

Property, plant and equipment (note 2)

Costs to be capitalised to a project (including exploration evaluation)

Impairment assessments

Nil book value assets

Investment property (note 5)

Determination of the nominal value

Impairments (note 20)

Cash-generating unit (CGU) determination

Investment in Zimbabwe blocked funds (note 6)

Recoverability and valuation of the asset

Deferred taxation assets (note 7)

Recoverability of the deferred taxation assets arising from taxation losses

Sources of estimation uncertainty

Property, plant and equipment (note 2)

Decommissioning provisions

Useful lives and residual values

Provisions (note 13)

Calculation of the decommissioning and rehabilitation obligations

Financial assets and other non-current assets (note 6)

Recoverability and valuation of financial assets

Other non-current liabilities (note 15)

Put option liability valuation

Trade and other receivables (note 10)

Expected credit losses on trade and other receivables

Inventories (note 9)

Provision for obsolete inventory

Other intangible assets (note 4)

Useful lives

Share-based payments (note 18)

Fair value of cash and equity-settled instruments

Equity-accounted investments (note 32)

Valuation of PPC Barnet DRC as an equity-accounted investment

1.4 GOING CONCERN

Based on a review of the group's financial budgets and forecasts, the directors believe that the company and the group have adequate financial resources to continue to be in operation for the foreseeable future.

As a result, these consolidated annual financial statements have been prepared on a going concern basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

1. BASIS OF PREPARATION *continued*

1.5 FOREIGN CURRENCY CONVERSION GUIDE

Functional and presentation currency

Items included in the financial reports of each entity in the group are measured using the entity's functional currency. The consolidated financial statements are presented in South African rands, which is the presentation currency of the group. An entity may have a monetary item that is receivable from a foreign operation. An item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, a part of the entity's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income and accumulated in the foreign currency translation reserve.

Translation of foreign operations

The statement of profit or loss and other comprehensive income, cash flows and financial position of group entities, that have a functional currency different from the presentation currency of the group, are translated into the presentation currency as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated at rates of exchange ruling at the reporting date
- Specific transactions in equity are translated at rates of exchange ruling at the transaction dates
- Income and expenditure and cash flow items are translated at average exchange rates for the period
- Foreign exchange translation differences are recognised as other comprehensive income and accumulated in the foreign currency translation reserve, except to the extent the difference is allocated to non-controlling interests

Exchange rates used to translate foreign operations relative to the South African rand.

	Average rate		Closing rate	
	2025	2024	2025	2024
Botswana pula	1,343	1,387	1,356	1,370
US dollar	18,237	18,739	18,419	18,838
Rwandan franc ^(a)	—	0,015	—	0,015
Mozambican metical	0,286	0,296	0,289	0,297
Zimbabwean dollar	—	0,001	—	0,001
Zimbabwe Gold ^(b)	0,966	—	0,683	—

^(a) CIMERWA was disposed of in the prior year.

^(b) The Zimbabwe Gold (ZiG; code: ZWG) has been the official currency of Zimbabwe since 8 April 2024. PPC Zimbabwe's functional currency remains the US dollar.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

2. PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recognised at cost, and subsequently measured at cost less accumulated depreciation and impairments.

The methods of depreciation, useful lives and residual values are reviewed annually. The following methods and rates were used during the year:

	Method	Rate
Land	Not depreciated	
Capital work in progress	Not depreciated	
Buildings	Straight line	Up to 30 years, limited to life of mine where appropriate
Mineral rights ^(a)	Straight line	Up to 30 years, limited to life of mine where appropriate
Plant	Straight line	Up to 30 years, limited to life of mine where appropriate
Vehicles	Straight line	Up to 10 years
Furniture and equipment	Straight line	Up to 6 years
Leasehold improvements	Straight line	Depreciated over the lease period or a shorter period if appropriate
Decommissioning asset	Straight line	Up to 30 years, limited to life of mine where appropriate
Capitalised leased plant	Straight line	Depreciated over the lease period or a shorter period if appropriate

^(a) Mineral rights include capitalised exploration and evaluation costs.

Judgements made by management and sources of estimation uncertainty

Cost capitalisation

Significant judgement is required in identifying costs to be capitalised to a project during the construction, testing and ramp-up phases. Judgement is further required to identify indirect costs that may be capitalised. The group recognises proceeds and costs of items produced before recognition of an item of property, plant and equipment in profit or loss.

The cost of an item of property, plant and equipment is recognised as an asset if it meets the following requirements:

- It is probable that future economic benefits associated with the item will flow to the entity
- The cost of the item can be measured reliably

The cost of an item of property, plant and equipment comprises:

- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that year

Exploration and evaluation costs

The group capitalises all exploration and evaluation costs that meet the capitalisation criteria. In evaluating if costs incurred meet the criteria to be capitalised, sources of information are used depending on the level of exploration undertaken and the technical feasibility and commercial viability of extracting the mineral resource.

While the criteria for determining capitalisation are based on the probability of future economic benefits, the information that management uses to make that determination depends on the level of exploration. Examples of costs the group capitalises include, but are not limited to, topographical, geological, geochemical and geophysical studies, exploratory drilling and sampling.

Decommissioning assets and provisions

The cost of property, plant and equipment may also include the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset. Estimating the future costs of these obligations is complex as most of the obligations will only be fulfilled in the future. Furthermore, the resulting provisions and assets are influenced by changing technologies and regulations, life of mine, political, environmental, safety, business and statutory considerations across the various jurisdictions in which PPC operates.

Useful lives and residual values and nil book value assets

In line with the requirements of IAS 16 *Property, Plant and Equipment*, it is PPC group's policy that the useful lives of assets be reviewed annually. Any changes in useful lives are accounted for prospectively as a change in estimate in terms of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Useful lives of property, plant and equipment are based on management estimates and take into account historical trends, obsolescence and maintenance strategies.

The current year assessment resulted in an adjustment of useful lives of certain assets to reflect the pattern of consumption of the future economic benefits embodied in the assets. The impact of the change in applying the adjusted useful lives for the year ended 31 March 2025 is a decrease in the depreciation expense of R25 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

2. PROPERTY, PLANT AND EQUIPMENT continued

	Freehold land and buildings Rm	Mineral rights ^(a) Rm	Decommissioning assets Rm	Plant, vehicles, furniture and equipment Rm	Total Rm
March 2025					
Cost	2 578	192	99	11 160	14 029
Accumulated depreciation and impairments	(968)	(136)	(96)	(7 286)	(8 486)
	1 610	56	3	3 874	5 543
Movements during the year					
Net carrying value at the beginning of the year	1 628	58	61	4 147	5 894
Additions	9	—	—	356	365
To enhance existing operations	9	—	—	334	343
To expand operations	—	—	—	22	22
Depreciation	(67)	(8)	(1)	(445)	(521)
Disposals	(3)	—	—	(5)	(8)
Impairments (refer to note 20)	(1)	—	—	(180)	(181)
Other movements ^(b)	61	7	(57)	32	43
Translation differences	(17)	(1)	—	(31)	(49)
Net carrying value at the end of the year	1 610	56	3	3 874	5 543
			Cost Rm	Accumulated depreciation Rm	Net carrying value Rm
Translation differences comprise:					
Botswana			(1)	1	—
Zimbabwe			(93)	44	(49)
Total			(94)	45	(49)

^(a) Mineral rights include capitalised exploration and evaluation costs. Management considers mineral rights as a separate class of property, plant and equipment.

^(b) Included in other movements are critical spares reclassified from inventory to property, plant and equipment amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

2. PROPERTY, PLANT AND EQUIPMENT *continued*

	Freehold and leasehold land and buildings Rm	Mineral rights Rm	Decommissioning assets Rm	Plant, vehicles, furniture and equipment Rm	Total Rm
March 2024					
Cost	2 600	189	90	10 966	13 845
Accumulated depreciation and impairments	(972)	(131)	(29)	(6 819)	(7 951)
	1 628	58	61	4 147	5 894
Movements during the year					
Net carrying value at the beginning of the year	1 695	64	66	5 506	7 331
Additions	22	—	—	381	403
To enhance existing operations	16	—	—	368	384
To expand operations	6	—	—	13	19
Depreciation	(64)	(9)	(1)	(493)	(567)
Disposals	(4)	—	—	(24)	(28)
Impairments (refer to note 20)	(49)	—	—	(218)	(267)
Other movements	3	—	2	49	54
Other additions	52	—	—	3	55
Disposal of subsidiary	(75)	(23)	(2)	(1 100)	(1 200)
Transfer to non-current assets held for sale (refer to note 8)	—	—	—	(3)	(3)
Translation differences	48	26	(4)	46	116
Net carrying value at the end of the year	1 628	58	61	4 147	5 894

	Cost Rm	Accumulated depreciation Rm	Net carrying value Rm
Translation differences comprise:			
Botswana	1	—	1
Zimbabwe	216	(101)	115
Total	217	(101)	116

	March 2025 Rm	March 2024 Rm
Carrying amount of assets pledged as security:		
PPC Cement SA	2 465	2 747
Total	2 465	2 747

Judgements made by management and sources of estimation uncertainty

The value-in-use amounts were determined using the discount rates and assumptions detailed in note 20.

Impairments have been recognised in the current year, refer to note 20 for the details.

	March 2025 Rm	March 2024 Rm
Cash flow from investment in property, plant and equipment		
Acquisition of property, plant and equipment	365	403
Movement in capital expenditure payables (refer to note 16)	8	(3)
	373	400

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. LEASES

In the capacity of a lessor

During the current year, PPC entered into lease agreements for land at the Dwaalboom and Slurry plants. The land was insignificant to the total land owned by PPC and the rental income is insignificant. The leases of the land have been classified as operating leases and the rental income is straight-lined in profit/loss.

In the capacity of a lessee

This note provides information about leases where the group is a lessee only.

3.1 RIGHT-OF-USE ASSETS

The group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (which is equal to the lease liability (refer to note 3.2) adjusted for previously recognised prepaid or accrued lease payments relating to that lease) and increased with initial direct costs incurred and the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset. After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are assessed for impairment in accordance with the requirements of IAS 36 *Impairment of Assets*. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Depreciation is calculated using the straight-line method over the estimated useful lives of the right-of-use asset or the lease term. The predominant estimated useful lives are as follows:

Description	Term in years
Property and plant	2 – 5
Vehicles	2 – 3
Land ^(a)	2 – 5
Buildings	2 – 5

^(a) The Highveld lease is an exception as it has a remaining lease period of 23 years. This lease is for a property on which a blending plant is situated. The property is located in the Highveld Industrial Park in Mpumalanga

The lease term determined by the group comprises:

- Non-cancellable period of lease contracts
- Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option
- Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. LEASES *continued*

3.1 RIGHT-OF-USE ASSETS *continued*

	Property and plant Rm	Vehicles Rm	Land Rm	Buildings Rm	Total Rm
March 2025					
Cost	80	70	35	51	236
Accumulated depreciation and impairments	(40)	(32)	(21)	(18)	(111)
	40	38	14	33	125
Movements during the year					
Net carrying value at the beginning of the year	49	51	15	29	144
Additions	4	6	3	13	26
Depreciation	(13)	(17)	(4)	(9)	(43)
Other movements	—	(2)	—	—	(2)
Net carrying value at the end of the year	40	38	14	33	125
March 2024					
Cost	78	71	32	39	220
Accumulated depreciation and impairments	(29)	(20)	(17)	(10)	(76)
	49	51	15	29	144
Movements during the year					
Net carrying value at the beginning of the year	30	12	4	22	68
Additions	34	50	16	20	120
Depreciation	(14)	(9)	(5)	(12)	(40)
Derecognition	—	(3)	—	—	(3)
Other movements	(1)	1	—	—	—
Disposal of subsidiary	—	—	—	(1)	(1)
Net carrying value at the end of the year	49	51	15	29	144

The group's leases consist mainly of leasing of buildings, property and plant, and vehicles. In certain lease agreements of machinery, equipment and vehicles, variable lease payments are included based on operating hours used, kilometres travelled or output. These leases provide greater flexibility in terms of usage, such as for certain types of trucks and vehicles where operating levels depend on production capacity and demand and are therefore not capitalised but are recognised as expenses when incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

3. LEASES continued

3.2 LEASE LIABILITIES

The lease liability is initially measured at the present value of the remaining lease payments on the commencement date, discounted using the incremental borrowing rate. The lease liability is subsequently increased by the finance cost on the lease liability and decreased by lease payments made. The lease liability is remeasured when there is a change in the future lease payments arising from a change in an index or rate. The group has elected to split lease and non-lease components for leases per class.

The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the lessee.

Discount rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the group entity that is the counterparty to the lease contract, at inception of the lease. This incremental borrowing rate was derived from the external third-party borrowing rate of the particular group entity.

	March 2025 Rm	March 2024 Rm
Net carrying value at the beginning of the year	154	70
New leases capitalised during the year	26	118
Modification of existing leases – gain	—	2
Disposals	—	(2)
Lease payments made during the year	(55)	(46)
Finance costs	16	12
Net carrying value at the end of the year	141	154
Non-current lease liabilities	101	117
Current lease liabilities	40	37
	141	154
Maturity analysis – undiscounted contractual cash flows		
Less than one year	55	48
One to five years	103	130
More than five years	13	13
	171	191
Breakdown of lease payments made during the year		
Fixed payments	25	36
Variable payments	30	9
Total payments	55	45
3.3 AMOUNTS RECOGNISED IN STATEMENT OF PROFIT OR LOSS		
Depreciation on right-of-use asset	43	40
Interest expense on lease liabilities	16	12
Expenses relating to short-term leases ^(a)	—	1
Modification of existing leases – gain	—	2
Net effect	59	55

^(a) These expenses relate to rental expenses that do not meet the IFRS 16 recognition criteria.

3.4 AMOUNTS RECOGNISED IN STATEMENTS OF CASH FLOW

The total cash outflow for leases accounted for in terms of IFRS 16 in 2025 was R55 million (2024: R45 million), including R16 million (2024: R12 million) for finance costs and principal payments of R39 million (2024: R33 million). Included in cash flows from operating activities is Rnil million (2024: R1 million) relating to short-term lease payments, payments for leases of low-value assets, and variable lease payments are not included in the measurement of the lease liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

4. OTHER INTANGIBLE ASSETS

	Enterprise resource planning (ERP) development and other software Rm	Brand, trademarks and customer relationships Rm	Total Rm
2025			
Cost	303	443	746
Accumulated amortisation and impairments	(242)	(443)	(685)
	61	—	61
Movements during the year			
Net carrying value at the beginning of the year	68	—	68
Additions	4	—	4
Amortisation	(10)	—	(10)
Other movements	(1)	—	(1)
Net carrying value at the end of the year	61	—	61
2024			
Cost	315	443	758
Accumulated amortisation and impairments	(247)	(443)	(690)
	68	—	68
Movements during the year			
Net carrying value at the beginning of the year	85	—	85
Additions	8	—	8
Disposals	(1)	—	(1)
Amortisation	(16)	—	(16)
Disposal of subsidiary	(8)	—	(8)
Net carrying value at the end of the year	68	—	68
Useful lives	Method	Rate	
Enterprise resource planning development and other software	Straight line	2 to 10 years	
Brand and trademarks	Straight line	2 to 15 years	
Customer relationships	Straight line	2 to 5 years	

Judgements made by management and sources of estimation uncertainty

Brand, trademarks and customer relationships

The group conducted an impairment assessment on all brands, trademarks and customer relationships as part of its annual impairment assessment. Refer to note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

5. INVESTMENT PROPERTY

	March 2025 Rm	March 2024 Rm
Cost	37	—
Accumulated depreciation and impairments	—	—
	37	—
Movements during the current year		
Net carrying value at the beginning of the year	—	—
Additions: government grant	37	—
Net carrying value at the end of the year	37	—

Investment properties are initially measured at cost, including directly attributable transaction costs, and subsequently at cost less accumulated depreciation (where applicable) and impairments (if any).

Investment properties are derecognised either when they have been disposed of (ie, at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from the property. The difference between the net proceeds and the carrying amount of the asset is recognised in profit or loss as a gain or loss on disposal. In determining the amount of consideration from the derecognition of investment property the group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any). Transfers are made to (or from) investment property only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, which will be subsequently measured at fair value, the group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use, with the gain or loss on converting to fair value, being recognised in other comprehensive income.

Property details

During 2012, the Government of Zimbabwe expropriated 530 hectares of land from PPC Zimbabwe. During December 2024, the Government of Zimbabwe returned 418 hectares of the previously expropriated land to PPC Zimbabwe, through a Deed of Transfer. The remaining 112 hectares are to be settled with land elsewhere in the country, which, at 31 March 2025, has yet to be identified. The return of the land was stated to be a “free grant”. The receipt of the land was recognised as an unconditional government grant at nominal value, refer to note 21.

Judgements made by management and sources of estimation uncertainty

Management has not established what the land will be used for, therefore classification as investment property was determined as appropriate.

Subsequently, the group could not determine a reliable fair value of the investment property. The investment property was therefore initially recognised at a nominal value. The nominal value has been deemed to be the cost of the investment property according to the group’s accounting policy of subsequently measuring investment properties at cost.

Nominal value was established through the following methodology:

1. Base value: commenced with the land’s recorded value at expropriation date;
2. Economic adjustments: appropriate adjustments for Zimbabwe’s economic conditions were applied through to 31 March 2025, including:
 - currency regime changes (US\$ to ZWL and subsequent reversion)
 - hyperinflationary impacts under IAS 29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

6. FINANCIAL AND OTHER NON-CURRENT ASSETS

	Notes	March 2025 Rm	March 2024 Rm
6.1 FINANCIAL ASSETS			
Non-current financial assets at fair value through profit or loss			
Unlisted collective investment	6.1.1	166	153
Cell captive investment	6.1.2	37	46
Derivative financial asset	6.1.3	8	—
Total non-current financial assets at fair value through profit or loss		211	199
Non-current financial assets at fair value through other comprehensive income			
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.4	3	2
Mutual Risk Group (MRG) investment	6.1.5	7	6
Total non-current financial assets at fair value through other comprehensive income		10	8
Total financial assets		221	207
6.2 OTHER NON-CURRENT ASSETS			
Zimbabwe blocked funds	6.2.1	—	—
Interest rate swap	6.2.2	2	1
Readymix trucks receivable	6.2.3	1	3
Wayleave rights receivable	6.2.4	15	—
Total other non-current assets		18	4

Judgements made by management and sources of estimation uncertainty

Due to the longer-term nature of the non-current assets, judgement is required in determining the recoverability and valuation of the various non-current assets held by the group.

6.1.1 Unlisted collective investment

This comprises an investment by the PPC Environmental Trust in an Old Mutual equity portfolio, with the fair value being calculated using the ruling prices on 31 March 2025. During the year, there were no funds reinvested into the unit trusts. The current funds are held to fund PPC's South African environmental obligations. Cash held by the PPC Environmental Trust is restricted cash. The portfolio is not obligated to pay out any mandatory dividends to holders. Refer to note 11. The group consolidates PPC Environmental Trust.

The financial asset is classified at fair value through profit or loss.

6.1.2 Cell captive investment

PPC invested in preference shares in Centriq Insurance Company Ltd, a licensed cell captive insurer. The preference shares are governed by a preference share agreement (also called a subscription agreement), which confers certain rights and obligations on the shareholder and the insurer. Some of the main features include the fact that the shareholder (cell owner) gets the right to share in the profits of a specified book of insurance policies. If there are losses on the book, the cell owner has the obligation to recapitalise the cell. Capitalisation and re-capitalisation of the cell is by way of a cash injection into the insurer, who allocates the capital to the cell.

The group has determined that it does not have control over its insurance cell captive, as cell captive structures in South Africa do not satisfy the consolidation criteria of IFRS 10 *Consolidated Financial Statements*, due to the fact that a breach of the cell's ring-fenced nature is legally and practically possible, even though it is highly unlikely. The cell captive has therefore not been consolidated. The cell captive is not within the scope of IFRS 17 *Insurance Contracts*, as it is a first party cell captive, with no third-party insurance risks.

The investment is initially measured at cost and subsequently at fair value, with changes recognised in profit or loss. The valuation of the cell captive is determined using the net asset value at each reporting date.

6.1.3 Derivative financial asset

PPC International Holdings (Pty) Ltd sold its 37,67% stake in Habesha (Ethiopia) for US\$900 000 in FY23. One of the conditions in the sale agreement is that the buyer is required to replenish any deficiency in the US\$ selling price resulting from a devaluation of the Ethiopian birr. The guarantee by the buyer to replenish any deficiency in the US\$ selling price resulting from a devaluation of the currency is a derivative in terms of IFRS 9. IFRS 9 requires that derivatives be mandatorily subsequently measured at fair value through profit or loss.

During the current year, there was a significant devaluation of 109% of the Ethiopian birr to the US\$, resulting in an increase in the value of the derivative (prior periods rounded down to nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

6. FINANCIAL AND OTHER NON-CURRENT ASSETS *continued*

6.1.4 Investment in Old Mutual shares on the Zimbabwe Stock Exchange

This investment relates to the investment in 200 000 Old Mutual shares on the Zimbabwe Stock Exchange. The market value as at 31 March 2025 is R3 million (2024: R2 million). As a result of the uncertainty around the expatriation of funds from Zimbabwe, the investment has been classified as non-current.

6.1.5 Investment in MRG

During FY23, PPC entered into a new insurance structure through acquiring a 6,75% shareholding in two entities within the MRG group. During the current year, PPC disposed of a portion of its shareholding to accommodate a new member. The remaining shareholding is 5,25%. This arrangement allows the group to participate with other independent companies in a mutual fund that forms the basis of the insurance agreement. The equity investment is not held for trading and the group has irrevocably elected at initial recognition to recognise it at fair value through other comprehensive income. The investment is strategic and the group considers this classification to be more relevant. The valuation of the investment is determined using the net asset value at each reporting date, determined from the management accounts received from the investee.

6.2.1 Zimbabwe blocked funds

No formal confirmation has been received from the RBZ regarding repayment of this amount and as such the investment is classified as non-current. The investment is a statutory receivable and, as no repayment terms have been agreed, it is not a financial asset as defined. It is, however, PPC policy to value the Zimbabwe blocked funds as if it was a financial asset, and therefore it is valued at fair value through profit or loss.

The challenging general economic environment and the unavailability of foreign currency in Zimbabwe were considered in the determination of an appropriate fair value adjustment to be applied to the blocked funds. Management assessed that there is a high level of credit risk associated with the RBZ, resulting in the application of a fair value credit risk adjustment of 100% (2024: 100%), which resulted in a cumulative negative fair value adjustment of R413 million as at 31 March 2025 (2024: R422 million).

The net fair value loss on the Zimbabwe blocked funds of Rnil (2024: Rnil) comprises an increase of the intrinsic value of R9 million (2024: R23 million) and a credit risk fair value loss of R9 million (2024: R23 million).

