PPC

Summarised group results and notice of annual general meeting

2015

COMMENTARY

Darryll Castle, CEO, said:

"PPC's group revenue increased by 2% due to improved performance from our operations in Zimbabwe and Botswana as well as the inclusion of the newly acquired businesses of Safika Cement and Pronto Readymix. These offset the declines experienced in the core South African cement business. The profit improvement programme generated R212 million which led to our group EBITDA of R2,36 billion ending marginally above last year. We have now achieved over 50% of our three-year profit improvement target of R400 million. The successful delivery of our 600 000 ton per annum CIMERWA plant in Rwanda, within the budgeted US$170 million, reflects our ability to manage complex, multi-dimensional projects in the heart of the continent. Our projects in the DRC, Zimbabwe and Ethiopia are all over 50% complete and will ensure that we offer shareholders a diversified portfolio of businesses in different geographies."

Group revenue up 2% to
R9,2 billion

Headline earnings per share down 19% to
145 cents

EBITDA of
R2,36 billion
marginally above last year

Annual dividend per share of
57 cents
after final dividend of
33 cents

Cash generated from operations up 5% to
R2,7 billion

600 000 ton
per annum plant in Rwanda successfully commissioned

Cash conversion ratio of
114%

Funding covenants aligned to the capital structure

Profit improvement programme generates
R212 million

New vision and strategy launched

PPC group performance

PPC's total cement sales volumes ended 2% below last year. Group revenue increased by 2% year on year to R9 227 million (2014: R9 039 million) due to revenue growth in Zimbabwe and Botswana and the full-year inclusion of Safika Cement and Pronto Readymix. On a like-for-like basis, group revenue would be 3% below last year at R8 320 million (2014: R8 561 million).

Cost of sales of R6 437 million was 3% higher than last year (2014: R6 266 million), impacted by the consolidation of Safika Cement and Pronto Readymix. On a like-for-like basis, cost of sales of R5 825 million would be 2% below last year (2014: R5 960 million). Costs were particularly well managed by the South African cement business that recorded a 2% decline in variable delivered cost of sales per ton.

Administration and other operating expenditure rose 10% to R1 130 million (2014: R1 030 million). On a like-for-like basis, excluding new businesses, the expenses increased by 5% year on year. A large portion of the higher expenditure can be ascribed to an increased doubtful debt provision of R40 million, originating from Zimbabwe while in our lime business a key customer applied for business rescue. Excluding the impact of the increased doubtful debt provision and the Pronto consolidation effect, administration and other operating expenditure would have recorded a 2% year-on-year decline.

The profit improvement programme (PIP), which is set to deliver R400 million by 2017, has generated R212 million for the 2015 financial year and comprised mainly operational efficiencies and overhead reductions.

Despite tough market conditions, group EBITDA ended marginally above last year at R2 362 million (2014: R2 358 million), with an EBITDA margin of 25,6% (2014: 26,1%). In the absence of the PIP, group EBITDA would have been 10% lower. The movement against last year can be ascribed to lower profitability in the South African cement business which was offset by the consolidation of new businesses and improved profitability from lime, Zimbabwe and the Botswana cement division. Excluding restructuring and corporate action costs, EBITDA is 4% higher at R2 424 million.

Net finance costs were R468 million, a 13% increase over last year's R414 million mainly as a result of gross borrowings being R2 130 million above the prior year and reduced by R196 million (2014: R36 million) capitalised to property, plant and equipment.

Cash generated from operations of R2 716 million was 5% higher than the previous period (2014: R2 583 million). This was supported by lower net working capital which decreased by R300 million. The cash conversion ratio of 114% is in line with the previous year and remains strong despite tough local market conditions, demonstrating the effectiveness of PPC's financial and operational disciplines.

The effective tax rate remains high at 37% due to the non-deductibility of some expenses including those relating to the first BEE transaction, impairments and international business expenses. Following impairment assessment reviews, impairments of R81 million were recorded, which includes goodwill of Pronto Readymix and certain international business exploration costs.

Capital investments in property, plant and equipment were R3 269 million (2014: R1 908 million) with R2 454 million utilised for the expansion strategy projects in Rwanda, the Democratic Republic of the Congo (DRC) and Zimbabwe. Group debt has increased to R8 221 million (2014: R6 091 million) due to project finance drawdowns, leading to group debt to EBITDA rising to 3,5 times. When non-recourse project finance debt is excluded, this ratio drops to 2,6 times, which is well within the newly approved financial covenant range.

Net profit attributable to PPC shareholders was R698 million (2014: R840 million) and the 17% decline against last year can be ascribed to the lower profitability of the South African cement business as well as increased finance costs. In line with this, headline earnings per share ended 19% lower at 145 cents (2014: 179 cents) while normalised earnings per share of 148 cents were 15% lower than the prior period and earnings per share of 133 cents were down 17%.

The directors have declared a final dividend per share of 33 cents (2014: 76 cents), bringing the full-year dividend to 57 cents (2014: 114 cents) which is within the company's previously communicated dividend cover range of 1,8 to 2,5 times. In future, the company's dividend policy will take into account its growth considerations as well as prudency regarding its capital structure, and will therefore have a flexible dividend policy with regard to the quantum and form of dividends instead of a cash dividend policy based on a stated dividend cover.

CEMENT

PPC group cement revenue declined 3% to R7 506 million (2014: R7 710 million) while EBITDA fell 5% to R2 016 million (2014: R2 132 million). Consequently the EBITDA margin fell to 26,9% from 27,7% the previous year.

South Africa

PPC's cement sales volumes declined by 1% due to increased competitor activity, particularly in the Gauteng and inland regions. The Mpumalanga area was hardest hit, with double-digit volume declines. The North West region, although also under pressure, showed some resilience. In the Gauteng area, the construction and industrial segments recorded a relatively better performance than the highly contested retail space. In the latter part of the period, the coastal regions began to perform better on the back of new import tariffs. Average selling prices declined 2% during the period.

Variable delivered cost of sales per ton declined 2% while fixed costs increased by 2%. Cost savings were realised from coal, refractories, fuel and packaging, but these were offset by cost increases in power and maintenance.

We have made tangible progress with our alternative thermal energy strategy by introducing tyre burning at our De Hoek factory in the Western Cape. De Hoek kiln 6 is expected to have a co-processing capacity of about 8 000 tons of recycled tyres per year, resulting in thermal heat replacement of about 15%. The manual feed system was completed at a cost of under R10 million.

International

Zimbabwe

Our Zimbabwe operations recorded overall volume declines of 4% although domestic volumes improved by 5%. The stronger US dollar, as well as increased competitor and pricing pressure, led to exports declining. Price increases in the local market remained muted, with good cost control leading to improved margins.

Botswana

Sales volumes in Botswana rose 20% on increased demand in the industrial and retail segments. Average selling price and cost of sales