6.2.2 Interest rate swap asset

On 17 September 2024, PPC Cement SA (Pty) Ltd entered into interest rate swaps with RMB and Nedbank, with the same conditions, in order to manage interest rate movement risk, reduce earnings volatility and improve the certainty of interest cash flows.

The two interest rate swaps are for 50% of the South African bank debt with the following key terms:

	Interest rate swap
Originating date	17 September 2024
Maturity date	13 September 2027
Notional principal	R125 000 000
Fixed rate (yield)	7,116%

6.2.3 Readymix trucks receivables

During FY23, a decision was taken in the materials business to sell a fleet of trucks to employees who were drivers and retrenched, and thereby implement the 'lorry-owned-driver' business model. The sale of trucks was concluded in the prior year between PPC and the new owners. The payments commenced September 2023 and were initially scheduled to end in August 2025. During the current year, some of the owners renegotiated their payment terms to end in February 2026.

6.2.4 Wayleave rights receivable

PPC entered into a perpetual wayleave agreement with an electricity supplier, granting wayleave rights to install and maintain transmission infrastructure on a portion of PPC's land. By way of compensation, the electricity supplier agreed to supply 121,250 tons of gypsum over an estimated seven years. The period was adjusted in January 2025 to three years, resulting in a change in estimate of R3 million.

PPC derecognised the land upon transfer of control to HESCO as the wayleave rights are perpetual and the transaction was accounted for as a deemed sale of the land. A gain on disposal of R17 million was recognised in profit or loss in the current year.

The gypsum receivable (non-cash consideration) was initially measured at fair value:

- variable components: grade variability, market price fluctuations; and
- financing element: time value of money over the supply period.

Subsequent remeasurements are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

7. TAXATION

7.1 INCOME TAX ACCOUNTING POLICY

Current tax

Income tax expense comprises current tax, deferred tax and withholding tax. Income tax expense or credit for the period is tax which is payable on the current period's taxable income based on the income tax rate in each jurisdiction. The tax payable is adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and other group entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation.

Provisions, where appropriate, are established on the basis of amounts expected to be paid to the tax authorities. Income tax for the current and prior periods is recognised as a liability to the extent that it is unpaid. If the amount already paid in respect of current and prior periods exceeds the total amount due for those periods, the excess is recognised as an asset and is reversed when it reduces future tax payments.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available in future periods against which deductible temporary differences and losses can be utilised. The recognition of deferred tax assets is assessed at subsidiary level, taking into account the applicable legal provisions of that jurisdiction.

Current and deferred tax is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

7. TAXATION continued

7.1 INCOME TAX ACCOUNTING POLICY continued

Withholding tax

Withholding tax is payable at a rate of 5% to 10% on amounts paid to the group entities by certain foreign subsidiaries as dividends, interest and management fees.

	March 2025 Rm	March 2024 Rm
South African normal taxation		
Current taxation	226	114
Current year	201	122
Prior years ^(a)	25	(8)
Deferred taxation	(104)	(116)
Current year	(112)	(129)
Prior years	8	13
Foreign normal taxation		
Current taxation	194	153
Current year	192	153
Prior years	2	—
Deferred taxation	(23)	(54)
Current year	(23)	(54)
Prior years	—	—
Change in tax rate	—	17
Withholding taxation	15	31
Taxation charge	308	145

^(a) Relates to PPC Cement SA due to an under provision of current tax in prior years.

	31 March 2025 %	31 March 2024 %
Taxation rate reconciliation		
Effective tax rate	40	62
Prior years' taxation impact	(5)	(2)
Profit before taxation, excluding prior years' taxation adjustments	35	60
Income taxation effect of:		
Foreign taxation rate differential	1	5
Expenditure attributable to non-taxable income	(2)	(13)
Expenditure not deductible in terms of taxation legislation ^(b)	(2)	(20)
Withholding taxation	(2)	(13)
Fair value adjustments on financial instruments not taxable	—	2
Normalised taxation rate	30	21
Taxation effect of the following transactions		
Non-taxable income	2	8
Deferred taxation not raised	(5)	(6)
Change in tax rate	—	(7)
Adjusted taxation rate before Zimbabwe	27	16
Expected credit loss provision on Zimbabwe blocked funds	—	(3)
Fair value adjustment on Zimbabwe financial asset	—	3
Unwinding of deferred tax due to change in functional currency	—	11
South African normal taxation rate	27	27

^(b) Disallowed expenses in the jurisdictions in which PPC operates including interest, legal and consulting fees that are capital in nature, fines and penalties, non-deductible IFRS adjustments and limitations on the deductible value of telephone, entertainment and public relations expenditures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

7. TAXATION *continued*

	March 2025 Rm	March 2024 Rm
7.2 TAXATION PAID		
Net amounts payable/(receivable) at the beginning of the year	83	(32)
Charge per income statement (excluding deferred taxation)	435	298
Impact of foreign rate differences and other non-cash flow movements	(3)	2
Net amounts payable at the end of the year	(96)	(83)
	419	185
7.3 DEFERRED TAXATION		
Net liability at the beginning of the year comprises:	1 089	1 311
Deferred taxation asset	42	27
Deferred taxation liability	1 131	1 338
Income statement charge	(135)	(183)
Prior year taxation adjustment	8	13
Deferred taxation impact of FCTR on the loan with PPC International Holdings	(55)	9
Change in tax rate	—	17
Effect of hyperinflation accounting on deferred taxation	—	—
Disposal of subsidiary	—	(103)
Translation differences	(10)	25
Net liability at the end of the year comprises:	897	1 089
Deferred taxation asset	20	42
Deferred taxation liability	917	1 131
Analysis of deferred taxation		
Property, plant and equipment	1 046	1 145
Intangible assets	6	7
Right-of-use assets	33	38
Financial assets	(6)	(3)
Non-current receivables	78	145
Trade receivables and prepayments	1	(7)
Provisions	(180)	(206)
Finance lease liabilities	(37)	(41)
Reserves	(34)	22
Taxation losses	(10)	(11)
	897	1 089

Judgements made by management and sources of estimation uncertainty

Current tax

The group is subject to direct and indirect taxation in a number of jurisdictions. There may be transactions and calculations for which the ultimate tax determination has an element of uncertainty in the ordinary course of business. The group recognises tax liabilities for anticipated tax issues by making use of estimates and by considering whether additional taxes will be payable. Where the final tax determination is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liabilities in the year in which such determination is made. There are currently no matters that have resulted in an uncertain tax position for the group, save for the matter noted in note 33.

Deferred tax

In terms of the deferred tax assets recognised, the group has made estimates in assessing whether future taxable profits will be available. Future taxable profits are determined based on forecasts, budgets and business plans for individual subsidiaries within the group and the probable reversal of taxable temporary differences in future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves.

The corporate tax rate increased from 24,7% to 25,7% in Zimbabwe and this change became effective during FY25.

	March 2025 Rm	March 2024 Rm
Analysis of the group's deferred tax assets arising from taxation losses		
PPC Aggregate Quarries	10	11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

7. TAXATION continued

7.3 DEFERRED TAXATION continued

Recoverability of PPC Aggregate Quarries deferred tax asset

The PPC Aggregate Quarries' deferred tax asset recoverability was based on applicable South African tax laws and approved business plans. PPC Aggregate Quarries has a tax loss of R49 million (2024: R61 million). It is unlikely that the full deferred tax temporary difference from the tax loss will unwind in the foreseeable future, which results in uncertainty over the utilisation of the deferred tax asset arising from the tax loss.

Other deferred tax assets not recognised

Deferred tax assets have not been recognised for the tax losses in PPC Ltd of R186 million (2024: R174 million), PPC Group Services of R165 million (2024: R101 million), Pronto Building Materials of R394 million (2024: R381 million) and 3Q Mahuma Concrete of R283 million (2024: R298 million) due to the unlikelihood of these entities being able to generate sufficient taxable income within the foreseeable future.

Uncertain tax positions

The group is involved in direct and indirect tax matters specific to the respective jurisdictions in which the group operates. These matters may not necessarily be resolved in a manner that is favourable to the group. Specifically please refer to note 33.

8. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS

	Notes	March 2025 Rm	March 2024 Rm
Montague Gardens in PPC Cement SA		1	—
Houses in PPC Zimbabwe		—	3
		1	3

Montague Gardens

During the current year, a decision was made to consider the sale of the Montague Gardens property in the Western Cape as the property was underutilised as both an office and storage facility. Many unsolicited offers were received during the course of the year and, prior to the end of the financial year, Exco made a firm decision to sell the property based on offers received.

PPC Zimbabwe houses

PPC Zimbabwe disposed of the majority of company residential staff houses at its Village 2 sections at both Bulawayo factory and Colleen Bawn in FY19. The disposal of the houses was concluded in FY21 after all the requirements for the transfer of ownership had been met. This disposal transaction resulted in the disposal of 310 houses at Bulawayo factory, leaving two houses for stakeholders. At Colleen Bawn, 339 houses were sold leaving 90 houses to be used by stakeholders since Colleen Bawn is a community on its own situated about 20 kilometres from Gwanda town.

During FY24, PPC Zimbabwe decided to offer 69 houses to qualifying employees who were not on the original list of beneficiaries (mainly new employees). This disposal process will not be subject to the previous disposal requirements as the Village 2 has already been handed over to the respective Rural District Council. The disposal of the 69 houses is mainly a process between the beneficiaries and PPC Zimbabwe. During the current year, sale agreements were concluded, employees paid for the houses and took occupation. Substantively, the houses have been sold notwithstanding that new title deeds have not yet been issued to the employees.

CIMERWA (Rwanda)

During the prior year, management concluded that the effective date for the disposal of CIMERWA was 25 January 2024 and CIMERWA was de-consolidated with effect from that date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

8. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS *continued*

	Notes	March 2025 Rm	March 2024 Rm
8.1 DISCONTINUED OPERATIONS			
Revenue		—	1 318
Cost of sales		—	(929)
Gross profit		—	389
Expected credit losses on financial assets		—	—
Administration and other operating expenditure		—	(99)
Operating profit before items listed below:		—	290
Fair value and foreign exchange loss		—	15
Impairments		—	—
Profit before finance costs, investment income		—	305
Finance costs		—	(22)
Investment income		—	2
Profit before taxation		—	285
Taxation		—	(60)
Profit for the year from discontinued operations		—	225
Profit on disposal of subsidiaries		—	197
Profit for the year		—	422
Attributable to:			
Shareholders of PPC Ltd		—	318
Non-controlling interests		—	104
		—	422
Profit per share (cents)			
Basic – discontinued operations		—	21
Diluted – discontinued operations		—	21
8.2 CASH FLOWS FROM DISCONTINUED OPERATIONS			
Net operating cash flows from discontinued operations		—	183
Net investing cash flows from discontinued operations		—	(50)
Net financing cash flows from discontinued operations		—	(127)
Effect of exchange rate movements on cash and cash equivalents		—	(13)
Net decrease in cash and cash equivalents		—	(7)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

9. INVENTORIES

Inventories are initially recognised at cost, determined using a weighted average cost formula. Subsequently, inventories are stated at the lower of cost and net realisable value.

	March 2025 Rm	March 2024 Rm
Raw materials	129	137
Work in progress	267	367
Finished goods	519	496
Consumable stores	586	615
Inventory obsolescence	(282)	(260)
	1 219	1 355

Judgements made by management and sources of estimation uncertainty

The provision for obsolete inventory, which is specific to consumables, is calculated on an item-by-item basis with regards to specific circumstances and history of usage, and the methodology is consistent with the prior year. Included in consumable stores are consumables, spare parts and refractories.

Critical spares are major spare parts, the unavailability of which would result in substantial loss of sales, increased cost of production, or serious adverse environmental consequences. These spares are used only in connection with specific critical plant and equipment as opposed to general use (eg general bearings and tyres), and the spare parts are expected to be used for a period of more than 12 months. Notwithstanding the aforesaid, it is group policy to account for all critical spares in excess of R250 000 in property, plant and equipment.

Inventory written down to net realisable value amounted to R6 million (2024: Rnil million) during the year.

The cost of inventories recognised as an expense in cost of sales during the year was R9 914 million (2024: R6 528 million).

In the current year, PPC Cement SA had inventory of R629 million (2024: R786 million) that was pledged as security (refer to note 14 for further details on pledged inventory).

10. TRADE AND OTHER RECEIVABLES

Trade receivables comprise receivables that are due from customers, which arise from transactions for the sale of goods in the ordinary course of business. Trade receivables and other financial receivables are primarily accounted for at amortised cost. Receivables for prepayments and VAT are stated at their nominal values.

	March 2025 Rm	March 2024 Rm
Trade receivables	684	768
Loss allowance (refer to note 29)	(91)	(75)
Net trade receivables	593	693
Other financial receivables ^(a)	77	85
Trade and other financial receivables	670	778
Prepayments	193	124
VAT receivable	29	67
	892	969

^(a) Included in other financial receivables are management fees receivables from PPC Barnet and rentals due from PPC Zimbabwe Village 2 houses.

Trade and other financial receivables are due for settlement within the next 12 months and are therefore all classified as current. Trade and other financial receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowances. Details regarding the group's exposure to credit risk and the calculation of expected credit losses and the change in estimate recognised are provided in note 29.

Except for the trade receivables of PPC Cement SA of R554 million (2024: R640 million), no receivables have been pledged as security. Refer to note 14.

Due to the short-term nature of current trade and other financial receivables measured at amortised cost, their carrying amount is considered to be the same as their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

11. CASH AND CASH EQUIVALENTS

Currency analysis	March 2025 Rm	March 2024 Rm
Botswana pula	14	27
Mozambican metical	1	1
ZWL dollar	—	7
South African rand	727	773
Ethiopian birr	5	15
United States dollar	118	34
Zimbabwean Gold	7	—
Balance at the end of the year	872	857

Judgements made by management and sources of estimation uncertainty

Cash and cash equivalents are recognised net of expected credit losses. During the current year, in line with the requirements of IFRS 9 *Financial Instruments*, cash and cash equivalents were assessed for expected credit losses by analysing the credit rating of each financial institution where PPC Ltd and its subsidiaries have invested cash. This resulted in an expected credit loss (ECL) of R1 million (2024: R5 million). Refer to note 29 for detailed assessment.

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value. Amounts denominated in foreign currencies have been translated at ruling exchange rates at year-end (refer to note 1.5).

Included in cash and cash equivalents is restricted cash:	March 2025 Rm	March 2024 Rm
PPC Environmental Trust	12	11
PPC International Holdings	5	15
Consolidated BEE SPVs	4	4
	21	30

Cash and cash equivalents held by the PPC Environmental Trust can only be utilised for environmental obligations in South Africa and are therefore not freely available as per trust regulations.

The proceeds from the sale by PPC International Holdings of its investment in Habesha have been mandatorily placed in an Ethiopian birr account. The regulators have not yet allowed for the funds to be repatriated to South Africa, resulting in the restriction of this cash.

The company is in the process of winding up the BEE SPVs and Trusts. As part of the process, the PPC Ltd shares held by these entities were sold on the open market for cash in the 2022 financial year. The proceeds are to be used solely for the beneficiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

12. STATED CAPITAL AND RESERVES

	31 March 2025 Shares	31 March 2024 Shares
12.1 STATED CAPITAL		
Authorised ordinary shares	10 000 000 000	10 000 000 000
Refer to note 25 for total shares in issue		
Authorised preference shares	20 000 000	20 000 000
Twenty million preference shares of R1 000 each. No preference shares have been issued.		
	Rm	Rm
Stated capital		
Balance at the beginning of the year	4 352	4 544
Shares purchased in terms of incentive scheme	(5)	(24)
Vesting of share incentive scheme	32	31
Purchase of PPC Ltd shares by a subsidiary	—	(199)
Balance at the end of the year	4 379	4 352
Stated capital is broken down as follows:		
	Rm	Rm
Issued shares	5 395	5 395
Treasury shares	(1 016)	(1 043)
Stated capital	4 379	4 352
	Shares	Shares
Unissued shares		
Ordinary shares	8 446 235 376	8 446 235 376
Preference shares	20 000 000	20 000 000
	Rm	Rm
12.2 OTHER RESERVES		
Foreign currency translation reserve	(7 334)	(7 325)
Post-retirement benefit	4	5
Equity compensation reserve	130	120
Financial assets at fair value through other comprehensive income	(1)	(4)
	(7 201)	(7 204)
	Rm	Rm
12.3 NON-CONTROLLING INTEREST		
Non-controlling interest reconciliation		
Balance at the beginning of the year	(73)	617
Profit for the year attributable to non-controlling interests	—	104
Zimbabwe Indigenisation IFRS 2	—	(46)
Disposal of subsidiary	—	(659)
Dividends declared	(2)	(70)
Foreign currency translation reserve	—	(19)
Balance at the end of the year	(75)	(73)

Non-controlling interests represents the value of the remaining ownership in the subsidiary investments that are not wholly-owned by the group. Non-controlling interests are measured at their proportionate share of the entity's net assets.

Refer to note 35 for details of the non-controlling interests within the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

13. PROVISIONS

	March 2025 Rm	March 2024 Rm
13.1 Decommissioning and rehabilitation	124	152
13.2 Post-retirement healthcare benefits	18	18
13.3 Legal provision	2	2
	144	172

	Decommissioning and rehabilitation Rm	Post- retirement healthcare benefits Rm	Provision for legal fees Rm	Restructuring costs Rm	Total Rm
Movement in short- and long-term provisions					
2025					
Balance at the beginning of the year	152	18	2	—	172
Amounts added	3	—	—	—	3
Amounts utilised	—	—	(1)	—	(1)
Change in estimate	(34)	1	—	—	(33)
Other movements	(3)	(1)	1	—	(3)
Time value of money adjustments	7	—	—	—	7
Translation differences	(1)	—	—	—	(1)
Balance at the end of the year	124	18	2	—	144
To be incurred:					
Within one year – included in current liabilities	2	2	2	—	6
More than one year – included in non-current liabilities	122	16	—	—	138
Between two to five years	6	6	—	—	12
More than five years	116	10	—	—	126
	124	18	2	—	144

	Decommissioning and rehabilitation Rm	Post-retirement healthcare benefits Rm	Provision for legal fee Rm	Restructuring costs Rm	Total Rm
2024					
Balance at the beginning of the year	176	15	2	9	202
Amounts added	1	—	1	—	2
Amounts reversed/utilised	—	—	(1)	(9)	(10)
Change in estimate	(29)	3	—	—	(26)
Other movements	(2)	—	—	—	(2)
Time value of money adjustments	7	—	—	—	7
Disposal of subsidiaries	(3)	—	—	—	(3)
Translation differences	2	—	—	—	2
Balance at the end of the year	152	18	2	—	172
To be incurred:					
Within one year – included in current liabilities	4	2	2	—	8
More than one year – included in non-current liabilities	148	16	—	—	164
Between two and five years	6	6	—	—	12
More than five years	142	10	—	—	152
	152	18	2	—	172

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

13. PROVISIONS *continued*

Judgements made by management and sources of estimation uncertainty

13.1 DECOMMISSIONING AND REHABILITATION OBLIGATIONS

Estimating these obligations is complex as most of the obligations will only be fulfilled sometime in the future and the provisions are influenced by changing regulations and technologies, life of mine, and political, environmental, safety, business and statutory considerations across the various jurisdictions in which PPC operates. Group companies are required to restore mining and processing sites at the end of their productive lives to an acceptable condition consistent with local regulations and in line with group policy.

In accordance with local legislation, PPC Ltd has set up an environmental trust in South Africa to administer the local funding requirements of its decommissioning and rehabilitation obligations. The investments in the trust are carried at fair value through profit or loss and amount to R166 million (2024: R153 million) at year-end (refer to note 6).

There are no requirements for environmental trusts or guarantees at this time for companies operating in Zimbabwe.

The estimation of the costs to remediate the mining sites and affected processing sites as well as the determination of the other key inputs above have been based, where possible, on external independent third-party information. The determination of the risk-free discount rates have been based, where available, on long-dated government risk-free bond rates or such other rate that can be reasonably applied for the purposes of determining the present value of the future estimated cash flows. The discount rates for operations in Zimbabwe were determined with reference to the most appropriate government bond in the country, factoring in the life of mine or plant. The South African operations' discount rates were determined using a yield curve using the government bonds with various maturity dates to extrapolate along the yield curve in order to obtain an internally generated discount rate. The South African curve used yielded a rate between 7% and 12%.

	March 2025 Rm	March 2024 Rm
Breakdown of decommissioning and rehabilitation obligations per entity		
PPC Cement SA	66	94
3Q Mahuma	8	10
PPC Aggregates SA	8	5
PPC Zimbabwe	42	43
	124	152

	Inflation rates		Risk-free discount rate	
	2025 %	2024 %	2025 %	2024 %
The key inputs used for calculating the provision				
South Africa	5	5	8 – 12	8 – 12
Zimbabwe ^(a)	2	3	13	13
Life of mine limited to a maximum of 30 years				

^(a) Both the inflation rates and risk-free discount rates for Zimbabwe are expressed in US\$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

13. PROVISIONS *continued*

Judgements made by management and sources of estimation uncertainty *continued*

13.1 DECOMMISSIONING AND REHABILITATION OBLIGATIONS *continued*

Sensitivity analysis

The carrying value of the closure provisions is sensitive to the estimates and assumptions used in its measurement. If the discount rate and inflation rate had been higher or lower than management's estimate, the group would have (increased) or decreased the current provision as follows:

	2025 2% higher	2025 2% lower	2024 2% higher	2024 2% lower
Discount rates				
South Africa	31	(53)	24	(37)
Zimbabwe	12	(19)	14	(21)
	2025 1% higher	2025 1% lower	2024 1% higher	2024 1% lower
Inflation rates				
South Africa	(25)	19	(18)	14
Zimbabwe	(9)	8	(10)	8

13.2 POST-RETIREMENT HEALTHCARE BENEFITS

The PPC group has defined benefit plans for qualifying former employees in respect of post-employment healthcare benefits. The defined benefit plan's post-employment healthcare benefits are administered by Corner House Pensioners, Cement and Concrete Institute Pensioners and PPC Zimbabwe Ltd, all funds that are legally separated from the PPC group.

Historically, qualifying employees were granted certain post-retirement healthcare benefits. The obligation for the employer to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners remain entitled to this benefit, the cost of which has been fully provided.

Included in the provision are the following:

Post-retirement healthcare benefits	Valuation method	Actuarial valuation date	March 2025 Rm	March 2024 Rm
Cement and Concrete Institute employees	Projected unit credit	February 2025	7	7
Corner House Pension Fund	Projected unit credit	February 2025	7	6
Porthold post-retirement Medical Fund	Projected unit credit	March 2024 ^(a)	4	5
			18	18

^(a) The liabilities are revalued every three years.

Cement and Concrete Institute employees

The provision relates to post-employment healthcare benefits in respect of former employees of the Cement and Concrete Institute.

Corner House Pension Fund

The provision relates to post-employment healthcare benefits in respect of certain Corner House Pension Fund continuation members.

Porthold post-retirement Medical Fund

The provision relates to healthcare benefits for both active and retired employees who joined the medical aid scheme on or after 1 October 2001.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

13. PROVISIONS *continued*

13.2 POST-RETIREMENT HEALTHCARE BENEFITS *continued*

Defined benefit plans

The PPC group post-employment subsidy policy states that the company subsidises the total medical scheme contributions at either 80% or 100%, and dependants of eligible continuation members receive a subsidy before and after the death of the principal member.

The defined benefit plans require contributions from PPC group and typically expose the company to actuarial risks such as inflation, future changes in legislation, longevity, future changes in the tax environment, enforcement of eligibility criteria and rules, and administration risk. The risk relating to post-employment healthcare benefits to be paid to the dependants of plan members are not insured by an external insurance company.

The movement in the post-retirement medical benefit fund is a loss of Rnil (2024: R3 million loss) for the year; the closing balance at 31 March 2025 amounted to R18 million (2024: R18 million).

South Africa (Cement and Concrete Institute employees and Corner House Pension Fund employees)

The most recent actuarial valuations of the plan assets and the present value of the defined benefit liability were carried out on 29 February 2024 by Alexander Forbes Health (Pty) Ltd of the Actuarial Society of South Africa.

The actuarial valuation method used to determine the present value of the defined benefit liability, and the related current service cost and past service cost, is the projected unit credit method prescribed by IAS 19 *Employee Benefits*. Future benefits valued are projected using specific actuarial assumptions and the liability for in-service members is accrued over the expected working lifetime.

In order to undertake the valuation, it is necessary to make a number of assumptions. The most significant assumptions used for the previous and current valuations are outlined below.

Discount rate	10,50% (2024: 11,70%)
Healthcare cost inflation	6,30% (2024: 7,20%)

Post-retirement mortality assumption PA(90) ultimate rated down two years + 1,0% pa.

Zimbabwe (Porthold post-retirement Medical Fund)

PPC Zimbabwe provides post-retirement medical benefits for qualifying employees. The cost of these benefits is actuarially valued every three years. The latest valuation being for the period ended 31 March 2024 and the result of which has been brought to account in these financial statements.

The following key parameters were used in the valuation:

Discount rate	15,84%
General inflation	7,69%
Health cost inflation	9,19%
Net gap (discount rate versus health cost inflation)	6,09%

Defined contribution plans

The total cost charged to the income statement of R90 million (2024: R102 million) represents contributions paid to these schemes by the group at rates specified in the rules of the schemes. At 31 March 2025, all contributions due in respect of the current reporting period had been paid over to the schemes.

13.3 LEGAL PROVISION

The provision relates to a voluntary commitment by PPC Zimbabwe to pay school fees plus a monthly grocery allowance for three minors injured at the Colleen Bawn Limestone site in Zimbabwe.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

14. BORROWINGS

	March 2025 Rm	March 2025 Rm	March 2024 Rm					
South Africa long-term funding	Available	Utilised	Utilised	Interest base	Interest margin (basis points)	Interest payment frequency	Final maturity	Security
Facility A – bullet term loan ^(a)	—	—	400	3-month JIBAR	284	Quarterly	17 Dec 2024	Secured
Facility C – amortising term loan ^(a)	—	—	375	3-month JIBAR	294	Quarterly	15 Sep 2026	Secured
New facility A – bullet term loan	—	500	—	3-month JIBAR	205	Quarterly	13 Sep 2027	Secured
New facility B – revolving credit facility	500	—	—	3-month JIBAR	200	Quarterly	13 Sep 2028	Secured
Capitalised transaction costs	—	—	(4)					
Capitalised transaction costs written off	—	—	4					
Total long-term borrowings	500	500	775					
Short-term facilities								
South Africa ^(b)	500	2	4					
Total short-term borrowings	500	2	4					
Total borrowings	1 000	502	779					

^(a) These facilities were settled during the current financial year and replaced with a new facility A and facility B. Refer to note 34 for new borrowings.

^(b) The R2 million relates to accrued finance costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

14. BORROWINGS continued

	March 2025 Rm	March 2024 Rm
Broken down as follows:		
Long-term portion of long-term funding		
South Africa	500	225
Short-term portion of long-term funding		
South Africa	—	550
Short-term facilities and bank overdrafts	2	4
	502	779
Maturity analysis of total borrowings:		
One year	2	554
Two years	—	150
Three years	500	75
Four years	—	—
	502	779
Carrying amount of assets encumbered		
Property, plant and equipment (refer to note 2)	2 465	2 747
Inventories (refer to note 9)	629	786
Trade receivables (refer to note 10)	554	640

PPC has a security pool arrangement with FirstRand Bank Ltd (acting through its Rand Merchant Bank division, RMB) and Nedbank Ltd (acting through its Nedbank Corporate and Investment Banking Division, Nedbank) (collectively the SA Lenders). As is the practice in South Africa, PPC established a special purpose company (the shareholding of which is held 100% by a special purpose owner trust) to hold and enforce security for the benefit of the SA Lenders.

The debt guarantor established for PPC and its subsidiaries' South African refinancing with the SA Lenders is Maitlantic 6060 (RF) (Pty) Ltd (the special purpose vehicle (SPV)). The SPV is ring-fenced, the effect of this is that its memorandum of incorporation only permits it to enter into the relevant finance documents associated with the South African PPC refinancing with the SA Lenders.

The shares in the SPV are held by a special purpose owner trust established in terms of a trust deed, which has been registered with the Master of the High Court. The trust and the SPV are administered by a reputable corporate fiduciary service provider called Maitland Group South Africa Ltd.

PPC registered bonds over immovable property, including certain property, plant and equipment, inventories and trade receivables, in favour of the SPV.

The SPV has issued guarantees in favour of the SA Lenders (collectively the Debt Guarantor Guarantees). In terms of the Debt Guarantor Guarantees, the SPV guarantees the liabilities and obligations of PPC Cement SA (Pty) Ltd, PPC Ltd, PPC South Africa Holdings (Pty) Ltd, Pronto Holdings (Pty) Ltd, Pronto Building Materials (Pty) Ltd (collectively the Obligors) that are owing from time to time by the Obligors to the SA Lenders under the relevant finance documents.

The obligations of the SPV under the Debt Guarantor Guarantees is limited to what the SPV recovers from the Obligors and PPC Botswana (Pty) Ltd (PPC Botswana). This is achieved in terms of a counter indemnity agreement that the SPV entered into with the Obligors and PPC Botswana.

PPC does not have any power over either the SPV or the trust and as such these entities are not consolidated. PPC is not exposed to any risk from either entity or any variable return from either entity. Refer to note 36.

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank (SARB) has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred rate to replace JIBAR in cash and derivative instruments. The Market Practitioners Group (MPG) published an update on the JIBAR transition plan which outlines the roadmap for increasing the use of ZARONIA in financial markets and transitioning away from JIBAR. The publication highlights that JIBAR is expected to be discontinued before the end of 2026 and the MPG has indicated that although JIBAR will continue to be published for the foreseeable future, market participants are strongly encouraged to consider the implications of the JIBAR transition plan for their business operations and strategy, and plan to minimise the amount of JIBAR-related exposure over the transition period. The group is in the process of assessing the impact on the various financial instruments held by the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

15. OTHER NON-CURRENT LIABILITIES

Judgements made by management and sources of estimation uncertainty

Put option liability

In 2015, PPC Ltd entered into a put option agreement with the International Finance Corporation (IFC) in terms of which the latter can put its investment or part thereof in PPC Barnet DRC Holdings to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement. The agreement provides for the determination of the option price by way of a formula as follows:

(EBITDA x earnings multiple) – net financial debt

As a result of the level of net financial debt in the DRC, the value of the option is Rnil in terms of the formula.

16. TRADE AND OTHER PAYABLES

	March 2025 Rm	March 2024 Rm
Capital expenditure payables	—	8
Other financial payables	30	49
Carbon tax accrual ^(a)	68	71
Trade payables and accruals ^(b)	955	887
Trade and other financial payables	1 053	1 015
Income received in advance	4	1
Payroll accruals	431	303
VAT payable	33	8
	1 521	1 327

^(a) Carbon tax accrual is based on greenhouse gas (GHG) emissions in terms of the Carbon Tax Act 15 of 2019 (the Carbon Tax Act).

^(b) Trade payables and accruals comprise outstanding trade purchases and other costs. PPC group's average payment terms are 30 days from the statement date. The group has financial risk management policies to ensure that all trade payables are paid within the payment terms, which results in insignificant interest charges.

Other payables, payroll accruals and VAT obligations are payable within a 30 to 60-day period. Refer to note 29.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

17. REVENUE FROM CONTRACTS WITH CUSTOMERS

The group's revenue is derived from the sale of cementitious products to the group's customers. For cementitious products, revenue is recognised when the related performance obligations are satisfied by transferring control of the promised cementitious product to the group's customers. Revenue is disclosed net of indirect taxes, rebates and discounts offered to customers and after eliminating intergroup sales.

Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation. For contracts that contain multiple performance obligations, the transaction price is allocated to each performance obligation based on relative standalone selling prices. Revenue recognised is based on the amount that depicts the consideration to which the group expects to be entitled in exchange for transferring the goods and services promised to the customer.

The group has the following revenue streams, which are recognised at a point in time:

	March 2025 Rm	March 2024 Rm
Disaggregation of revenue		
Cementitious goods	8 960	9 055
Aggregates	214	154
Readymix	603	717
Ash	94	132
Total revenue	9 871	10 058
Major goods and services per primary geographical markets		
	9 871	10 058
South Africa ^(a)	6 328	6 253
Botswana	421	459
Zimbabwe	3 122	3 346

^(a) The revenue from South Africa includes cementitious goods, aggregates, readymix and ash.

Sale of cementitious products

The group manufactures and sells a range of cementitious products that include the sale of cement, readymix, clinker and aggregates. Revenue from the sale of cementitious goods is recognised when delivery has taken place and control of the goods has been transferred to the customer. The customer obtains control of the goods when the significant risks and rewards of products sold are transferred according to the specific delivery terms that have been formally agreed with the customer. This occurs upon delivery, when the bill of lading is signed by the customer as evidence that they have obtained physical possession and accepted the products delivered.

Cementitious products are often sold with retrospective volume rebates based on aggregate sales over a specified period. Revenue from these sales is recognised based on the selling price specified in the contract, net of the estimated volume rebates. Accumulated experience is used to estimate and provide for the rebates using the most likely amount method. In this regard, revenue is recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume rebates payable to customers in relation to sales made until the end of the reporting period. As part of the assessment of whether the estimated volume rebate should be constrained, it was noted that there were no significant reversals from the refund liability that were recognised in the current year. Management will continue to reassess its ability to reasonably estimate the expected volume rebates.

A receivable is recognised when the goods are delivered. This is the point in time that the consideration becomes unconditional as only the passage of time is required before the payment is due. No significant financing element is deemed present as the sales are made with credit terms largely ranging between 30 and 60 days which is consistent with market practice.

Generally, cementitious products are not returned as a customer will only accept these products once they have passed a stringent quality check at delivery. No warranty provision or right of return contract liabilities have therefore been recognised by the group in this regard.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. SHARE-BASED PAYMENTS

Judgements made by management and sources of estimation uncertainty

Fair value used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The group is required to calculate the fair value of the equity-settled instruments granted to employees in terms of the long-term incentive plan (LTIP).

These fair values are calculated by applying a valuation model, which is in itself judgemental, and considers certain inherently uncertain assumptions such as dividend yield, share price volatility, performance conditions and staff turnover.

18.1 RETENTION AWARDS

In terms of IFRS 2 *Share-based Payment*, the fair value of each share awarded, which will be expensed over the vesting period in return for services rendered, is based on the average market price of acquiring the share and is not remeasured subsequently. The service and performance conditions are taken into account in the number of instruments that are expected to vest. Subsequent revisions are made for changes in estimated attrition and probability of satisfaction of performance conditions.

In terms of a director's fixed-term service agreement entered into on 14 September 2023, as subsequently amended, the director was entitled to a sign on award of 7 455 255 shares. There are no performance conditions linked to the award. All the awards will vest in 2027.

	Sign on award
Date of grant	01/10/2023
Number of shares granted to:	
A director	7 455 255
Average purchase price of shares acquired (R)	3,70
Estimated fair value per share at grant date (R)	3,07

During the current year, two prescribed officers were entitled to sign on awards of shares. There are no performance conditions linked to the award. All the awards will vest in 2027.

	Sign on award
Date of grant	01/08/2024
Number of shares granted to:	
Two prescribed officers	2 533 137
Average purchase price of shares acquired (R)	3,67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. SHARE-BASED PAYMENTS *continued*

18.2 LONG-TERM INCENTIVE PLAN

The LTIP was introduced on 1 April 2020 and offers employees across the group participation in the LTIP with the aim of driving group performance in line with the company's strategy. In order to recognise contributions made by selected employees and provide an incentive for their continued performance and relationship with the group, the LTIP provides them with the opportunity of receiving a long-term incentive and to ensure that the company attracts and retains the core competencies required for formulating and implementing the company's business strategies.

On 1 April each year, a LTIP participant is allocated an incentive value being the participant's total guaranteed package multiplied by a relevant allocation percentage. Performance conditions are set annually for the performance period. At the end of the performance period (being a period of one year), the remuneration and talent committee will assess whether the performance conditions have been met and adjust the incentive value accordingly. PPC Ltd will then provide the cash to the Central Securities Depository Participant (CSDP) to enable the CSDP to purchase PPC shares on the market to the value of the adjusted incentive value. The number of shares awarded to each participant can therefore only be determined at that time. The shares are held by an escrow agent until the release date. The employer companies will reimburse PPC Ltd for the cost of the shares. During the vesting period (three years post-performance conditions being met), the employee is entitled to dividends and voting rights but may not dispose of the shares until the vesting conditions have been met and the shares have been released. Should any shares be forfeited in terms of the rules, PPC will instruct the escrow agent to sell the shares and return the cash to the employer company. The vesting condition is that the employee has to remain in the employ of the employer for a further three years after the performance conditions have been met.

The performance conditions include both market (being total shareholder return) and non-market-related conditions (being board approved budgeted return on invested capital).

	Estimated number of awards as at 31 March 2025 – 2025 scheme ^(a)	Actual number of awards as at 31 March 2025 – 2022 scheme ^(b)	Estimated number of awards as at 31 March 2024 – 2022 scheme ^(b)
LTIP award			
Number of shares	18 459 934	8 364 377	10 155 278
Price per share	4,60	3,51	3,51

^(a) At 31 March 2025 management estimated that the performance conditions would be met at 120% of the performance conditions target and estimated that 18 459 934 shares will be granted to participating employees. The estimate is based on the closing share price on 31 March 2025.

^(b) In July 2022, the performance conditions were measured and determined to be exceeded. Given 207 362 share forfeited and 1 583 540 shares early vested, 8 364 377 shares remain. These shares were awarded at an average price of R3,51 per share and will become unconditional on 1 April 2025.

At both 31 March 2023 and 31 March 2024, the performance conditions were not met and therefore no shares were awarded for the 2023 and 2024 schemes respectively.

	2025 Rm	2024 Rm
The carrying amount of the LTIP in equity compensation reserve at year-end	68	64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

19. FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

Judgements made by management

Valuation of financial instruments

The valuation of financial instruments is based on the market position at the reporting date and other assumptions such as volatility, intrinsic value, time value and interest rates. The value of the derivative instrument fluctuates and the actual amounts realised may differ materially from their value at the reporting date.

19.1 FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

Movements in the fair value and foreign exchange gains/losses are recognised in the statement of profit or loss and comprise the following:

	March 2025 Rm	March 2024 Rm
Movements in the fair value and foreign exchange gains are recognised in the statement of profit or loss and comprise the following:		
Fair value (loss)/gain on cell captive investment	(9)	13
Fair value gain on remeasurement of interest rate swap (refer to note 6.2)	—	2
Fair value gain on unlisted collective investments	4	—
Foreign exchange movements on translation of foreign currency denominated monetary items	(16)	(45)
	(21)	(30)

19.2 TRANSLATION OF FOREIGN OPERATIONS

Movements in the translation of foreign operations are recognised in the statement of comprehensive income. The group's foreign currency translation reserve arises from the following foreign subsidiaries and associates:

	March 2025 Rm	March 2024 Rm
PPC Zimbabwe	(44)	110
CIMERWA ^(a)	—	(70)
PPC International Holdings	36	(8)
PPC Botswana	(1)	—
	(9)	32

^(a) CIMERWA was disposed of in the prior year and therefore the movements are up to 25 January 2024 being the disposal date.

Details on fair value hierarchies are disclosed in note 29.

Details on foreign exchange rates can be found in note 1.5.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

20. IMPAIRMENTS

	March 2025 Rm	March 2024 Rm
Impairment of property, plant and equipment (refer to note 2)	(181)	(197)
Impairment of CGUs (refer to note 2)	—	(70)
Gross impairments	(181)	(267)
Taxation impact	49	72
Net impairments	(132)	(195)

Impairment of property, plant and equipment, goodwill and other intangible assets

IAS 36 *Impairment of Assets* states that an entity shall assess assets for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When an impairment indicator exists, the recoverable amount of an asset is calculated and compared to the carrying value.

IAS 36 requires that assets are grouped at the lowest levels for which the assets generate independent cash inflows (cash-generating units). This results in assets either being tested individually for impairment or tested at a CGU level.

An impairment loss is first allocated to any goodwill allocated to the CGUs, followed by an allocation to the carrying amounts of the remaining assets.

The group has identified the following CGUs within its subsidiaries:

- Inland business unit
- Coastal business unit
- Port Elizabeth plant
- PPC Botswana Cement
- PPC Aggregates SA
- Readymix – Gauteng region
- Readymix – East region
- Readymix – West region
- Readymix – Nelspruit
- Readymix – Projects
- Ulula Ash
- PPC Zimbabwe

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

20. IMPAIRMENTS *continued*

Judgements made by management and sources of estimation uncertainty

The future cash flows expected to be generated by the CGUs are forecast, taking into account market conditions and the expected useful lives of the assets. These matters require judgement. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current carrying value and, if lower, the assets are written down to the present value calculated.

The recoverable amounts of the CGUs are determined using the higher of fair value less cost of disposal and value-in-use assessments. These calculations use cash flow projections based on the most recent financial budgets approved by management and the board for the next five years. These financial budgets are the quantification of board-approved strategies derived from the strategic planning process followed across the group. The process ensures that significant risks and sensitivities are appropriately considered and factored into the strategic plans.

Impairment losses recognised in prior periods are assessed for any indications that the loss has decreased or no longer exists. Impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Discount rates

Management estimates discount rates for each CGU, adjusted for risks associated with the geographical markets in which the CGUs operate. Additionally, management considers the impact of sales volumes both from a market and customer variation point of view, production efficiencies and the impact of fluctuations in overheads when determining the cash flow projections used in value-in-use calculations.

Impairments	2025 Rm	Reasons for impairments
Impairment of individual assets	132	
PPC Cement SA (Coastal business unit) Plant and machinery		Mining at De Hoek will largely cease from FY26 as a direct result of the increased mining at the Riebeeck quarry to supply the De Hoek plant. The decision is based on better limestone quality and cost savings due to efficiencies. The De Hoek quarry will still be available for mining activities should it be needed. However, because there will be limited, if any, mining activity, an impairment was recognised in the current year. Capitalised overburden and primary and secondary crushers were fully impaired during the current year.
PPC Cement SA (Coastal business unit) Plant and machinery	23	The new integrated plant (RK3) in the Western Cape will be built on the current Riebeeck site. Specific parts of the current factory (including the storage areas and finishing mills) will still be used following the completion of RK3. The raw milling lines (RK1 and RK2) will however cease to operate during FY26 resulting in a recognition of an impairment.
Readymix Gauteng region Plant and machinery	15	The Mortars plant consistently experienced lower volumes which had an adverse impact on the financial performance of the readymix business. Management decided to mothball the plant in October 2024. The mobile equipment was transferred to other readymix plants. However, there was a portion of the plant and machinery that could not be moved to other plants and therefore these assets were impaired during the current year.
PPC Cement SA (Inland business unit) Plant and machinery	8	A mill at the Hercules factory was mothballed in FY21 as other more efficient mills could cope with production levels. The mill was not decommissioned as management intended to start it up at a later stage depending on demand. However, due to operational requirements, the plant is no longer required in the foreseeable future and the mill was fully impaired in the current year.
PPC Cement SA (Inland business unit) Plant and machinery	1	A decision was taken during the current year to mothball the Isando blending plant. There are no probable future economic benefits expected from the plant and therefore a full impairment was recognised during the current year.
PPC Cement SA (Inland business unit) Plant and machinery	1	The pre-crushing system at the Dwaalboom plant was impaired during the current year because the line was no longer running and management does not have an intention to use the line in future.
PPC Cement SA (Inland business unit) Land and buildings	1	An impairment was recognised for some costs incurred on an anticipated fine coal shed at Dwaalboom. The construction of the shed has been indefinitely postponed.
Net impairment loss	181	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

20. IMPAIRMENTS *continued*

Impairment indicators *continued*

Impairments	2024 Rm	Reasons for impairments
Impairments of CGUs during the prior financial year		
PPC Aggregates SA	70	A CGU impairment was recognised in the Aggregates business as a result of low construction and road projects in the region where the quarries operate. Consequently, this results in lower EBITDA forecasts. The CGU impairment worsened as a result of an increased carrying value of the CGU due to the recognition of the conveyor structure and new offloading station recognised as property, plant and equipment, and received for no consideration.
Impairment of individual assets		
PPC Cement SA (Inland business unit) Plant and machinery Buildings	56	Due to the general operating environment PPC was experiencing, Jupiter site was formally mothballed in May 2023 and an impairment was recognised on the plant, machinery and buildings. There are no plans to operate the site in the foreseeable future and at 31 March 2024 all the assets were fully impaired.
PPC Cement SA (Inland business unit) Plant and machinery	125	A decision was made to mothball Slurry kiln no.8 (SK8) and Dwaalboom kiln no.1 (DK1) but have them ready to use as swing kilns if the need arises. The motivation to mothball these kilns was driven by: <ul style="list-style-type: none"> • lower market volumes; • cost optimisation due to running newer more energy efficient kilns. These kilns have not operated during FY24 and these have been excluded from the FY25 – FY29 budgets, due to the muted volume growth outlook.
PPC Cement SA (Inland business unit) Plant and machinery	16	The Beestekraal quarry has been idle from 2019 and has not been included in the budget period to operate. Beestekraal's main assets comprise capitalised overburden stripping. This was previously not impaired as the intention was to resume mining activities. However, a firm decision has been made in the year not to resume mining and hence the need to impair.
Net impairment loss	267	

Key assumptions used for value-in-use calculations:

	Terminal growth rate		Discount rate	
	31 March 2025 %	31 March 2024 %	31 March 2025 %	31 March 2024 %
Inland business unit	5	5	15	15
Coastal business unit	5	5	15	15
Port Elizabeth plant	5	5	21	21
PPC Aggregates SA	5	5	22	20
Readymix – Gauteng region	5	5	22	22
Readymix – East region	5	5	22	22
Readymix – West region	5	5	22	22
Readymix – Nelspruit	5	5	22	22
Readymix – Projects	5	5	22	22
PPC Botswana Cement	4	4	17	16
Ulula Ash	5	5	20	20
PPC Zimbabwe (US\$)	5	5	19	19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

20. IMPAIRMENTS *continued*

In preparing the financial statements, management has considered whether a reasonable possible change in the key assumptions on which management has based its determination of the recoverable amounts of the CGUs would result in the units' carrying amounts to exceed their recoverable amounts. If the discount rate, growth rate or cash flows increase or decrease by 2,5%, 1% or 5%, respectively, the impairment charge will (increase) or decrease and the headroom will increase or (decrease) as follows for the significant CGUs of the group:

CGU	Segment	Recoverable amount Rm	(Impairment)/ headroom	Impact on impairment and headroom				
				Discount rate increase 2,5%	Discount rate decrease 2,5%	Growth rate increase 1%	Growth rate decrease 1%	Overall cash flows increase/decrease by 5%
31 March 2025								
Rm								
Inland business unit	SA and Botswana – Cement	3 200	313	(676)	1 097	256	(213)	160
Coastal business unit	SA and Botswana – Cement	1 637	904	(316)	508	117	(97)	82
PPC Zimbabwe	Zimbabwe – Cement	3 279	825	(517)	751	163	(140)	164

Management has considered changes to the discount rates, growth rates and cash flows for the group's three significant cash-generating units. Management has updated the disclosures during the current year in order to provide useful information on the cash-generating units which have a significant impact on the group's overall performance. These three CGU's (Inland, Coastal and PPC Zimbabwe) comprised 90% of the total recoverable amount in FY25.

CGU	Segment	Recoverable amount	(Impairment)/ headroom	Impact on impairment and headroom				
				Discount rate increase 2,5%	Discount rate decrease 2,5%	Growth rate increase 1%	Growth rate decrease 1%	Overall cash flows increase/decrease by 5%
31 March 2024								
Rm								
Inland business unit	SA and Botswana – Cement	3 386	117	(666)	1 068	246	(205)	169
Coastal business unit	SA and Botswana – Cement	1 132	150	(228)	364	84	(70)	57
PPC Zimbabwe	Zimbabwe – Cement	3 907	1 524	(642)	935	205	(177)	195

Events after the reporting period

There were no events after the reporting period that, should they have been taken into account, would have had a material impact on the impairments accounted for in the current financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

21. GOVERNMENT GRANT

	March 2025 Rm	March 2024 Rm
Government grant	37	—
	37	—

PPC recognises government grants when reasonable assurance exists of grant receipt and compliance with conditions. For expense-related grants, these are recognised systematically over the relevant expense periods.

Non-monetary unconditional government grants are measured as follows:

- the full nominal value of the grant is immediately recognised in profit or loss upon initial recognition; and
- the corresponding asset is recorded at nominal value in the statement of financial position

The PPC Zimbabwe received a government grant in the form of land, constituting a non-monetary asset. The grant was unconditional in nature, with no outstanding performance conditions or contingencies existing as at 31 March 2025. In accordance with the group's accounting policy, the full nominal value of the grant received during the year was recognised immediately in profit or loss. The determination of the nominal value was based on the methodology detailed in note 5.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

22. DISPOSAL OF SUBSIDIARIES

CIMERWA

In the prior year management concluded that the effective date for the disposal was 25 January 2024 and CIMERWA was de-consolidated with effect from that date.

The consideration was received in cash on 24 January 2024. At the date of disposal, the carrying amounts of CIMERWA were as follows:

	31 March 2025	25 January 2024
	Rm	Rm
Property, plant and equipment	—	1 066
Other intangible assets	—	29
Right-of-use assets	—	1
Total non-current assets		1 096
Inventories	—	233
Trade and other receivables	—	161
Cash and cash equivalents	—	153
Total current assets		547
Total assets	—	1 643
Provisions	—	15
Deferred taxation liabilities	—	96
Total non-current liabilities		111
Trade and other payables	—	118
Taxation payable	—	13
Short-term borrowings	—	119
Total current liabilities	—	250
Total liabilities	—	361
Net asset value before non-controlling interests	—	1 282
Non-controlling interests	—	(658)
Net asset value before reclassification of foreign currency translation reserve	—	624
Foreign currency translation reserve	—	(12)
Net asset value	—	612
Consideration	—	809
Profit on disposal	—	197

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

23. FINANCE COSTS

	March 2025 Rm	March 2024 Rm
Bank and other short-term borrowings	16	14
Interest expense on lease liabilities	16	12
Long-term loans	67	99
Finance costs before time value of money adjustments and interest on penalties	99	125
Time value of money adjustments on rehabilitation and decommissioning provisions	7	6
	106	131
Southern Africa	102	127
Zimbabwe	4	4

	March 2025 Rm	March 2024 Rm
Finance costs as per income statement charge	106	131
Time value of money adjustments on rehabilitation and decommissioning provisions	(7)	(6)
Post-retirement benefit	(1)	(1)
Finance costs paid	98	124

24. INVESTMENT INCOME

	March 2025 Rm	March 2024 Rm
Dividends on collective investment scheme	2	2
Interest income on cash and cash equivalents	61	40
	63	42

25. EARNINGS AND HEADLINE EARNINGS PER SHARE

25.1 NUMBER OF SHARES AND WEIGHTED AVERAGE NUMBER OF SHARES

	31 March 2025 shares	31 March 2024 shares
Total shares in issue at the beginning of the year	1 553 764 624	1 553 764 624
Total shares in issue at the end of the year	1 553 764 624	1 553 764 624
Treasury shares	(86 060 838)	(54 216 556)
Weighted average number of shares for calculation of basic EPS	1 467 703 786	1 499 548 068
Adjusted for:		
Shares held by employees in terms of LTIP ^(a)	2 789 925	—
Weighted average number of shares for calculation of diluted EPS	1 470 493 711	1 499 548 068

^(a) During the current year, the LTIP shares were dilutive, however in the prior year the LTIPs resulted in an increase in EPS and was therefore antidilutive, and presented as Rnil.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

25. EARNINGS AND HEADLINE EARNINGS PER SHARE *continued*

25.2 TREASURY SHARES

In terms of IFRS requirements, shares held by subsidiaries, consolidated BBBEE entities and employee trusts are treated as treasury shares. As at 31 March 2025, a total of 5,54% (2024: 3,49%) of the total shares in issue are thus treated as treasury shares.

	Number of shares
Shares held by PPC GPCO	
Shares owned in PPC Ltd due to the share repurchase programme.	64 638 471
Long-term incentive plan (LTIP)	
The scheme was introduced on 1 April 2020 and offers employees across the group participation in the LTIP with the aim of driving group performance in line with the company's strategy.	18 725 518
Shares held by consolidated Porthold Trust (Pvt) Ltd	
Shares owned by a PPC Zimbabwe employee trust company are treated as treasury shares.	1 710 612
PPC shares held by PPC Zimbabwe	
PPC Zimbabwe owns shares in PPC Ltd via the Zimbabwe Stock Exchange.	986 237
	86 060 838

25.3 BASIC EARNINGS

	Discontinued operations		Continuing operations		Group	
	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm
Profit for the year	—	422	466	88	466	510
Attributable to:						
Shareholders of PPC Ltd	—	318	466	88	466	406
Non-controlling interests	—	104	—	—	—	104
	—	422	466	88	466	510

25.4 EARNINGS PER SHARE

	Cents	Cents	Cents	Cents	Cents	Cents
Basic	—	21	32	6	32	27
Diluted	—	21	32	6	32	27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

25. EARNINGS AND HEADLINE EARNINGS PER SHARE *continued*

25.5 HEADLINE EARNINGS/(LOSS)

	Discontinued operations		Continuing operations		Group	
	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm	March 2025 Rm	March 2024 Rm
Headline earnings						
Headline earnings/(loss) is calculated as follows:						
Profit for the year	—	422	466	88	466	510
<i>Adjusted for:</i>						
Impairment of property, plant and equipment, intangible assets and right-of-use assets (refer to note 20)	—	—	181	267	181	267
Taxation on impairments	—	—	(49)	(72)	(49)	(72)
(Profit)/loss on sale of property, plant and equipment	—	—	(20)	9	(20)	9
Profit on disposal of subsidiaries	—	(197)	—	—	—	(197)
Taxation on profit/loss on sale of assets	—	—	5	(2)	5	(2)
Headline earnings	—	225	583	290	583	515
Attributable to:						
Shareholders of PPC Ltd	—	121	583	290	583	411
Non-controlling interests	—	104	—	—	—	104

25.6 HEADLINE EARNINGS PER SHARE

	Cents	Cents	Cents	Cents	Cents	Cents
Basic	—	8	40	19	40	27
Diluted	—	8	40	19	40	27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

26. STATEMENT OF CASH FLOWS

26.1 CASH GENERATED FROM OPERATIONS

	Notes	March 2025 Rm	March 2024 Rm
Cash generated from operations			
Profit before taxation		774	233
<i>Adjustments for:</i>			
Non-cash flow adjustment on the rehabilitation provision included in cost of sales		(34)	(30)
Amortisation and depreciation	2, 3, 4	574	623
Modification of existing leases	3	—	(2)
(Profit)/loss on sale of property, plant and equipment		(20)	9
IFRS 2 charges		42	28
Fair value and foreign exchange movements	19.1	21	30
Impairments	20	181	267
Government grant	21	(37)	—
Finance costs	23	106	131
Dividends earned	24	(2)	(2)
Interest income	24	(61)	(40)
Other non-cash flow items		(1)	(64)
Operating cash flows before movements in working capital		1 543	1 183
Movements in inventories		49	(319)
Movements in trade and other receivables		75	(37)
Movements in trade and other payables		207	73
Cash generated from operations		1 874	900

26.2 RECONCILIATION OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES RELATED TO BORROWINGS

	March 2025 Rm	March 2024 Rm
Balance at the beginning of the year	779	1 189
Current	554	337
Non-current	225	852
Cash flows	(276)	(151)
Repayment of borrowings	(275)	(150)
Accrued finance costs	67	110
Finance costs paid ^(a)	(68)	(111)
Disposal of subsidiary	—	(244)
Other movements	(1)	(15)
Capitalised transactions costs	(1)	—
Effects of changes in foreign exchange rates	—	(15)
Balance at the end of the year	502	779
Comprising:		
Current	2	554
Non-current	500	225

^(a) Included in net cash flow from operating activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

26. STATEMENT OF CASH FLOWS *continued*

26.3 RECONCILIATION OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES RELATED TO LEASE LIABILITIES

	March 2025 Rm	March 2024 Rm
Balance at the beginning of the year	154	70
Current	37	28
Non-current	117	42
Cash flows	(39)	(34)
Repayment of lease liabilities	(39)	(34)
Accrued finance costs	16	12
Finance costs paid ^(a)	(16)	(12)
Other movements	26	118
Additions	26	118
Disposals	—	(2)
Modification of existing leases	—	2
Balance at the end of the year	141	154
Comprising:		
Current	40	37
Non-current	101	117

^(a) Included in net cash flow from operating activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

27. COMMITMENTS

	March 2025 Rm	March 2024 Rm
Contracted capital commitments	2 504	118
Approved capital commitments	48	88
Capital commitments	2 552	206
Lease commitments not reflected in measurement of lease liabilities	4	6
	2 556	212
Capital commitments		
Southern Africa	2 552	87
Zimbabwe	—	119
	2 552	206
Capital commitments are anticipated to be incurred:		
Within one year	1 578	175
Between one and five years	974	31
	2 552	206
Lease commitments		
This relates to future cash outflows that the group is exposed to that are not reflected in the measurement of the lease liabilities. This includes exposure from variable lease payments for certain leases, lease payments for low-value leases and short-term leases.		
Lease commitments		
Land and buildings	4	5
Plant equipment	—	—
Other	—	1
	4	6
Lease commitments are anticipated to be incurred:		
Within one year	1	2
Between one and five years	3	4
	4	6

The significant movement in commitments relates to the approval by the PPC board of directors on 27 March 2025 of the construction of a new R3 billion best-in-class integrated cement plant in the Western Cape. The work will commence in the second quarter of 2025. The commitments are inclusive of an amount of US\$134 million, being the engineer, procure, construct (EPC) contract with Sinoma Overseas Development Company Ltd (Sinoma), refer to note 34.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

28. TRADING PROFIT

	March 2025 Rm	March 2024 Rm
Trading profit includes:		
Amortisation	10	16
Included in cost of sales	5	5
Included in operating costs	5	11
Auditors' remuneration	31	37
Audit fees – PwC	26	35
Audit fees – EY	4	—
Other services – PwC	1	2
Depreciation	564	607
Included in cost of sales	523	543
Included in operating costs	41	64
Distribution costs included in cost of sales	1 463	1 551
(Profit)/loss on sale of property, plant and equipment and intangible assets	(20)	9
Lease commitments not reflected in measurement of lease liabilities ^(a)	—	1
Carbon tax	53	58
Staff costs before capitalisation to plant and equipment	1 592	1 600
Southern Africa	1 252	1 249
Zimbabwe	340	351
Including:		
Equity-settled share incentive scheme charge	42	28
Employees' remuneration	1 448	1 445
Staff restructuring costs	12	25
Retirement benefit contributions (refer to note 13)	90	102
	1 592	1 600

^(a) This consists of all rental expenses that do not meet the IFRS 16 recognition criteria.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* provides guidance on the classification, measurement and recognition of financial assets and financial liabilities. The standard establishes three measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Classification of financial assets into these categories is dependent on the entity's business model (which depicts its objectives with respect to the management of financial assets as a whole) and the characteristics of the contractual cash flows of the specific financial asset.

The group's application of IFRS 9 *Financial Instruments* and the group's exposure to financial risks and how these risks could affect the group's future financial performance are described below.

Financial assets – classification and measurement

IFRS 9 *Financial Instruments* requires all financial assets to be initially recognised at fair value, including directly attributable transaction costs for all financial assets not measured at fair value through profit or loss. Transaction costs for financial assets carried at fair value through profit or loss are expensed in profit or loss.

The group subsequently measures financial assets depending on whether these instruments are debt or equity instruments (from an issuer's perspective).

Debt instruments

Financial assets are subsequently measured at amortised cost if they are held within a business model whose objective it is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest (hold to collect).

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and those contractual cash flows comprise solely payments of principal and interest (hold to collect and sell). Movements in the carrying amount of these financial assets should be taken through other comprehensive income, except for interest revenue and foreign exchange gains or losses, which are recognised in profit or loss. Where the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Financial assets – classification and measurement *continued*

Equity instruments

The group subsequently measures all financial assets, that are considered to be equity instruments from an issuer's perspective, at fair value. Where the group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as investment income when the group's right to receive payments is established.

Financial liabilities – classification and measurement

The group recognises instruments where it has a contractual obligation to (i) deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the group as financial liabilities. Financial liabilities are recognised once the group becomes a party to the contractual rights and obligations in the underlying contracts.

Under IFRS 9 *Financial Instruments* requirements, the group measures financial liabilities at either fair value or amortised cost. The group recognises all financial liabilities at amortised cost, unless the group is required to measure the financial liabilities at fair value or has opted to measure the liability at fair value.

All financial liabilities are initially measured at fair value, minus (in the case of financial liabilities not recognised at fair value through profit or loss) transaction costs that are directly attributable to the issuance of the financial instrument.

Financial liabilities that are subsequently measured at amortised cost are measured at the amount recognised on initial recognition minus principal prepayments, plus the cumulative amortisation using the effective interest method. The movements in financial liabilities that are subsequently measured at fair value are recognised in profit or loss, with changes in the fair value of these financial liabilities that are attributable to the group's own credit risk recognised in other comprehensive income. Where these financial liabilities are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss. However, it may be reclassified within equity.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to pay them in full without material delay has been assumed, or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Derecognition of financial liabilities

Financial liabilities are derecognised when their related obligations are discharged, cancelled or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as other income or finance costs.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial instruments – impairment

IFRS 9 *Financial Instruments* requires impairments to be determined based on an ECL model for financial assets carried at amortised cost or fair value through other comprehensive income. PPC group recognises an allowance for either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk. PPC group measures the ECLs in a manner which reflects a probability-weighted outcome, the time value of money and the entity's best available forward looking information. The preceding probability-weighted outcome considers the possibility that a credit loss will occur and the possibility that no credit loss will occur, no matter how low the probability of credit loss occurrence might be. The ECL model applies to financial assets measured at amortised cost and fair value through other comprehensive income, lease receivables and certain loan commitments as well as financial guarantee contracts.

For trade receivables, the group applies the simplified approach permitted by IFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Refer to credit risk management below for further details.

The group's financial instruments consist mainly of borrowings from financial institutions, deposits with banks, local money market instruments, and accounts receivable and payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Capital risk management

The group manages its capital to ensure that entities in the group will continue as a going concern, while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the group consists of debt (note 14), cash and cash equivalents (note 11), and equity attributable to PPC Ltd shareholders, comprising stated capital (note 12), reserves and retained profit.

The ARCC and strategy and investment committee reviews the capital structure on an annual basis. As part of this review, the cost of capital and the risks associated with each class of capital are considered. Based on recommendations of the committees, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase shares currently issued, issue new shares, raise new debt, raise new debt to replace existing debt with different characteristics and/or sell assets to reduce debt in order to maintain the optimal capital structure. The group has complied with the financial covenants of its borrowing facilities during the current and prior years.

The financial covenants relating to the South African facilities are set out in the table below:

Covenant	Required
Interest cover	>4,0x
SA and Botswana group net debt to EBITDA	<2,0x

During the prior year, the gearing ratio was calculated as gross debt divided by SA and Botswana group EBITDA. This calculation was subsequently changed when the lending facility agreements were revised in September 2024 to use net debt divided by SA and Botswana group EBITDA. In both periods, EBITDA includes dividends received from Zimbabwe. The gearing ratio for the SA and Botswana group at 31 March 2025 is "n/a" as the SA and Botswana group is in a net cash position (2024: 1,2 times).

The SA and Botswana target ratio from gross debt and net debt to EBITDA is 1,3 – 1,5 times.

The group's cash and cash equivalents and debt at statement of financial position date were as follows:

	2025 Rm	2024 Rm
Cash and cash equivalents	872	857
Lease liabilities	(141)	(154)
Borrowings	(502)	(779)
Total equity	5 688	5 897
Total capital – continuing operations	5 917	5 821
Total capital	5 917	5 821

Treasury risk management

Senior financial executives meet on a regular basis to analyse currency and interest rate exposure and to re-evaluate treasury management strategies against latest economic forecasts. The group's central treasury operation provides South African entities with access to local markets and provides local subsidiaries with the benefit of bulk financing and depositing.

Foreign currency management

Trade and capital commitments

The group is exposed to exchange rate fluctuations as it undertakes transactions denominated in foreign currencies in the normal course of business. Exchange rate exposures are managed within approved policy parameters utilising forward exchange contracts. Where possible, entities in the group forward cover all material foreign currency commitments unless there is a natural hedge.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT **continued**

The group's financial instrument exposure to currency risk stated in millions is summarised below:

	Notes	Botswana pula	US dollar	Zimbabwean dollar	Zimbabwe Gold	Mozambican metical	Ethiopian birr
2025							
Financial assets							
Trade and other financial receivables	10	22	4	—	—	18	—
Cash and cash equivalents	11	10	6	—	—	4	34
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.4	—	—	—	3	—	—
Total financial assets		32	10	—	3	22	34
Financial liabilities							
Lease liabilities	3.2	1	—	—	—	—	—
Trade and other financial payables	16	37	22	—	—	—	—
Total financial liabilities		38	22	—	—	—	—
Net exposure		(6)	(12)	—	3	22	34
2024							
Financial assets							
Trade and other financial receivables	10	25	3	—	—	18	—
Cash and cash equivalents	11	19	2	7 642	—	4	44
Total financial assets		44	5	7 642	—	22	44
Financial liabilities							
Lease liabilities	3.2	2	—	—	—	—	—
Trade and other financial payables	16	34	21	—	—	—	—
Total financial liabilities	13	36	21	—	—	—	—
Net exposure		8	(16)	7 642	—	22	44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT **continued**

Sensitivity analysis on net exposure

A movement in exchange rates of 5%, with all other variables held constant against the significant foreign currencies below, would have the following impact:

	Closing rate	Impact on total comprehensive income and shareholders' equity	
		5% increase	5% decrease
Significant foreign currency exposure			
2025			
Botswana pula	1,36	—	—
US dollar	18,42	12	(12)
Mozambican metical ^(a)	0,29	—	—
Ethiopian birr	0,14	(1)	1
Zimbabwe Gold	0,68	—	—
Increase/(decrease) in total comprehensive income		11	(11)
(Decrease)/increase in total comprehensive income		11	(11)
2024			
Botswana pula	1,37	(1)	1
US dollar	18,84	15	(15)
Mozambican metical ^(a)	0,30	—	—
Ethiopian birr	0,33	(1)	1
Increase/(decrease) in total comprehensive income		13	(13)

^(a) The amount is less than one million.

Interest rate management

The group is exposed to interest rate risk arising from fluctuations in financing costs on loans which are at variable interest rates, and interest received on cash and cash equivalents. As part of the process of maintaining a balance between the group's fixed and variable rate borrowings, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are structured according to expected movements in interest rates. The profile of total borrowings is as follows:

Description	Years of repayment	2025 Rm	2024 Rm
Secured			
Long-term loans (refer to note 14)	2026 – 2027	—	775
Long-term loans (refer to note 13)	2028	500	500
		500	775
Unsecured			
Short-term loans and bank overdrafts (refer to note 14)	2026	2	4
Unsecured, short-term loans bearing interest at market rates		2	4

Sensitivity analysis – floating interest rate instruments

All other variables held constant, the amounts below are calculated based on the assumption that the daily average weighted rate cost of funding or interest income received is higher or lower by 100 basis points throughout the year and such rate is applied to the borrowing and cash balances at year-end.

Floating interest rate instruments	Weighted average interest rates	Change in interest rate basis points	Impact on total comprehensive income and shareholders' equity	
			Increase Rm	Decrease Rm
ZAR loans	9,4%	100	(5)	5
Group interest rate sensitivity			(5)	5

The fair value of the swaps at 31 March 2025 is R2 million asset (2024: R1 million asset).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT continued

Fair values of financial assets and liabilities

The classification of financial assets and liabilities are set out below.

	Notes	Total carrying amount Rm	Fair value Rm	Amortised cost Rm
2025				
Financial assets				
The financial assets carried at fair value are classified into three categories as reflected below:				
At amortised cost				
		1 543	1	1 542
Trade and other financial receivables	10	670	—	670
Cash and cash equivalents	11	872	—	872
Readymix trucks receivable	6.2.3	1	1	—
At fair value through other comprehensive income				
		10	10	—
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.4	3	3	—
MRG investment	6.1.5	7	7	—
At fair value through profit or loss				
		228	228	—
Unlisted collective investment (held for trading)	6.1.1	166	166	—
Cell captive investment	6.1.2	37	37	—
Interest rate swap asset	6.2.2	2	2	—
Derivative financial asset	6.1.3	8	8	—
Wayleave rights receivable	6.2.4	15	15	—
Financial liabilities				
At amortised cost				
		1 696	—	1 696
Long-term borrowings	14	500	—	500
Short-term borrowings	14	2	—	2
Lease liabilities	3.2	141	—	141
Trade and other financial payables	16	1 053	—	1 053
2024				
Financial assets				
At amortised cost				
		1 638	—	1 638
Trade and other financial receivables	10	778	—	778
Cash and cash equivalents	11	857	—	857
Readymix trucks receivable	6.2.3	3	—	3
At fair value through other comprehensive income				
		8	8	—
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	2	2	—
MRG investment	6.1.4	6	6	—
At fair value through profit or loss				
		200	200	—
Unlisted collective investment (held for trading)	6.1.1	153	153	—
Cell captive investment	6.1.2	46	46	—
Interest rate swap asset	6.2	1	1	—
Financial liabilities				
At amortised cost				
		1 948	—	1 948
Long-term borrowings	14	225	—	225
Short-term borrowings	14	554	—	554
Finance lease liabilities	3.2	154	—	154
Trade and other financial payables	16	1 015	—	1 015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Credit risk management

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations. The potential exposure to credit risk is represented by the carrying amounts of trade and other receivables, cash and cash equivalents and short-term cash investments.

Credit risk policy: Investments, cash and cash equivalents and derivatives

The group's policy is to strictly limit exposure to individual counterparties by reference to published short-term and long-term credit ratings from recognised credit rating agencies. The group invests in high-quality investments with reputable service providers.

The group's exposure and the credit ratings of its counterparties are continuously monitored. The policy requires diversification of credit exposures among these financial institutions and defines acceptable daily settlement limits. Individual limits for counterparties whose ratings fall within the credit rating guidelines of the group's policy are approved by the CFO, and for counterparties with ratings outside of the policy guidelines, the limits must be approved by the ARCC.

Security held

For some receivables, the group may obtain security in the form of guarantees, deeds of undertaking or letters of credit, which may be called upon if the counterparty is in default under the terms of the agreement.

Summary of the assumptions underpinning the group's ECL model for cash and cash equivalents is as follows:

Under the general approach, at each reporting date, the group recognises a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognised in profit or loss as an impairment gain or loss. Given the maturity profile of the group's bank deposits and current accounts that are classified as financial assets measured at amortised cost, of three months or less, the 12-month and lifetime ECLs are not expected to be materially different. Based on these facts, the general approach has been deemed most appropriate for calculating the ECL.

Significant assumptions considered within the ECL model:

- The model only considers positive cash balances with banking institutions, i.e. gross of overdrafts
- The model also excludes petty cash as this is assumed to be petty cash on hand
- Short-term bank deposits have a maturity of three months or less
- Implied Moody's credit ratings are a suitable proxy for Moody's ratings. Due to the fact that not all banking institutions have Moody's ratings, we estimated implied Moody's ratings
- Banking institutions with same implied Moody's credit rating belong to a homogenous credit risk grouping, i.e. have the same probability of default etc
- Moody's one-year default rates are a suitable proxy for short-term deposit default rates

Using the probability of default approach, the ECLs are a probability-weighted estimate of the present value of estimated cash shortfalls – i.e. the weighted average of credit losses, with the respective risks of default occurring used as the weights. For this purpose, the following parameters must be estimated:

- Probability of default (PD) – estimate of the likelihood of default over a given time horizon
- Loss given default (LGD) – estimate of the percentage loss arising in case a default occurs at a given time
- Exposure at default (EAD) – estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities and accrued interest from missed payments
- Discount rate (r) – rate used to discount an expected loss to a present value at the reporting date

For the group, the exposure at default is assumed to be 100% of all the positive balances outstanding at year-end as short-term deposits have similar characteristics to loans that are not backed by collateral. The effect of discounting the ECLs is not expected to have a material impact on the ECLs given the short-term maturity profile of the cash and cash equivalent balances.

The group has limited historical information of the probability of default for the respective banking institutions in which it holds bank deposits. Therefore, it is reasonable to use external credit information from one of the three major rating agencies to estimate the probability of default. The group also compares the banking institution's credit rating to that of the sovereign rating (creditworthiness of a country) and uses the lower of the two, i.e. if we have a bank that has Aa credit rating, but its country (that is last resort guarantor) has Ba credit rating, it is common practice to use default rates for Ba credit rating as opposed to the Aa credit rating.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Summary of the assumptions underpinning the group's ECL model for cash and cash equivalents is as follows: *continued*

The group has limited historical information of the portion of the outstanding balance that would not be recoverable in the case of a default at a given time. In estimating the LGD, the group makes reference to regulatory guidance provided to insurers by the Prudential Authority. The Financial Soundness Standards (FSIs) are designed to ensure that insurers can meet policyholder obligations by holding own funds of sufficient quality and quantity to absorb significant unforeseen losses arising from the risks associated with an insurer's activities.

"Pari-passu" is a Latin phrase meaning "equal footing" that describes situations where two or more assets, securities, creditors, or obligations are equally managed without preference. The cash and cash equivalents would rank in the same priority as other unsecured debts owed by banks to all creditors, should the financial institutions enter into bankruptcy proceedings (i.e. the group would be treated like other unsecured creditors with regards to all debts owed by the bank on bankruptcy). The trustee would repay the group the same fractional amount as other creditors at the same time. Therefore, it is reasonable for the group to use LGD rates of 45% and above in estimating ECLs.

ECLs must reflect an unbiased and probability-weighted estimate of credit losses over the expected life of the financial instrument (i.e. the weighted average of credit losses with the respective risks of a default occurring as the weights).

The standard makes it clear that when measuring ECLs, in order to derive an unbiased and probability-weighted amount, an entity needs to evaluate a range of possible outcomes. The group does not need to identify every possible scenario, it just needs to take into account the possibility that a credit loss could occur, no matter how low that probability is.

A practical method that can be used to determine a range of possible outcomes is scenario analysis. Scenario analysis is a process of analysing future events by considering alternative possible outcomes. Thus, scenario analysis, which is one of the main forms of projection, will not only show the most likely ECL, but it will present several alternative ECLs. For the group, the scenario analysis will mainly comprise flexing two main variables in the ECL model for a range of values. The first variable that the group varied is the LGD. As discussed above, the group can use LGD values between 45% and 100% in performing the scenario analysis.

The second variable that the group varied is the PD. The reports supplied by the ratings agencies contain a range of historical PDs that can be used to vary the PD variable.

Due to significant judgement and specialised statistical knowledge required to estimate the probability of each outcome occurring, it is apparent that trying to estimate the probability of each outcome in the scenario analysis would require exhaustive search for information and this is not the objective that is intended in the standard. The guidance from the standard requires that the group use information available for financial reporting purposes, which is considered to be available without undue cost or effort. Assuming that each outcome has an equal chance of occurrence would satisfy the need to determine a probability-weighted ECL.

Historical information should be used as a starting point from which adjustments are made to estimate ECLs on the basis of reasonable and supportable information that incorporates both current and forward looking information.

In considering whether historical credit losses should be adjusted, the group considered various items, including:

- The historical data which has been used, capture ECLs that are through-the-cycle (i.e. estimates based on historical credit loss events and experience over the entire economic cycle)
- The period of time over which its historical data has been captured and the corresponding economic conditions represented in that history

Credit risk policy: Trade and other receivables

Trade receivables comprise a large, widespread customer base and credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the granting of credit is controlled by application and account limits and the group only deals with creditworthy customers supported by appropriate collateral. The group annually re-evaluates counterparty limits and the financial reliability of its customers.

	2025 Rm	2024 Rm
Net trade receivables comprise	593	693
Trade receivables that are neither past due nor impaired	563	658
Trade receivables that are past due but not impaired	30	35
Loss allowance		
Balance at the beginning of the year	75	91
Disposal of CIMERWA	—	(16)
ECL through profit or loss	17	—
Translation differences	(1)	—
Balance at the end of the year	91	75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Credit risk policy: Trade and other receivables *continued*

	31 March 2025 ECL Rm	31 March 2025 ECL %	31 March 2024 ECL Rm	31 March 2024 ECL %
The ageing of the ECL at the reporting date				
Current due	2	0,4	1	0,2
1 – 30 days	4	5,6	5	8,5
31 – 60 days	3	11,4	10	62,8
61 – 120 days	3	20,7	4	64,9
120 – 150 days	3	75,7	20	67,0
Greater than 150 days	76	100,0	35	100,0
Total loss allowance	91		75	

Summary of the assumptions underpinning the group's ECL model for trade and other receivables

For trade receivables that do not contain a significant financing component, the loss allowance should be measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL. As a practical expedient, a provision matrix may be used to estimate ECL for these financial instruments.

The group monitors the ageing of its receivables using the following buckets:

- Current
- 1 – 30 days
- 31 – 60 days
- 61 – 90 days
- 91 – 120 days
- 121 – 150 days
- 150 days and more

The ageing of PPC's receivables represents the overdue profile, meaning that payment terms are considered. For example, on an account with 60 days' payment terms, the current bucket will contain invoices that are one to 60 days old, but they are still not overdue. PPC generally considers payments received 60 days after the invoice as normal credit terms, which are applicable to lower risk customers.

An assessment of the different portfolios determined that the default points were longer than the 60 days for normal credit terms for certain debtor's portfolios because the points where PPC's exposure is considered to enter non-performing status differed per portfolio, as a result of credit characteristics. Overall, the range of default points is between 90 – 150 days. The debtors which have been handed over to the legal department for collection, are immediately considered to be in default.

When the debt collection agent and/or legal attorney are unable to recover an overdue debt, a recommendation, in line with the board approved delegation of authority, will be made to write the amount off as irrecoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Significant assumptions considered within the ECL model

1. The population of receivables within each portfolio is homogenous, ie the customers are of similar size and industry, the nature or invoices are similar, etc.
2. The receivables do not contain significant financing components (eg they do not bear interest).
3. The model assumes that the amount of receivables are significantly unrecoverable, meaning if the invoices are not paid, the loss is 86% (2024: 84%). However, the model allows for custom LGD for a specific customer/entity/portfolio. Judgement and evidence have been established in determining the LGD of 86%.
4. The negative balances are netted off against older invoices, resulting in the ECL being determined on the debtor's balance as per the age analysis.

Calculating the ECL using a provision matrix

ECL formula: $ECL = EAD \times LGD \times PD$, where:

- EAD = Exposure at default – positive amount of current receivables in a particular bucket
- LGD = Loss given default – percentage unrecoverable loss given the default occurs
- PD = Probability of default

The group's point of default is determined on a CGU level, considering applicable payment terms.

Adjusting for forward looking estimates

The adjustment for forward looking information is represented by a factor by which historical PD is multiplied to obtain final PD. The final PD should not exceed 100%. IFRS 9 *Financial Instruments* does not explicitly provide detailed context on how to calculate adjustments for forward looking information.

The group utilised the same methodology to determine the ECL on trade receivables in all jurisdictions.

	Notes	2025 Rm	2024 Rm
Trade and other receivables	10	761	853
Cash and cash equivalents	11	872	861
Readymix trucks receivable	6.2.3	1	3
Maximum credit risk exposure		1 634	1 717

The analysis per credit rating level is assessed below. These ratings were obtained from Standard and Poor's and Moody's and these relate only to cash and cash equivalents.

Due to the long-term nature of the readymix truck receivables, judgement is required in determining the recoverability and valuation of the loan. In determining the ECL, management considered the credit risk and probability of default associated with the borrower as well as the cash flow forecast. Based on the assessment performed and the cash flow forecast, the borrower is expected to generate sufficient cash flow in the foreseeable future in order to settle the amounts due to the group, as such no ECL was recognised on the receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Adjusting for forward looking estimates *continued*

Country	Counterparty	Credit ratings	2025	Credit ratings	2024
			Rating definitions		Rating definitions
South Africa	First National Bank/Rand Merchant Bank	Baa3	Lower medium	Baa3	Lower medium
	Standard Bank	Ba2	Non-investment	Ba2	Non-investment
	Nedbank	Baa3	Lower medium	Baa3	Lower medium
Botswana	First National Bank	Baa3	Lower medium	Baa2	Lower medium
	Barclays	Baa3	Lower medium	Baa3	Lower medium
	Stanbic	Ba2	Non-investment	Ba2	Non-investment
Zimbabwe	Stanbic	Ba2	Non-investment	Ba2	Non-investment
	MBCA	Ba2	Non-investment	Ba1	Non-investment
	CBZ	Caa1/NP	Highly speculative	A3	Investment
	Ecobank	B3/NP	Higher speculative	B3/NP	Higher speculative
	ZB BANK	Baa1	Lower medium	Baa1	Lower medium
Ethiopia	Awash International Bank	Caa3/NP	Highly speculative	Caa2	Highly speculative

ECL on cash and cash equivalents

	2025	2024
	Rm	Rm
Zimbabwe	3	1
Ethiopia ^(a)	—	1
South Africa	2	2
	5	4

^(a) This exposure is as a result of the proceeds from the sale of the investment in Habesha, which are in an Ethiopian birr account. At 31 March 2025 the amount is R0,3 million (2024: R1 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT **continued**

Liquidity risk management

Liquidity risk is the risk of the group being unable to meet its payment obligations when they fall due. The group manages liquidity risk centrally by maintaining an appropriate balance between long-term and short-term debt, ensuring borrowing facilities are adequate to meet its liquidity requirements at all times and by monitoring forecast and actual cash flows.

The group had committed borrowing facilities of R1 billion and utilised 50% (2024: 42,7%) of these facilities at 31 March 2025. At year-end, R0,5 billion of borrowing facilities remain unutilised.

Banking facilities are only entered into with leading financial institutions.

The following table details the group's remaining contractual maturity for its financial liabilities. The table has been prepared based on undiscounted cash flows at the earliest date on which the group can be required to pay. The amounts exclude interest accrued to the payment date.

	<1 year Rm	1 – 5 years Rm	>5 years Rm	Total Rm
2025				
Total borrowings	—	500	—	500
Trade and other financial payables	1 484	—	—	1 484
Lease liabilities	55	103	13	171
	1 539	603	13	2 155
2024				
Total borrowings	623	252	—	875
Trade and other financial payables	1 317	—	—	1 317
Lease liabilities	48	130	13	191
	1 988	382	13	2 383

Refer to note 14 for borrowings details.

Methods and assumptions used by the group in determining fair values

The estimated fair value of financial instruments is determined at discrete points in time by reference to the mid-price in an active market, wherever possible. Where no such active market exists for the particular asset or liability, the group uses valuation techniques to arrive at fair value, including the use of prices obtained in recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

The fair value of unlisted collective investment is valued using the closing unit price at year-end. Further details are disclosed in note 6.1.1.

The fair value of loans receivable and payable is based on the market rates of the loan and the recoverability.

The fair values of cash and cash equivalents, trade and other financial receivables and trade and other financial payables approximate the respective carrying amounts of these financial instruments because of the short period to maturity.

The fair value is determined as a level 3 on the fair value hierarchy because of the unobservable inputs used, mainly as a result of the judgements made with respect to the credit risk of counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Fair value hierarchy disclosures

	Notes	Carrying amount (by measurement basis)				Total Rm
		Amortised cost Rm	Fair value	Fair value	Fair value	
			Level 1 Rm	Level 2 Rm	Level 3 Rm	
2025						
Financial assets						
<i>At amortised cost</i>						
Trade and other financial receivables	10	670	—	—	—	670
Cash and cash equivalents	11	872	—	—	—	872
Readymix trucks receivable	6.2.3	—	—	—	1	1
<i>At fair value through other comprehensive income</i>						
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.4	—	—	3	—	3
MRG investment	6.1.5	—	—	—	7	7
<i>At fair value through profit or loss</i>						
Unlisted collective investments at fair value	6.1.1	—	—	166	—	166
Cell captive investment	6.1.2	—	—	—	37	37
Interest rate swap asset	6.2.2	—	—	2	—	2
Derivative financial asset	6.1.3	—	—	8	—	8
Wayleave rights receivable		—	—	15	—	15
Financial liabilities						
<i>At amortised cost</i>						
Long-term borrowings	14	500	—	—	—	500
Short-term borrowings	14	2	—	—	—	2
Lease liabilities	3.2	141	—	—	—	141
Trade and other financial payables	16	1 484	—	—	—	1 484
2024						
Financial assets						
<i>At amortised cost</i>						
Trade and other financial receivables	10	778	—	—	—	778
Cash and cash equivalents	11	857	—	—	—	857
Readymix trucks receivable	6.2.3	—	—	—	3	3
<i>At fair value through other comprehensive income</i>						
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	—	—	2	—	2
MRG investment	6.1.4	—	—	—	6	6
<i>At fair value through profit or loss</i>						
Unlisted collective investments at fair value (held for trading)	6.1.1	—	—	153	—	153
Cell captive investment	6.1.2	—	—	—	46	46
Interest rate swap asset		—	—	1	—	1
Financial liabilities						
<i>At amortised cost</i>						
Long-term borrowings	14	225	—	—	—	225
Short-term borrowings	14	554	—	—	—	554
Finance lease liabilities	3.2	154	—	—	—	154
Trade and other financial payables	16	1 317	—	—	—	1 317

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

29. FINANCIAL RISK MANAGEMENT *continued*

Fair value hierarchy disclosures *continued*

Level 1 – financial assets and liabilities that are valued accordingly to unadjusted market prices for similar assets and liabilities. Market prices in this instance are readily available and the price represents regularly occurring transactions which have been concluded on an arm's length transaction.

Level 2 – financial assets and liabilities are valued using observable inputs, other than the market prices noted in the level 1 methodology, and make reference to pricing of similar assets and liabilities in an active market or by utilising observable prices and market-related data.

Level 3 – financial assets and liabilities that are valued using unobservable data, and requires management's judgement in determining the fair value. Refer to note 6 for quantitative information and significant assumptions on the unobservable inputs used to determine fair values for financial assets and liabilities respectively.

This note has been refined from that reported in the prior period to only include financial instruments held at fair value.

Level 3 sensitivity analysis

Financial instrument	Valuation technique	Key unobservable inputs	Sensitivity %	Carrying value 2025 Rm	Increase or decrease Rm
Cell captive investment	Net asset value	Cash and cash equivalents, investment in unit trusts, insurance fund liabilities	N/A	37	—
MRG investment	Net asset value	Cash and cash equivalents, investment in unit trusts, insurance fund liabilities	N/A	7	—
Readymix truck receivable	The fair value has been determined based on the present value adjusted for counterparty's credit risk	Expected future cash flows adjusted for credit risk	N/A	1	—

	2025 Rm	2024 Rm
Movements in level 3 financial instruments		
Financial assets at fair value through profit or loss		
Balance at the beginning of the period	55	63
New financial assets recognised	—	3
Fair value adjustments	(1)	36
Fair value adjustment – credit risk	(9)	(23)
Transfer to short term	—	(6)
Repayments	—	(18)
Balance at the end of the year	45	55

Remeasurements are recorded in fair value adjustments on financial instruments in the statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

30. RELATED-PARTY TRANSACTIONS

Parties are considered to be related if one party directly or indirectly has the ability to control or jointly control the other party, or exercise significant influence over the other party, or is a member of the key management of PPC group. In particular, this relates to associates, as transactions with the consolidated subsidiaries are eliminated. PPC regards non-executive directors, executive directors, the executive committee and prescribed officers to be key management. In the current year, in the ordinary course of business, PPC Group Services (Pty) Ltd, a subsidiary of PPC Ltd, entered into various transactions with PPC Barnet, an associate of PPC Limited. The effect of these transactions is included in the financial performance and results of the group. No impairment of receivables related to the amount of outstanding balances is required.

The following table shows management fees balance with the related parties that are included in the group's AFS:

	31 March 2025	31 March 2024
	Rm	Rm
PPC Barnet	3	6

30.1 EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS' REMUNERATION

Remuneration paid to executive directors and prescribed officers for the 12 months ended 31 March 2025.

	Basic salary	Retirement and medical contributions	Car allowance	Short-term incentives	Housing allowance	Other ^(a)	Total
	R000	R000	R000	R000	R000	R000	R000
Executive directors	18 726	159	—	6 486	1 218	1 377	27 966
M Cardarelli	12 253	159	—	4 502	1 218	1 373	19 505
B Berlin	6 473	—	—	1 984	—	4	8 461
Prescribed officers	18 406	1 508	1 507	3 914	1 200	11 617	38 152
E Acosta	5 466	66	482	—	600	580	7 194
N Lekula ^(b)	—	—	—	786	—	—	786
P Marques	4 392	183	482	—	600	693	6 350
B Mthembu ^(c)	1 320	246	150	—	—	75	1 791
M Ramafoko ^(d)	1 451	260	153	1 563	—	9 488	12 915
N Rawana	3 033	447	240	1 138	—	103	4 961
K Ross	2 744	306	—	427	—	678	4 155

Remuneration paid to executive directors and prescribed officers for the 12 months ended 31 March 2024.

	Basic salary	Retirement and medical contributions	Car allowance	Short-term incentives	Long-term incentives	Other	Total
	R000	R000	R000	R000	R000	R000	R000
Executive directors	20 161	20	108	3 918	815	26 312	51 334
M Cardarelli	5 991	20	—	—	545	4	6 560
R van Wijnen	8 035	—	108	2 739	270	26 308	37 460
B Berlin	6 135	—	—	1 179	—	—	7 314
Prescribed officers	13 182	1 684	1 122	2 185	546	21 592	40 311
E Acosta	1 375	4	91	—	273	4	1 747
NL Lekula	2 735	360	405	859	—	21 518	25 877
P Marques	1 125	14	91	—	273	4	1 507
M Ramafoko	3 178	654	367	835	—	42	5 076
N Rawana	2 615	417	168	254	—	6	3 460
K Ross	2 154	235	—	237	—	18	2 644

^(a) The amount paid to M Ramafoko includes the scheduled vesting of FY21 LTIPs during FY25 (R3 million), early vesting of FY22 LTIPs (R4,4 million) and leave, notice and severance pay (R2 million).

^(b) Resigned 31 December 2023.

^(c) Appointed 1 November 2024.

^(d) Resigned 15 August 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

30. RELATED-PARTY TRANSACTIONS **continued**

30.2 NON-EXECUTIVE DIRECTORS' REMUNERATION

Remuneration paid to non-executive directors for the 12 months ended 31 March 2025.

	Committee								Total R000
	Board fees	Chairman fees	Special meetings	ARCC	Remuneration and talent	Social, ethics and transformation	Strategy and investment		
	R000	R000	R000	R000	R000	R000	R000	R000	
PJ Moleketi	—	1 386	175	—	116	114	—	—	1 791
N Gobodo	337	—	44	160	—	229	—	—	770
BM Hansen	337	—	44	—	—	114	113	—	608
K Maphisa	337	—	44	—	—	114	113	—	608
NL Mkhondo	337	—	219	160	236	—	—	—	952
CH Naude	337	—	131	—	116	—	229	—	813
DL Smith	337	—	44	—	—	—	113	—	494
MR Thompson	337	—	44	314	—	—	113	—	808
	2 359	1 386	745	634	468	571	681	—	6 844

Remuneration paid to non-executive directors for the 12 months ended 31 March 2024.

	Committee								Total R000
	Board fees	Chairman fees	Special meetings	ARCC	Remuneration and talent	Social, ethics and transformation	Strategy and investment		
	R000	R000	R000	R000	R000	R000	R000	R000	
PJ Moleketi	—	1 321	128	—	111	109	—	—	1 669
N Gobodo	321	—	64	152	—	222	—	—	759
BM Hansen	321	—	64	—	—	109	109	—	603
K Maphisa	321	—	64	—	—	109	109	—	603
NL Mkhondo	321	—	192	152	225	—	—	—	890
CH Naude	321	—	192	—	111	—	222	—	846
DL Smith	321	—	64	—	—	—	109	—	494
MR Thompson	321	—	107	299	—	—	109	—	836
	2 247	1 321	875	603	447	549	658	—	6 700

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

31. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

It is the policy of PPC not to adopt new standards before they become effective. The following standards and improvements are in issue but not yet effective. These revised standards and interpretations will be adopted by PPC when they become effective.

Revised statements in issue not yet effective:	Effective date reporting period beginning on or after	Possible implication on PPC
<p>For adoption during FY26</p> <p>Amendments to IAS 21 – lack of exchangeability</p>	1 January 2025	<p>This amendment clarifies when a currency is exchangeable and the determination of the exchange rate when currency is not exchangeable. The impact of the amendment is immaterial. The amendment also details the required disclosures when a currency is not exchangeable. The Zimbabwean local currency has historically lacked exchangeability, PPC Zimbabwe has a US\$ functional currency the changes are not expected to adversely impact the company.</p>
<p>For adoption during FY27</p> <p>Amendments to the classification and measurement of financial instruments amendments to IFRS 9 and IFRS 7</p>	1 January 2026	<p>The amendments arose as a result of the post-implementation review of IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>. The following requirements were modified:</p> <p>Derecognition of financial liabilities</p> <ul style="list-style-type: none"> Financial liabilities which are settled in full/partially using an electronic payment system can be deemed as derecognised before the settlement date. An entity that elects this derecognition option, is required to apply the option to all financial liabilities settled using this specified payment method. <p>The solely payments of principal and interest test used to classify financial assets</p> <ul style="list-style-type: none"> The amendment provides further guidance on how to assess whether the contractual cash flows to be received from a financial asset meets the criteria for a basic lending arrangement. <p>Contractually linked instruments</p> <ul style="list-style-type: none"> Clarification of the characteristics of contractually linked instruments which allow for distinction from other instruments; clarity on the multiple contractually linked instruments and examples; and that these amendments can include instruments which are excluded from the classification requirements of IFRS 9. <p>Non-recourse features of financial assets</p> <ul style="list-style-type: none"> Clarity has been given that a financial asset with non-recourse features needs to have the right to receive cash flows but these cash flows are limited to cash flows generated. <p>The impact of the above amendments is immaterial.</p>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

31. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *continued*

Revised statements in issue not yet effective:	Effective date reporting period beginning on or after	Possible implication on PPC
<p>For adoption during FY27 Amendments to the classification and measurement of financial instruments amendments to IFRS 9 and IFRS 7</p>	1 January 2026	<p>Amendments were made to the following standards:</p> <p>IFRS 1 <i>Hedge Accounting by a First-time Adopter</i></p> <ul style="list-style-type: none"> Clarifies the inconsistency in wording of paragraph IFRS1.B6 and the hedging requirements of IFRS 9. <p>IFRS 7 <i>Gain or Loss on Derecognition</i></p> <ul style="list-style-type: none"> Removing a reference to a deleted paragraph in IFRS 13. <p>IFRS 7 <i>Disclosure of Deferred Difference Between Fair Value and Transaction Price</i></p> <ul style="list-style-type: none"> The amendment creates consistency between IFRS 7 and IFRS 13 in the implementation guidance of IFRS 7. <p>IFRS 7 <i>Introduction and Credit Risk Disclosures</i></p> <ul style="list-style-type: none"> The amendment provides simple examples of disclosures and clarifies that the guidance does not necessarily include all the disclosure requirements. <p>IFRS 9 <i>Lessee Derecognition of Lease Liabilities</i></p> <ul style="list-style-type: none"> Including a reference to IFRS 9 which reduces a potential inconsistency regarding the derecognition of lease liability contracts which have embedded derivatives. <p>IFRS 9 <i>Transaction Price</i></p> <ul style="list-style-type: none"> This amendment aligned the definition of 'transaction price' between IFRS 9 and IFRS 15 to reduce any inconsistency. <p>IFRS 10 <i>Determination of a 'de facto agent'</i></p> <ul style="list-style-type: none"> The amendment aligns the language used in paragraphs B73 and B74 in relation to the investor's consideration of its relationship with other parties. <p>IAS 7 <i>Cost Method</i></p> <ul style="list-style-type: none"> The amendment addresses the use of the 'cost method' in IAS 7, which is no longer defined in IFRS. <p>The impact of the above amendments is immaterial.</p>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

31. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *continued*

Revised statements in issue not yet effective:	Effective date reporting period beginning on or after	Possible implication on PPC
<p>For adoption during FY27</p> <p>Annual improvements to IFRS Accounting Standards – volume 11</p>	1 January 2026	<p>Amendments were made to the following standards:</p> <p>IFRS 1 Hedge Accounting by a First-time Adopter</p> <ul style="list-style-type: none"> Clarifies the inconsistency in wording of paragraph IFRS1.B6 and the hedging requirements of IFRS 9. <p>IFRS 7 Gain or Loss on Derecognition</p> <ul style="list-style-type: none"> Removing a reference to a deleted paragraph in IFRS 13. <p>IFRS 7 Disclosure of Deferred Difference Between Fair Value and Transaction Price</p> <ul style="list-style-type: none"> The amendment creates consistency between IFRS 7 and IFRS 13 in the implementation guidance of IFRS 7. <p>IFRS 7 Introduction and Credit Risk Disclosures</p> <ul style="list-style-type: none"> The amendment provides simple examples of disclosures and clarifies that the guidance does not necessarily include all the disclosure requirements. <p>IFRS 9 Lessee Derecognition of Lease Liabilities</p> <ul style="list-style-type: none"> Including a reference to IFRS 9 which reduces a potential inconsistency regarding the derecognition of lease liability contracts which have embedded derivatives. <p>IFRS 9 Transaction Price</p> <ul style="list-style-type: none"> This amendment aligned the definition of 'transaction price' between IFRS 9 and IFRS 15 to reduce any inconsistency. <p>IFRS 10 Determination of a 'de facto agent'</p> <ul style="list-style-type: none"> The amendment aligns the language used in paragraphs B73 and B74 in relation to the investor's consideration of its relationship with other parties. <p>IAS 7 Cost Method</p> <ul style="list-style-type: none"> The amendment addresses the use of the 'cost method' in IAS 7, which is no longer defined in IFRS. <p>The impact of the amendment is immaterial.</p>
<p>Contracts referencing nature-dependent electricity amendments to IFRS 9 and IFRS 7</p>	1 January 2026	<p>The amendments include clarifying the factors an entity should consider when accounting for contracts relating to renewable energy and an update to the hedging requirements of such instruments.</p> <p>The impact of the amendment is immaterial.</p>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

31. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *continued*

Revised statements in issue not yet effective:	Effective date reporting period beginning on or after	Possible implication on PPC
<p>For adoption during FY28</p> <p>IFRS 18 <i>Presentation and Disclosure in Financial Statements</i></p>	1 January 2027	<p>IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> replaces IAS 1 <i>Presentation of Financial Statements</i>. Majority of the changes are on the statement of profit or loss, with some changes effected on the statement of cash flows. The Standard details the new requirements on the presentation of financial statements, which includes the following significant changes:</p> <ul style="list-style-type: none"> ● Classification of income and expenses ● Presentation of mandatory sub-totals ● Mandatory presentation of 'operating profit/loss' on the statement of profit or loss ● Principles on the aggregation and disaggregation of information ● Mandatory disclosures of management-defined performance measures (measures of financial performance) <p>The impact of the amendment is immaterial.</p>
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027	<p>This Standard seeks to provide reduced disclosures for an eligible subsidiary of a parent applying IFRS in its consolidated financial statements.</p> <p>The reduced disclosures will be applied while still applying the recognition, measurement and presentation principles of the IFRS.</p> <p>The eligibility criteria for an entity to apply IFRS 19 are:</p> <ul style="list-style-type: none"> ● The entity is controlled by another entity ● The entity does not have public accountability ● The ultimate or intermediate parent publishes consolidated financial statements, in accordance with IFRS, which are available for public use. <p>The impact of the amendment is immaterial.</p>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

32. EQUITY-ACCOUNTED INVESTMENTS

The investment in the associate is carried at cost and adjusted for post-acquisition changes in the group's share of net assets of the associate less any impairment. Any long-term debt interests, which in substance form part of the group's net investment in the associate, are also included in the total carrying value of the associate. Losses of an associate in excess of the group's interest in that associate are not recognised, unless the group has incurred legal or constructive obligations or made payments on behalf of the associate.

Where a group entity transacts with an associate of the group, unrealised profits and losses are eliminated to the extent of the group's interest in the relevant associate.

Name	Nature of business	Principal place of business	Shareholding 2025 %	Shareholding 2024 %	Financial year-end	Carrying value, including loans advanced	
						2025 Rm	2024 Rm
Incorporated in DRC							
PPC Barnet	Cement manufacturer	DRC	59	59	March	—	—
						PPC Barnet	
						31 March 2025	31 March 2024
						Rm	Rm
Unrecognised net loss for March 2025						(195)	—
Unrecognised net loss for March 2024						(312)	(312)
Unrecognised net loss for March 2023						(274)	(274)
Total comprehensive loss						(781)	(586)
						PPC Barnet	
						31 March 2025	31 March 2024
						Rm	Rm
Key financial information of material associates							
Revenue						1 039	894
Loss for the year						(195)	(312)
Other comprehensive income						—	—
Total comprehensive loss						(195)	(312)
Non-current assets						1 407	1 525
Current assets						659	455
Non-current liabilities						2 311	2 537
Current liabilities						764	519
Net assets						(1 009)	(1 076)

PPC lost control of PPC Barnet. On 29 April 2022, a formal "Restructuring Effective Date Notice" was issued, resulting in the following:

- All economic benefits for the foreseeable future that may be generated by PPC Barnet will accrue to parties outside of PPC, being the PPC Barnet lenders.
- PPC has a management agreement with PPC Barnet to manage and run the day-to-day operations of PPC Barnet for a period of five years. PPC does not have the right to terminate the agreement for the initial five-year period. The lenders do not have the right to terminate the agreement within the first two years, whereafter they have the right to terminate the agreement with 12 months' notice. However, should the lenders exercise the call option (refer point iv), the management agreement will be terminated (after a three-month notice period).
- PPC has the right to appoint >50% of the directors of PPC Barnet. However, reserved matters need specific lenders' approval and include all strategic matters, approval of budgets, sale of assets, investments and changes to share capital. The lenders also have the right at any time to replace all of the PPC nominated directors.
- A call option has been granted to the lenders which allows the lenders to call on the full issued ordinary shares of PPC Barnet as well as the junior preference shares (JPS). The option is exercisable from the restructuring effective date to the date that all debts owed to the lenders have been repaid in full. The exercise price of the call option will be a nominal amount of US\$1 for the first five years from issuance date. To the extent the lenders sell the equity and JPS for more than their debt, the excess will be paid for the JPS. The call option is substantive.
- PPC has sold 10% of its shareholding in PPC Barnet and has committed to sell a further 10% and has the permission of the lenders to do so – which will take its shareholding to 49%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

33. ADDITIONAL DISCLOSURE

Contingent liabilities and guarantees

Total bank guarantees issued by the group in favour of various suppliers was R128 million (2024: R102 million). Included in this amount are financial guarantees for the environmental rehabilitation and decommissioning obligations of the group to the Department of Mineral Resources and Energy amounting to R76 million (2024: R76 million).

Uncertain tax positions

During the 2025 year of assessment PPC Botswana received a letter of findings from the Botswana Unified Revenue Authority (BURS), relating to historical tax matters.

PPC Botswana, with guidance from an independent tax expert, assessed the letter of findings and have responded to BURS using applicable tax law and previous Botswana high court judgements.

No provision relating to the matters in the letter of findings has been recognised in the current financial year, based on management's assessment and PPC Botswana's response to BURS. Management is confident that the matters raised by BURS have no basis in Botswana tax law and the tax periods cited have prescribed.

The uncertain tax position, in terms of IFRIC 23 – Uncertainty Over Income Tax Treatments, relates to the interpretation of how the tax legislation relevant to the matters in the letter of findings apply to PPC Botswana.

PPC Botswana is awaiting the outcome of its engagement with BURS. Until such time as the matter is resolved and, as stated above, PPC is confident as to the validity of its position, there is uncertainty in terms of IFRIC 23.

34. EVENTS AFTER REPORTING DATE

Clay mine purchase

During the current financial year, PPC exercised an option that it had to acquire Ilcath Ondernemings BK, an entity that owns the Oranjevelei clay mine. This clay mine is a high-grade clay deposit located in the proximity of PPC's Riebeeck operations in the Western Cape. The Oranjevelei clay serves a significant two-fold purpose for the Riebeeck operation being an alumina corrective for improved clinker reactivity and a clay resource to be used in the production of calcined clay, if deemed feasible.

The suspensive conditions were all met, and the transaction closed on 15 April 2025 – the effective date. On the effective date, PPC paid the purchase consideration of R18 million less the agreed retention of R1,8 million to secure the warranties given by the majority member of Ilcath Ondernemings.

New financing agreements

On 30 May 2025, PPC entered into amended banking facility agreements with its lenders to finalise the terms of the enhanced funding facilities for the construction of the new integrated plant in the Western Cape (RK3). The terms of the existing banking facilities remained the unchanged from those prevailing at 31 March 2025. The salient terms of the new facilities are as follows:

- Letter of credit facility for US\$66 million.

This facility will be utilised for the purposes of issuing letters of credit to Sinoma during the construction period. This is a reducing balance facility which will decrease in line with the corresponding amount of the letter of credit issued. This facility is available for the issuance of letters of credit for a period that is 12 months or less from date of issue. The facility will terminate no later than 22 months after the commencement date of the Sinoma engineer, procure and construct contract.

- Trade loan facility for the rand equivalent of US\$66 million.

Following a payment under a letter of credit by the lender, PPC will have 12 months to repay the rand equivalent of the US\$ payment to the lender. The 12-month repayment period applies to every payment that is made during the tenure of the letter of credit facility. This effectively gives rise to a trade finance facility which is the rand equivalent of the US\$66 million.

- Amortising loan facility for R1 billion.

This is a long-term facility which will be utilised to repay the trade loan facility. This facility has a forward start date of 1 April 2027 and will be repayable in quarterly instalments from 30 June 2028. The final instalment of this facility will be payable on 31 March 2032.

EPC contract with Sinoma unconditional

Subsequent to 31 March 2025, the EPC contract with Sinoma (refer also note 27) became unconditional in accordance with its terms and the parties declared the commencement of the EPC contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

35. SUBSIDIARIES AND NON-CONTROLLING INTERESTS

The consolidated annual financial statements for the year ended 31 March 2025 include the results and statements of financial position of the company, all of its subsidiaries, SPVs and companies that are controlled by the group.

The group includes investments in subsidiaries, either directly or indirectly held by the company, and holds the majority of voting rights in all subsidiaries. Except for the respective BBBEE entities consolidated in terms of IFRS 10 *Consolidated Financial Statements*, voting rights are aligned to the proportionate ownership.

The key trading subsidiaries and respective holding companies are:

Name of subsidiary	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group		Holding company
			2025	2024	
PPC Zimbabwe Ltd	Manufacturer and supplier of both bag and bulk cement for use within Zimbabwe and surrounding countries	Zimbabwe	88%	88%	PPC Ltd
PPC Botswana (Pty) Ltd	Manufacturer, wholesaler and distributor of cementitious products, both bag and bulk, within Botswana	Botswana	100%	100%	PPC Ltd
PPC South Africa Holdings (Pty) Ltd	Holding company for South Africa entities	South Africa	90%	90%	PPC Ltd
PPC GPCO (Pty) Ltd	Share repurchase of PPC Ltd shares	South Africa	100%	100%	PPC Ltd
PPC Cement SA (Pty) Ltd	Manufacturer and supplier of both bag and bulk cement for use within South Africa and surrounding countries	South Africa	100%	100%	PPC South Africa Holdings (Pty) Ltd
PPC International Holdings (Pty) Ltd	Holding company for PPC's International investments	South Africa	100%	100%	PPC Ltd
PPC Group Services (Pty) Ltd	Services to group entities	South Africa	100%	100%	PPC South Africa Holdings (Pty) Ltd
Pronto Holdings (Pty) Ltd	Holding company for readymix and fly ash entities	South Africa	100%	100%	PPC South Africa Holdings (Pty) Ltd
Pronto Building Materials (Pty) Ltd	Manufacturer and supplier of readymix concrete and dry mortar mix in Gauteng	South Africa	100%	100%	Pronto Holdings (Pty) Ltd
Ulula Ash (Pty) Ltd	Manufacturer and supplier of fly ash	South Africa	100%	100%	Pronto Building Materials (Pty) Ltd
3Q Mahuma Concrete (Pty) Ltd	Manufacturer and supplier of readymix concrete	South Africa	100%	100%	Pronto Holdings (Pty) Ltd
Safika Cement Holdings (Pty) Ltd	Manufacturer and supplier of blended cement within South Africa	South Africa	100%	100%	PPC Cement SA (Pty) Ltd
PPC Aggregate Quarries (Pty) Ltd	Manufacturer and supplier of stone, sand, road layer material and special aggregate-related products in Gauteng	South Africa	100%	100%	PPC South Africa Holdings (Pty) Ltd
PPC Mozambique SA	Supplier of cement, sourced primarily from Zimbabwe and South Africa, into the Mozambique market mainly into the Maputo and Tete regions	Mozambique	100%	100%	PPC International Holdings (Pty) Ltd

The following summarised financial information is presented for CIMERWA and PPC Zimbabwe Ltd and, based on their respective consolidated financial statements, which were prepared in accordance with IFRS, modified for fair value adjustments to financial assets and liabilities at the acquisition date. The information is before intergroup eliminations with other group entities. These entities are deemed material due to their respective non-controlling shareholders being a major component of the value reflected in the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

35. SUBSIDIARIES AND NON-CONTROLLING INTERESTS *continued*

In 2013, in order to comply with the Indigenisation and Empowerment Act in Zimbabwe, PPC Zimbabwe issued new shares to four entities under an notional vendor financing (NVF) mechanism. PPC Zimbabwe purchased three of these entities' shares in FY24 and cancelled the shares.

PPC holds 88% of PPC Zimbabwe and the remaining indigenous party (the National Indigenisation and Economic Empowerment Fund) holds a 12% shareholding. This 12% shareholding is only entitled to 5% of any dividends declared to it until such time as its NVF has been fully repaid.

Rm	PPC Zimbabwe Ltd 2025	CIMERWA ^(a) 2024	PPC Zimbabwe Ltd 2024
Revenue	3 122	1 318	3 346
Net profit for the year	470	422	322
Net profit attributable to non-controlling interests	—	104	—
Dividends attributable to non-controlling interest	(2)	—	(70)
Non-controlling percentage interest (%)	12	—	12
Current assets	844	—	691
Current liabilities	415	—	404
Current net assets	429	—	287
Non-current assets	2 204	—	2 188
Non-current liabilities	453	—	485
Non-current net assets	1 751	—	1 703
Equity attributable to non-controlling interests	(75)	—	(73)

^(a) PPC disposed of its interest in CIMERWA on 25 January 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

36. STRUCTURED ENTITIES

The group engages in various business activities with structured entities which are designed to achieve a specific business purpose. A structured entity is one that has been set up so that any voting rights or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights relate only to administrative tasks and the relevant activities are directed by contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- Restricted activities
- A narrow and well-defined objective
- Insufficient equity to permit the structured entity to finance its activities without subordinated financial support
- Financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches)

Structured entities are consolidated when the substance of the relationship between the group and the structured entities indicate that the structured entities are controlled by the group. The entities covered by this disclosure note are not consolidated because the group does not control them through voting rights, contract, funding agreements or other means. The extent of the group's interests in unconsolidated structured entities will vary depending on the type of structured entities.

Below is a description of the group's involvement in consolidated structured entities.

Name of consolidated structured entity	Main business objective
PPC Employee Share Ownership Trust	The objective of the trust is to add value to South African employees who do not qualify to participate in the LTIP. The trust gives them an opportunity to benefit from dividends paid by the South African operations.
PPC Black Managers Trust PPC Team Benefit Trust Employees Share Option Plan Trust	The objective of these entities was to facilitate previous BEE transactions the group entered into. These transactions have matured and the entities are in the process of being wound up. Shares held by certain of these entities have been sold in the open market and the cash will be utilised to settle liabilities. The remaining cash will be distributed in terms of the rules of the schemes.

Nature of risks associated with PPC's interest in the consolidated structured entities

Team Benefit Trust – In terms of the trust deed, all reasonable costs and expenses relating to the administration of the trust, in excess of 15% of economic interest received, shall be reimbursed to the trust by PPC Ltd.

No dividends have been paid to the beneficiaries of this trust during the current and prior years.

Structured entities

PPC has contractually committed to provide the funding to the above structured entities, with such financial support as is required to allow them to meet their financial obligations as and when they fall due until such time as they are wound up and deregistered.

Below is a description of the group's involvement in unconsolidated structured entities.

Name of unconsolidated structured entity	Main business objective	Interest in unconsolidated entity
Maitlantic 6060 (RF) (Pty) Ltd (Maitlantic 6060 SPV)	The purpose of this trust and SPV is to house the security pool arrangements for the group (refer to note 14 for further details).	PPC Cement SA (Pty) Ltd made a donation of R100 to the Trust to finance the acquisition of all the shares in the SPV.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
ASSETS			
Non-current assets		4 539	5 239
Investments in subsidiaries	3.1	4 492	4 492
Financial assets	3.2	47	54
Amounts owing by subsidiaries	3.4, 19	—	693
Current assets		364	161
Other receivables	4	4	2
Amounts owing by subsidiaries	3.5, 19	360	158
Taxation receivable		—	1
Total assets		4 903	5 400
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	5	5 120	5 093
Other reserves ^(a)		(283)	(265)
Retained profit		(46)	413
Total equity		4 791	5 241
Non-current liabilities			
Deferred taxation liability	6	31	98
Current liabilities			
Trade and other payables	7	38	48
Amounts owing to subsidiaries	19	43	13
Total equity and liabilities		4 903	5 400

^(a) Refer to statement of changes in equity for details of other reserves.

COMPANY STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
Revenue	8	1 006	458
Decrease/(increase) in expected credit losses on financial assets		16	(40)
Administration and other operating expenditure		(82)	(159)
Operating profit before items listed below:	9	940	259
Fair value and foreign exchange movements	11	(36)	84
Loan waiver	3.4	(681)	—
Impairments	13	—	(61)
Profit before finance costs and investment income		223	282
Finance costs	12	(2)	(2)
Profit before taxation		221	280
Taxation	14	54	(24)
Profit for the year		275	256

COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Movement in financial assets Rm	Retained profit Rm	Total comprehensive income/(loss) Rm
2025			
Profit for the year	—	275	275
Items that will be classified to profit or loss	3	—	3
Revaluation of financial assets	3	—	3
Total comprehensive income^(a)	3	275	278
2024			
Profit for the year	—	256	256
Total comprehensive income	—	256	256

^(a) Revaluation of financial assets has a tax impact of R1 million (2024: R0,05 million).

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Stated capital Rm	Movement in financial assets Rm	Other reserves Equity compensation reserve Rm	Total other reserves Rm	Retained profit Rm	Total Rm
2025						
Balance at the beginning of the year	5 093	203	(468)	(265)	413	5 241
Movement for the year	27	3	(21)	(18)	275	284
IFRS 2 charges	—	—	11	11	—	11
Total comprehensive profit	—	3	—	3	275	278
Vesting of the share incentive scheme	32	—	(32)	(32)	—	—
Shares purchased in terms of the share incentive scheme	(5)	—	—	—	—	(5)
Dividend declared	—	—	—	—	(734)	(734)
Balance at the end of the year	5 120	206	(489)	(283)	(46)	4 791
2024						
Balance at the beginning of the year	5 086	203	(465)	(262)	157	4 981
Movement for the year	7	—	(3)	(3)	256	260
IFRS 2 charges	—	—	28	28	—	28
Total comprehensive loss	—	—	—	—	256	256
Vesting of the share incentive scheme	31	—	(31)	(31)	—	—
Shares purchased in terms of the share incentive scheme	(24)	—	—	—	—	(24)
Balance at the end of the year	5 093	203	(468)	(265)	413	5 241

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	March 2025 Rm	March 2024 Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations			
Profit before taxation		221	280
<i>Adjustments for:</i>			
IFRS 2 charges		11	14
Fair value and foreign exchange movements	11	36	(84)
(Increase)/decrease in expected credit losses on financial assets		(16)	40
Impairments	13	—	61
Loan waiver	3.4	681	—
Finance costs	12	2	2
Amounts owing by subsidiaries written off		—	11
Dividends received from subsidiary companies	8	(999)	(419)
Management fee income	8	—	(32)
Interest received from subsidiary companies included in revenue	8	(2)	(2)
Operating cash flows before movements in working capital		(66)	(129)
Movement in other receivables	12	(2)	7
Movement in trade and other payables		(10)	2
Cash utilised in operations		(78)	(120)
Dividends received	8	999	419
Finance costs paid	15	(2)	(2)
Taxation (paid)/received	16	(12)	19
Net cash inflow from operating activities		907	316
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in PPC GPCO (Pty) Ltd	3.1	—	(200)
Cash advanced to subsidiaries		—	(35)
Proceeds from sale of investment		2	—
Net cash (outflow)/inflow from investing activities		2	(235)
Net cash inflow before financing activities		909	81
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease repayments	2	—	(2)
Cash advanced by subsidiaries		31	30
Dividends paid		(734)	—
Cash repayments of amounts advanced by subsidiaries		(201)	(85)
Proceeds from sale of forfeited shares		5	—
Purchase of shares in terms of the share incentive scheme		(10)	(24)
Net cash (outflow) from financing activities		(909)	(81)
Net movement in cash and cash equivalents		—	—
Cash and cash equivalents at the beginning of the year		—	—
Cash and cash equivalents at the end of the year		—	—

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. BASIS OF PREPARATION

The financial statements of PPC Ltd are prepared in accordance with the IFRS Accounting Standards issued by the IASB, IFRIC interpretations issued by the IFRS Interpretations Committee (Committee), and in compliance with the SAICA Financial Reporting Guides issued by the Accounting Practices Committee (APC) and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), and the Companies Act. The financial statements have been prepared on the historical cost basis with the exception of certain financial instruments subsequently measured at fair value. The financial statements are prepared in South African rand, which is the company's presentation and functional currency. All financial information is presented in rand, unless otherwise stated.

The annual financial statements have been prepared under the supervision of B Berlin CA(SA), CFO of the company.

The accounting policies are consistent with the prior year, except where the company has adopted new or revised accounting standards, amendments and interpretations of those standards, which became effective during the year under review.

The following standards were adopted in the current year:

Standard, amendment or interpretation	Impact on the financial statements
Amendment to IFRS 16 <i>Leases</i> regarding measurement of sale and leaseback transactions	No significant impact on the company financial statements
Amendment to IAS 1 <i>Presentation of Financial Statements</i> regarding disclosure of non-current liabilities with covenants	No significant impact on the company financial statements

It is the policy of PPC Ltd not to adopt new standards before they become effective. Refer to note 31 of the consolidated financial statements for a list of standards and improvements in issue but not yet effective.

1.2 ACCOUNTING POLICIES

In preparing these financial statements, all accounting policies are in compliance with IFRS Accounting Standards.

1.3 SIGNIFICANT JUDGEMENTS MADE BY MANAGEMENT AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates, assumptions and judgements that affect reported amounts and related disclosures, and therefore actual results, when realised in future, could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements made by management in applying the accounting policies that could have a significant effect on the amounts recognised in the financial statements are disclosed in the respective notes.

The following are the critical judgements that the directors have made in the process of applying the company accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Refer to the referenced notes below for the explanation of the noted area of judgement:

- Financial assets, investments in subsidiaries and other non-current assets (note 3)
 - Recoverability and valuation of the asset
 - Investments in subsidiaries
 - Zimbabwe blocked funds
 - Amounts owing by subsidiaries
- Fair value of DRC put option (note 11)
 - Put option liability valuation

1.4 GOING CONCERN

Based on a review of the company's financial budgets and forecasts, the directors believe that the company has adequate financial resources to continue to be in operation for the foreseeable future.

As a result, these annual financial statements have been prepared on a going concern basis.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

2. LEASES

LEASE LIABILITIES

The lease liability between the company and the external third party was initially measured at the present value of the remaining lease payments on the commencement date, discounted using the company's incremental borrowing rate. The lease liability was subsequently increased by interest cost on the lease liability and decreased by lease payments made.

The reassessment of the lease liability is applied to remeasure the lease liability if a significant event or a significant change in circumstances occurs that changes the lease payments.

Discount rate

The lease payments were discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the entity that is the counterparty to the lease contract, as at commencement date. This incremental borrowing rate was derived from the group's incremental borrowing rate. The lease expired on 31 December 2023.

	March 2025 Rm	March 2024 Rm
Net carrying value at the beginning of the year	—	2
Lease payments made during the year	—	(2)
Net carrying value at the end of the year	—	—
Breakdown of lease payments		
Fixed payments	—	2
Total payments	—	2

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS

3.1 INVESTMENTS IN SUBSIDIARIES

	March 2025 Rm	March 2024 Rm
Investments in subsidiaries		
Investments in subsidiaries at the beginning of the year	4 492	4 353
Investment in PPC GPCO (Pty) Ltd	—	200
Impairment of investments (refer to note 13.1)	—	(61)
	4 492	4 492

The company elected to recognise its investments in subsidiaries at cost less accumulated impairment.

PPC GPCO

On 9 May 2023, PPC Ltd purchased 100% shareholding in PPC GPCO (Pty) Ltd for a nominal amount. PPC Ltd subsequently made an additional capital contribution of R200 million in order for PPC GPCO to acquire PPC Ltd shares. At 31 March 2025 PPC GPCO only held treasury shares in PPC Ltd. The memorandum of incorporation of PPC GPCO is not restrictive in this regard.

PPC Group Services

On 7 August 2023, PPC Ltd disposed of its 100% investment in PPC Group Services to PPC South Africa Holdings. The disposal was for R1. The disposal of PPC Group Services is considered a common control transaction. PPC Group Services was fully impaired in March 2023 and as such no gain or loss was recognised on disposal.

PPC Zimbabwe

In the prior year, PPC Zimbabwe repurchased and cancelled shares held by three relevant indigenisation parties. The effect of the Zimbabwe indigenisation agreement resulted in PPC Ltd's shareholding in PPC Zimbabwe increasing to 88%. There were no changes to the shareholding in the current year.

PPC Employee Share Ownership Trust (ESOP)

On 4 August 2023, PPC Ltd entered into an employee equity transaction whereby PPC Ltd formed the ESOP. PPC Ltd sold 10% of its investment in PPC South Africa Holdings to the ESOP for an amount of R380 million. PPC Ltd provided vendor funding to the ESOP for the full purchase consideration.

Impairment of investments

The valuation of the individual cash-generating units (CGUs) of the company's subsidiaries has been taken into account in assessing the underlying value of the investments. The value-in-use calculations were adjusted for debt and cash and compared to the carrying value of the investment. Refer to note 20 of the consolidated financial statements for more detailed information regarding the key assumptions used in the valuation of the individual CGUs. In the current year, an impairment loss of Rnil million (2024: R 61 million) was recognised by the company. Please refer to the impairment assessment below.

Name of subsidiary	Ownership %	Carrying value Rm	Recoverable amount Rm	(Impairment)/ headroom Rm	Balance Rm
31 March 2025					
PPC Botswana Cement	100	12	214	202	12
PPC GPCO	100	200	306	106	200
PPC International Holdings	100	—	(687)	—	—
PPC South Africa Holdings	90	3 808	5 002	1 194	3 808
PPC Zimbabwe	88	472	2 979	2 507	472
Total		4 492	7 814	4 009	4 492

Name of subsidiary	Ownership %	Carrying value Rm	Recoverable amount Rm	(Impairment)/ headroom Rm	Balance Rm
31 March 2024					
PPC Botswana Cement	100	12	254	242	12
PPC GPCO	100	200	210	10	200
PPC International Holdings	100	61	(626)	(61)	—
PPC South Africa Holdings	90	3 808	3 928	120	3 808
PPC Zimbabwe	88	472	3 459	2 987	472
Total		4 553	7 225	3 298	4 492

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS *continued*

3.2 FINANCIAL ASSETS

	March 2025 Rm	March 2024 Rm
Non-current financial assets at fair value through profit or loss		
Cell captive investment	37	46
Total non-current financial assets at fair value through profit or loss	37	46
Non-current financial assets at fair value through other comprehensive income		
Investment in Old Mutual shares on the Zimbabwe Stock Market	3	2
MRG investment	7	6
Total non-current financial assets at fair value through other comprehensive income	10	8
Total financial assets	47	54

Cell captive investment

PPC invested in preference shares in Centriq Insurance Company Ltd, a licensed cell captive insurer. The preference shares are governed by a preference share agreement (also called a subscription agreement), which confers certain rights and obligations on the shareholder and the insurer. Some of the main features include the fact that the shareholder (cell owner) gets the right to share in the profits of a specified book of insurance policies. If there are losses on the book, the cell owner has the obligation to recapitalise the cell. Capitalisation and re-capitalisation of the cell is by way of a cash injection into the insurer, who allocates the capital to the cell.

The investment is initially measured at cost and subsequently at fair value, with changes recognised in profit or loss. The valuation of the cell captive is determined using the net asset value at each reporting date.

Investment in Old Mutual shares on the Zimbabwe Stock Exchange

This investment relates to the investment in 200 000 Old Mutual shares on the Zimbabwe Stock Exchange. The market value as at 31 March 2025 is R3 million (2024: R2 million). As a result of the uncertainty around the expatriation of funds from Zimbabwe, the investment has been classified as non-current.

The shares remain suspended on the Zimbabwe Stock Exchange. The Securities and Exchange Commission of Zimbabwe issued directive SS28/04/2021 for all dual-listed counters that are suspended to be valued using the JSE price.

MRG investment

Previously, PPC had standalone insurance cover through a broker. During the prior year, PPC entered into a new insurance structure through acquiring a 6,75% shareholding in two entities within the Mutual Risk Group (MRG). During the current year, PPC disposed of a portion of its shareholding, the remaining shareholding is 5,25%. This arrangement allows the company to participate with other independent companies in a mutual fund that forms the basis of the insurance agreement. The equity investment is not held for trading and the company has irrevocably elected at initial recognition to recognise it at fair value through other comprehensive income. The investment is strategic and the company considers this classification to be more relevant. The valuation of the investment is determined using the net asset value at each reporting date, determined from the management accounts received from the investee.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS *continued*

3.3 OTHER NON-CURRENT ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 2025 Rm	March 2024 Rm
Investment in Zimbabwe blocked funds		
Blocked funds at the beginning of the year	—	—
Fair value adjustment – intrinsic value	9	23
Fair value adjustment – credit risk	(9)	(23)
	—	—

Investment in Zimbabwe blocked funds

No formal confirmation has been received from the Reserve Bank of Zimbabwe (RBZ) regarding repayment of this amount and as such the investment is classified as non-current. The investment is a statutory receivable and, as no repayment terms have been agreed, it is not a financial asset as defined. It is, however, PPC Ltd's policy to value the Zimbabwe blocked funds as if it was a financial asset, and therefore it is valued at fair value through profit or loss.

Hyperinflation, the challenging general economic environment and the unavailability of foreign currency in Zimbabwe were considered in the determination of an appropriate fair value adjustment to be applied to the blocked funds. Management assessed that there is a high level of credit risk associated with the RBZ, resulting in the application of a fair value credit risk adjustment of 100% (2024: 100%), which resulted in a cumulative fair value adjustment of R413 million as at 31 March 2025 (2024: R422 million).

The net fair value loss on the Zimbabwe blocked funds of Rnil (2024: Rnil) comprises an increase of the intrinsic value of R9 million (2024: R23 million) and a credit risk fair value loss of R9 million (2024: R23 million).

3.4 AMOUNTS OWING BY SUBSIDIARIES INCLUDED IN NON-CURRENT ASSETS

	March 2025 Rm	March 2024 Rm
PPC International Holdings		
Shareholders loan ^(a)	—	693
DRC deficiency loan	719	735
Amount owing by subsidiaries excluding expected credit losses	719	1 428
Expected credit losses	(719)	(735)
Amounts owing by subsidiaries included in non-current assets	—	693

^(a) During the current year, the shareholders loan was waived at its carrying amount of R681 million.

Amounts owing from PPC International Holdings are unsecured, interest free and have no fixed date of repayment.

The shareholders loan was classified as a non-current asset because it had no fixed terms of repayment.

Impairment considerations

Judgements made by management and sources of estimation uncertainty

Due to the long-term nature of the shareholder loan, judgement is required in determining the recoverability and valuation of the loan. The balance is exposed to movements in exchange rates, changes in regulatory environments and the underlying operating activity of the counterparty. In determining the expected credit loss (ECL), management considered the credit risk and probability of default associated with the borrower as well as the cash flow forecast associated with the borrower. Based on the assessment performed (taking into account the terms of the loan), the borrower is not expected to generate sufficient cash flow, which will allow it to settle the amounts due to the company, and as such an ECL was raised to the extent that the borrower would not be in a position to settle the amounts due. In the current year the ECL movement was R16 million (2024: R40 million), the movement was due to exchange rate movements. The shareholder loan was waived, following PPC International Holdings' disposal of its interest in CIMERWA in the prior year.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS *continued*

3.5 AMOUNTS OWING BY SUBSIDIARIES INCLUDED IN CURRENT ASSETS

	March 2025 Rm	March 2024 Rm
Amounts owing by subsidiaries	360	158
Amounts owing by subsidiaries included in current assets (refer to note 19)	360	158

The loans have no fixed terms of repayment, are unsecured and, where appropriate, interest is calculated using ruling market-related interest rates. The loans are classified as current as the company can demand repayment immediately. Management's intention is to call on these loans in the next 12 months.

Impairment considerations

Judgements made by management and sources of estimation uncertainty

The intercompany loan receivables are assessed for impairment in terms of IFRS 9 *Financial Instruments*, which is based on the premise of providing for ECLs.

Management applies judgement in determining the ECLs. For current receivables, the ECL is based on the assumption that the repayment can be demanded at the reporting date. In performing the ECL assessment, management considered whether the borrower had sufficient highly liquid assets to repay the amount due to the company. Based on the assessment performed, no material ECL was required.

4. OTHER RECEIVABLES

	March 2025 Rm	March 2024 Rm
Prepayments	4	2
	4	2

No receivables have been pledged as security.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

5. STATED CAPITAL

	March 2025 Shares	March 2024 Shares
Authorised ordinary shares	10 000 000 000	10 000 000 000
Issued ordinary shares		
Total shares in issue at the beginning of the year	1 553 764 624	1 553 764 624
Total shares in issue at the end of the year	1 553 764 624	1 553 764 624
Total shares in issue at the beginning of the year (net of treasury shares)	1 525 210 061	1 522 707 007
Shares purchased in terms of the share incentive scheme	(1 131 764)	(6 078 765)
Vesting of shares held in terms of the share incentive scheme	8 115 473	8 581 819
Total shares in issue (net of treasury shares)	1 532 193 770	1 525 210 061
Authorised preference shares	20 000 000	20 000 000
	Rm	Rm
Stated capital		
Balance at the beginning of the year	5 093	5 086
Shares purchased in terms of the share incentive scheme	(5)	(24)
Vesting of shares held in terms of the share incentive scheme	32	31
Balance at the end of the year	5 120	5 093
Unissued shares		
Ordinary shares	8 446 235 376	8 446 235 376
Preference shares	20 000 000	20 000 000

6. DEFERRED TAXATION

	March 2025 Rm	March 2024 Rm
Movement		
Balance at the beginning of the year	(98)	(90)
Released to income statement	63	(7)
Prior year adjustments	4	(1)
Balance at the end of the year	(31)	(98)
Analysis of deferred taxation		
Provisions	11	25
Non-current receivables	(39)	(109)
Reserves	(3)	(14)
Deferred taxation liability	(31)	(98)

Key judgements

Deferred taxation assets

Deferred taxation assets are recognised to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Future tax profits are estimated based on business plans, which include estimates and assumptions regarding economic growth, interest, inflation, tax rates and the competitive environment.

The PPC Ltd deferred tax asset recoverability was based on applicable South African tax laws and approved business plans. PPC Ltd currently has an accumulated tax loss of R186 million (2024: R174 million). It is unlikely that the deferred tax temporary differences will unwind in the foreseeable future, which results in uncertainty over the utilisation of the deferred tax asset arising from the tax loss. Therefore no deferred tax asset has been recognised for the tax loss.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

7. TRADE AND OTHER PAYABLES

	March 2025 Rm	March 2024 Rm
Trade payables and accruals	20	34
Payroll accruals	18	14
	38	48

Trade and other payables are payable within the normal trade terms of a 30-day to 60-day period.

No interest is payable on overdue payments.

8. REVENUE

	March 2025 Rm	March 2024 Rm
Royalty fee for use of mining rights	5	5
Dividend income	999	419
Management fee	—	32
Interest received from subsidiaries	2	2
	1 006	458

Revenue from contracts with customers

Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation and this is determined at an amount that depicts the consideration to which the company expects to be entitled in exchange for transferring the goods and services promised to the customer.

Revenue includes royalty fees and management fees.

Royalty fee for use of mining rights

Revenue is recognised on the use of the PPC Ltd mining rights by PPC Cement SA (Pty) Ltd and PPC Aggregates Quarries (Pty) Ltd.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Management fee

Revenue is recognised when management services have been rendered to subsidiary companies.

Interest income

Interest income relates to interest earned on financial assets measured at amortised cost. Interest is recognised on a time proportionate basis, using the effective interest method and accrues in profit or loss.

9. OPERATING PROFIT

	March 2025 Rm	March 2024 Rm
Operating profit includes:		
Auditors' remuneration	8	7
Staff costs:		
Equity-settled share incentive scheme charge (refer to note 10)	11	14
Employees' remuneration	28	32

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

10. SHARED-BASED PAYMENTS

Judgements made by management and sources of estimation uncertainty

Fair value used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The company is required to calculate the fair value of the equity-settled instruments granted to employees in terms of the long-term incentive plan (LTIP).

10.1 RETENTION AWARDS

In terms of IFRS 2 *Share-based Payment*, the fair value of each share awarded, which will be expensed over the vesting period in return for services rendered, is based on the average market price of acquiring the share and is not remeasured subsequently. The service and performance conditions are taken into account in the number of instruments that are expected to vest. Subsequent revisions are made for changes in estimated attrition and probability of satisfaction of performance conditions.

In terms of a director's fixed-term service agreement entered into on 14 September 2023, as subsequently amended, the director was entitled to a sign on award of 7 455 255 shares. There are no performance conditions linked to the award. All the awards will vest in 2027.

	Sign on award
Date of grant	01/10/2023
Number of shares granted to:	
A director	7 455 255
Average purchase price of shares acquired (R)	3,70
Estimated fair value per share at grant date (R)	3,07

10.2 LONG-TERM INCENTIVE PLAN (LTIP)

The LTIP was introduced on 1 April 2020 and offers employees across the group participation in the LTIP with the aim of driving group performance in line with the company's strategy. In order to recognise contributions made by selected employees and provide an incentive for their continued performance and relationship with the group, the LTIP provides them with the opportunity of receiving a long-term incentive and to ensure that the company attracts and retains the core competencies required for formulating and implementing the company's business strategies.

On 1 April each year, a LTIP participant is allocated an incentive value being the participant's total guaranteed package multiplied by a relevant allocation percentage. Performance conditions are set annually for the performance period. At the end of the performance period (being a period of one year), the remuneration and talent committee will assess whether the performance conditions have been met and adjust the incentive value accordingly. PPC Ltd will then provide the cash to the Central Securities Depository Participant (CSDP) to enable the CSDP to purchase PPC shares on the market to the value of the adjusted incentive value. The number of shares awarded to each participant can therefore only be determined at that time. The shares are held by an escrow agent until the release date. The employer companies will reimburse PPC Ltd for the cost of the shares. During the vesting period (three years post-performance conditions being met), the employee is entitled to dividends and voting rights but may not dispose of the shares until the vesting conditions have been met and the shares have been released. Should any shares be forfeited in terms of the rules, PPC will instruct the escrow agent to sell the shares and return the cash to the employer company. The vesting condition is that the employee has to remain in the employ of the employer for a further three years after the performance conditions have been met.

The performance conditions include both market (being total shareholder return) and non-market-related conditions (being board approved budgeted return on invested capital).

	Estimated number of awards as at 31 March 2025 – 2025 scheme ^(a)
LTIP award	
Number of shares	3 216 522
Share price	4,60

^(a) At 31 March 2025 management estimated that 120% of the performance conditions will be met and estimate that 3 216 522 shares will be granted to participating employees.

At both 31 March 2023 and 31 March 2024, the performance conditions were not met and therefore no shares were awarded for the 2023 and 2024 schemes respectively. At 31 March 2025 management estimated that the performance conditions would be met at 120% of the performance conditions target and estimated that 3 216 522 shares will be granted to participating employees. The estimate is based on the closing share price on 31 March 2025.

	2025	2024
	Rm	Rm
The carrying amount of the retention shares and LTIP in equity compensation reserve at year-end	15	8

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2025

11. FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

	March 2025 Rm	March 2024 Rm
(Loss)/gain on translation of foreign currency denominated monetary items	(27)	71
Fair value adjustment on cell captive	(9)	13
	(36)	84

Put option liability

In 2015, PPC Ltd entered into a Put Option Agreement with the IFC in terms of which the latter can put its investment or part thereof in PPC Barnet to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement.

Refer to note 15 of the consolidated financial statements for further details.

12. FINANCE COSTS

	March 2025 Rm	March 2024 Rm
Bank and other short-term borrowings	2	2
	2	2

13. IMPAIRMENTS

	Notes	March 2025 Rm	March 2024 Rm
Impairment of investment (refer to note 3.1)	13.1	—	61
		—	61
13.1 IMPAIRMENT OF INVESTMENTS			
Investment in PPC International Holdings (Pty) Ltd		—	61
		—	61

An impairment of R61 million was recognised on the investment in PPC International Holdings in the prior year.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

14. TAXATION

Key judgement

Judgement is required in determining the estimate of the provision for income taxes at the reporting period. The company recognises provisions for taxation based on estimates of the taxes that are likely to become due. Where the final taxation outcome is different from the amounts that were initially recorded, such differences impact the income taxation and deferred taxation provisions in the period in which such determination is made.

	March 2025 Rm	March 2024 Rm
South African normal taxation		
Current taxation	—	—
Current year	—	1
Prior year overprovision	—	(1)
Deferred taxation	(67)	8
Current year	(63)	7
Prior year overprovision	(4)	1
Withholding taxation	13	16
Total taxation charge	(54)	24

	March 2025 %	March 2024 %
Reconciliation of taxation rate		
Effective tax rate	(24,6)	8,6
Prior year taxation impact	1,8	(0,4)
Non-taxable income including dividends received included in revenue	144,9	42,3
Non-deductible intercompany loan waiver	(83,3)	—
Expenditure not deductible in terms of taxation legislation ^(a)	(0,5)	(6,0)
Deferred tax not recognised	1,80	(6,8)
Expenses not in the production of income ^(b)	(6,3)	(6,4)
Fair value adjustment of financial assets	(0,9)	1,4
Withholding taxation	(5,9)	(5,7)
South African normal taxation rate	27,0	27,0

^(a) Disallowed expenses includes interest, legal and consulting fees that are capital in nature.

^(b) Expenditure attributable to non-taxable dividend received.

15. FINANCE COSTS PAID

	March 2025 Rm	March 2024 Rm
Finance costs as per income statement charge (refer to note 12)	(2)	(2)
	(2)	(2)

16. TAXATION RECEIVED/(PAID)

	March 2025 Rm	March 2024 Rm
Net amounts receivable at the beginning of the year	1	20
Charge per income statement excluding deferred taxation (refer to note 14) ^(a)	(13)	—
Net amounts receivable at the end of the year	—	(1)
	(12)	19

^(a) Relates to the withholding tax paid on dividends received.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

17. CONTINGENT LIABILITIES

Contingent liabilities and guarantees

There were no contingent liabilities at year-end.

The total guarantees issued by the company, by means of a bank guarantee, in favour of various suppliers was R91 million (2024: R92 million). Included in this amount are financial guarantees for the environmental rehabilitation and decommissioning obligations of the group to the Department of Mineral Resources (DMR), amounting to R76 million (2024: R76 million).

18. FINANCIAL RISK MANAGEMENT

IFRS 9 *Financial Instruments*

IFRS 9 *Financial Instruments* provides guidance on the classification, measurement and recognition of financial assets and financial liabilities. The standard establishes three measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Classification of financial assets into these categories is dependent on the entity's business model (which depicts its objectives with respect to the management of financial assets as a whole) and the characteristics of the contractual cash flows of the specific financial asset.

The company's application of IFRS 9 *Financial Instruments* and the company's exposure to financial risks and how these risks could affect the company's future financial performance has been described below.

Financial assets – Classification and measurement

IFRS 9 *Financial Instruments* requires all financial assets to be initially recognised at fair value, including directly attributable transaction costs for all financial assets not measured at fair value through profit or loss. Transaction costs for financial assets carried at fair value through profit or loss are expensed in profit or loss.

The company subsequently measures financial assets depending on whether these instruments are debt or equity instruments (from an issuer's perspective).

Debt instruments

Financial assets are subsequently measured at amortised cost if they are held within a business model whose objective is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest (hold to collect).

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and those contractual cash flows comprise solely payments of principal and interest (hold to collect and sell). Movements in the carrying amount of these financial assets should be taken through other comprehensive income, except for interest revenue and foreign exchange gains or losses, which are recognised in profit or loss. Where the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. FINANCIAL RISK MANAGEMENT *continued*

Equity instruments

The company subsequently measures all financial assets that are considered to be equity instruments from an issuer's perspective, at fair value. Where the company has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Financial liabilities – classification and measurement

The company recognises instruments where it has a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the company, as financial liabilities. Financial liabilities are recognised once the company becomes a party to the contractual rights and obligations in the underlying contracts.

Under IFRS 9 *Financial Instruments* requirements, the company measures financial liabilities at either fair value or amortised cost. The company recognises all financial liabilities at amortised cost, unless the company is required to measure the financial liabilities at fair value or has opted to measure the liability at fair value.

All financial liabilities are initially measured at fair value, minus (in the case of financial liabilities not recognised at fair value through profit or loss) transaction costs that are directly attributable to the issuance of the financial instrument.

Financial liabilities that are subsequently measured at amortised cost are measured at the amount recognised on initial recognition minus principal repayments, plus the cumulative amortisation using the effective interest method. The movements in financial liabilities that are subsequently measured at fair value are recognised in profit or loss, with changes in the fair value of these financial liabilities that are attributable to the company's own credit risk recognised in other comprehensive income. Where these financial liabilities are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss. However, it may be reclassified within equity.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to pay them in full without material delay has been assumed, or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Derecognition of financial liabilities

Financial liabilities are derecognised when their related obligations are discharged, cancelled or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as other income or finance costs.

Financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial instruments – expected credit losses

IFRS 9 *Financial Instruments* requires impairments to be determined based on an expected credit loss (ECL) model for financial assets carried at amortised cost or fair value through other comprehensive income. The company recognises an allowance for either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk. The company measures the ECLs in a manner which reflects a probability-weighted outcome, the time value of money and the entity's best available forward looking information. The preceding probability-weighted outcome considers the possibility that a credit loss will occur and the possibility that no credit loss will occur, no matter how low the probability of credit loss occurrence might be. The ECL model applies to financial assets measured at amortised cost and fair value through other comprehensive income, lease receivables and certain loan commitments as well as financial guarantee contracts.

The company's financial instruments consist mainly of amounts owing by subsidiaries, other receivables and payables.

Capital risk management

The company manages its capital to ensure it will continue as a going concern, while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the company consists of equity attributable to PPC Ltd shareholders, comprising stated capital (note 5), reserves and retained profit. Refer to note 29 of the consolidated financial statements for information on how capital is managed for the group.

The company's debt at statement of financial position date was as follows:

	2025	2024
	Rm	Rm
Total equity	4 791	5 241
Total capital	4 791	5 241

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. FINANCIAL RISK MANAGEMENT *continued*

Foreign currency risk management

The company is exposed to exchange rate fluctuations as it undertakes transactions denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters.

The company's financial instrument exposure to currency risk stated in millions is summarised below:

	Notes	US dollar	Zimbabwe Gold	Zimbabwean dollar
2025				
Assets				
Financial assets ^(a)	3.2	—	3	—
Total assets		—	3	—
2024				
Assets				
Financial assets	3.2	—	—	2 678
Amounts owed by subsidiaries	3.4	71	—	—
Total assets		71	—	2 678

^(a) The exposure is less than R1 million.

Sensitivity analysis on net exposure

A movement in exchange rates of 5%, with all other variables held constant against the significant foreign currencies below, would have the following impact:

	Closing rate	Impact on total comprehensive income and shareholders' equity	
		5% increase	5% decrease
Significant foreign currency exposure			
2025			
Zimbabwe Gold ^(a)	0,6835	—	—
US dollar ^(b)	18,42	—	—
(Decrease)/increase in total comprehensive income		—	—
2024			
ZWL dollar ^(a)	0,0009	—	—
US dollar	18,84	67	(67)
(Decrease)/increase in total comprehensive income		67	(67)

^(a) The current year impact is R0.19 million (2024: R0.120 million).

^(b) The current year impact is R0.48 million (2024: R67 million). Significant decrease as a result of the shareholder's loan which was written off during the current year. Refer to note 3.4.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. FINANCIAL RISK MANAGEMENT *continued*

Fair values of financial assets and liabilities

The classification of financial assets and liabilities are set out below.

	Notes	31 March 2025			31 March 2024		
		Carrying amount Rm	Fair value Rm	Amortised cost Rm	Carrying amount Rm	Fair value Rm	Amortised cost Rm
Financial assets							
At amortised cost							
Amounts owing by subsidiaries – non-current	3.4	—	—	—	693	—	693
Amounts owing by subsidiaries – current	3.5	360	—	360	158	—	158
At fair value through other comprehensive income							
Investment in Old Mutual shares on Zimbabwe Stock Market	3.2	3	3	—	2	2	—
MRG investment	3.2	7	7	—	6	6	—
At fair value through profit or loss							
Investment in insurance cell captive	3.2	37	37	—	46	46	—
Financial liabilities							
At amortised cost							
Amounts owing to subsidiaries	19	43	—	43	13	—	13
Trade and other financial payables	7	20	—	20	34	—	34

Credit risk management

Credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations. The potential exposure to credit risk is represented by the carrying amounts of amounts owing by subsidiaries, investment in Old Mutual shares and the MRG investment.

	March 2025 Rm	March 2024 Rm
Amounts owing by subsidiaries – non-current	—	693
Amounts owing by subsidiaries – current	360	158
Investment in Old Mutual shares on Zimbabwe stock market	3	2
MRG investment	7	6
Maximum credit risk exposure	370	859

Refer to note 3.4 and 3.5 for detail of the quantitative and qualitative considerations in relation to the ECL's on the above financial instruments.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. FINANCIAL RISK MANAGEMENT **continued**

Liquidity risk management

Liquidity risk is the risk of the company being unable to meet its payment obligations when they fall due. Refer to note 29 of the consolidated financial statements for information on how liquidity is managed.

The following table details the company's remaining contractual maturity for its financial liabilities. The table has been prepared based on undiscounted cash flows at the earliest date on which the company can be required to pay. The amounts include interest accrued to the payment date.

	<1 year Rm	1 – 5 years Rm	>5 years Rm	Total Rm
2025				
Amounts owing to subsidiaries	43	—	—	43
Trade and other financial payables	20	—	—	20
	63	—	—	63
2024				
Amounts owing to subsidiaries	13	—	—	13
Trade and other financial payables	34	—	—	34
	47	—	—	47

Methods and assumptions used by the company in determining fair values

The estimated fair value of financial instruments is determined, at discrete points in time, by reference to the mid-price in an active market wherever possible. Where no such active market exists for the particular asset or liability, the company uses valuation techniques to arrive at fair value, including the use of prices obtained in recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

The fair value of unlisted investment has been valued based on the purchase agreement following the decision to dispose of the investment, while unlisted collective investment is valued using the closing unit price at year-end. Investment in government bonds is valued using the discounted face value of the bills.

The fair value of intercompany loans receivable and payable is based on the market rates of the loan and the recoverability.

The fair values of cash and cash equivalents, other receivables and trade and other financial payables approximate the respective carrying amounts of these financial instruments because of the short period to maturity.

In 2015, PPC Ltd entered into a put option agreement with the IFC in terms of which the latter can put its investment or part thereof in PPC Barnet to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement. The agreement provides for the determination of the option price by way of a formula as follows:

$(\text{EBITDA} \times \text{earnings multiple}) - \text{net financial debt}$.

The option is out of the money and reflected at a zero fair value since 31 March 2020.

If the key unobservable inputs to the valuation model, being EBITDA and net financial debt, were 10% higher or lower, while all the other variables were held constant, the fair value of the put option would still be nil.

Due to the valuation technique used in determining the fair value of the put option liability, management judgements and estimations have been applied. The fair value calculated is impacted by the future financial performance of the DRC, the EBITDA multiple applied, exchange rates and expected timing of when the option will be exercised.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

18. FINANCIAL RISK MANAGEMENT *continued*

	Valuation with reference to prices quoted in active markets Level 1 Rm	Valuation based on observable inputs Level 2 Rm	Valuation based on unobservable inputs Level 3 Rm	Total Rm
2025				
Financial and other non-current assets				
At fair value through profit or loss				
Investment in insurance cell captive	—	—	37	37
At fair value through other comprehensive income				
Investment in Old Mutual shares on Zimbabwe Stock Market	—	3	—	3
MRG investment	—	—	7	7
Net financial assets	—	3	44	47
2024				
Financial and other non-current assets				
At fair value through profit or loss				
Investment in insurance cell captive	—	—	46	46
At fair value through other comprehensive income				
Investment in Old Mutual shares on Zimbabwe Stock Market	—	2	—	2
MRG investment	—	—	6	6
Net financial assets	—	2	52	54

Level 1 – Financial assets and liabilities that are valued accordingly to unadjusted market prices for similar assets and liabilities. Market prices in this instance are readily available and the price represents regularly occurring transactions, which have been concluded on an arm's length transaction.

Level 2 – Financial assets and liabilities are valued using observable inputs, other than the market prices noted in the level 1 methodology, and make reference to pricing of similar assets and liabilities in an active market or by utilising observable prices and market-related data. Refer to note 3.2 for detail of the observable inputs used to value the level 2 financial assets.

Level 3 – Financial assets and liabilities that are valued using unobservable data, and require management's judgement in determining the fair value. Refer to note 3.2 for detail of the valuation techniques and inputs used to value the level 3 financial assets.

Movements in level 3 financial instruments

	2025 Rm	2024 Rm
Financial and other non-current assets (refer to notes 3.2 and 3.3)		
Balance at the beginning of the year	52	39
Fair value adjustment	1	36
Fair value adjustment – credit risk	(9)	(23)
Balance at the end of the year	44	52

Remeasurements are recorded as fair value adjustments through profit or loss.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

19. RELATED-PARTY TRANSACTIONS

	March 2025 Rm	March 2024 Rm
Revenue – royalty fee for use of mining rights		
PPC Cement SA (Pty) Ltd	4	5
PPC Aggregate Quarries (Pty) Ltd ^(a)	1	—
	5	5
Dividends received from		
PPC Botswana (Pty) Ltd	13	8
PPC South Africa Holdings (Pty) Ltd	—	208
PPC Zimbabwe Ltd	234	203
PPC International Holdings (Pty) Ltd	752	—
	999	419
Management fee income		
PPC Group Services (Pty) Ltd	—	32
	—	32
Interest received from		
PPC Cement SA (Pty) Ltd	2	2
	2	2
Amounts due by (non-current assets)		
PPC International Holdings (Pty) Ltd		
– Shareholders’ loan	—	693
– Deficiency loan	719	735
Amount due excluding expected credit losses	719	1 428
Expected credit losses	(719)	(735)
	—	693
Amounts due by (current assets)		
PPC Aggregate Quarries (Pty) Ltd	1	30
PPC Group Services (Pty) Ltd	—	3
Pronto Building Materials (Pty) Ltd	—	30
Ulula Ash (Pty) Ltd	—	13
3Q Mahuma Aggregates and Concrete (Pty) Ltd	—	10
PPC Cement SA (Pty) Ltd	359	72
Amounts due excluding finance lease receivable	360	158
	360	158
Amounts due to (current liabilities)^(b)		
PPC Botswana (Pty) Ltd	1	1
PPC South Africa Holdings (Pty) Ltd	12	12
PPC GPCO	30	—
	43	13

^(a) The fee in the prior year was R0.3m.

^(b) The loans have no fixed terms of repayment and are unsecured. The loans are classified as current as the company can demand repayment immediately.

Refer to note 30 of the consolidated annual financial statements for directors’ emoluments paid to directors of the company who are considered related parties.

Refer to notes 3.4 and 3.5 for the terms of the amounts due by subsidiaries.

NOTES TO THE COMPANY FINANCIAL STATEMENTS **CONTINUED**

FOR THE YEAR ENDED 31 MARCH 2025

20. EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that warrant disclosure in these annual financial statements refer to note 34 of the consolidated annual financial statements.

21. ADDITIONAL DISCLOSURE

Refer to the consolidated financial statements for additional disclosure on the following:

Description	Notes
Accounting policies	1.2
Directors' remuneration and interest	30

PPC LTD SHAREHOLDER ANALYSIS

AS AT 31 MARCH 2025

Company: PPC Ltd
 Register date: 31 March 2025
 Issued share capital: 1 553 764 624

Shareholder spread	Number of shareholdings	%	Number of shares	%
1 – 1 000 shares	35 673	83,40	3 525 140	0,23
1 001 – 10 000 shares	4 664	10,90	17 060 735	1,10
10 001 – 100 000 shares	1 882	4,40	60 063 358	3,87
100 001 – 1 000 000 shares	399	0,93	129 809 665	8,35
1 000 001 shares and over	128	0,30	385 882 497	24,84
10 000 001 shares and over	29	0,07	957 423 229	61,62
Total	42 775	100	1 553 764 624	100

Distribution of shareholders	Number of shareholdings	%	Number of shares	%
American Depository Receipts	1	0,00	530 732	0,03
Banks/brokers	109	0,25	240 182 999	15,46
Close corporations	79	0,18	9 734 566	0,63
Empowerment	5	0,01	11 146 893	0,72
Endowment funds	31	0,07	3 646 395	0,23
Individuals	40 786	95,35	134 268 719	8,64
Insurance companies	48	0,11	64 445 076	4,15
Investment companies	3	0,01	4 026 978	0,26
Medical schemes	16	0,04	9 260 415	0,60
Mutual funds	187	0,44	510 968 323	32,89
Other corporations	67	0,16	413 154	0,03
Own Holdings	1	0,00	64 638 471	4,16
Private companies	248	0,58	45 351 626	2,92
Public companies	11	0,03	5 878 713	0,38
Retirement funds	677	1,58	403 307 556	25,96
Treasury shares	3	0,01	19 535 664	1,26
Trusts	503	1,18	26 428 344	1,70
Total	42 775	100,00	1 553 764 624	100,02

Public/non-public shareholders	Number of shareholdings	%	Number of shares	%
Non-public shareholders	21	0,05	341 621 894	21,99
Directors and prescribed officers of the company	2	0,00	246 300 866	15,85
Empowerment holdings	16	0,04	11 146 893	0,72
Own Holdings	1	0,00	64 638 471	4,16
Treasury shares	2	0,00	19 535 664	1,26
Public shareholders	42 754	99,95	1 212 142 730	78,01
Total	42 775	100,00	1 553 764 624	100,00

PPC LTD SHAREHOLDER ANALYSIS **CONTINUED**

AS AT 31 MARCH 2025

	Number of shares	%
Beneficial shareholders holding 3% or more		
Government Employees Pension Fund	156 794 904	10,09
M&G Investments	100 368 741	6,24
Value Capital Partners H4 QI Hedge Fund	89 866 919	5,78
Old Mutual	87 669 566	5,64
Camissa Asset Management	69 646 640	4,48
PPC GPCO (Pty) Ltd	64 638 471	4,16
Alexforbes	52 857 205	3,40
Eskom Pension & Provident Fund	52 355 813	3,37
Centaur Asset Management	50 310 338	3,24
Fidelity	46 974 400	3,02
Total	771 482 997	49,42
Institutional shareholders holding 3% or more		
Value Capital Partners*	246 300 866	15,85
M&G Investments	215 297 937	13,86
Camissa Asset Management	173 794 427	11,19
Public Investment Corporation	122 831 737	7,91
Sanlam Investment Management	59 580 229	3,83
Centaur Asset Management	55 435 338	3,57
Fidelity Investments	46 974 400	3,02
Total	920 214 934	59,23

* Value Capital Partners are investment advisers to third-party funds which have been aggregated.

CORPORATE INFORMATION

PPC LTD

Incorporated in the Republic of South Africa
Registration number: 1892/000667/06
JSE/ZSE code: PPC
JSE ISIN: ZAE 000170049
(PPC or company or group)

DIRECTORS

PJ Moleketi (chair), SM Cardarelli* (CEO), B Berlin (CFO),
N Gobodo, BM Hansen**, K Maphisa, NL Mkhondo,
CH Naude, MR Thompson

* Argentinean

** Danish

REGISTERED OFFICE

First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld
Johannesburg, 2196, South Africa
(PO Box 787416, Sandton, 2146, South Africa)

TRANSFER SECRETARIES SOUTH AFRICA

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank
Private Bag X9000, Saxonwold, 2132

TRANSFER SECRETARIES ZIMBABWE

Corpserve (Pvt) Ltd
2nd Floor, ZB Centre
Corner 1st Street and Union Avenue
Harare, Zimbabwe
(PO Box 2208, Harare, Zimbabwe)

COMPANY SECRETARY

KR Ross
First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld
Johannesburg, 2196, South Africa
(PO Box 787416, Sandton, 2146, South Africa)

SPONSOR

Questco Corporate Advisory (Pty) Ltd
Ground Floor, Block C, Investment Place, 10th Road
Hyde Park, Johannesburg, 2196

FORWARD LOOKING STATEMENT

This report, including statements on the demand outlook, PPC's expansion projects and its capital resources and expenditure, contains certain forward looking views that are not historical facts and relate to other information which is based on forecasts of future results and estimates of amounts not yet determinable. By their nature, forward looking statements involve uncertainties and the risk that these forward looking statements will not be achieved. Although PPC believes the expectations reflected in these statements are reasonable, no assurance can be given that these expectations will prove correct. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, outcomes could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment, other government action and business and operational risks.

Forward looking statements apply only as at the date on which they are made. PPC does not undertake to update or revise them, whether arising from new information, future events or otherwise. While PPC takes reasonable care to ensure the accuracy of information presented, it accepts no responsibility for any damages – be they consequential, indirect, special or incidental, whether foreseeable or unforeseeable – based on claims arising out of misrepresentation or negligence in connection with a forward looking statement. This report is not intended to contain any profit forecasts or profit estimates, and some information in this report may be unaudited.



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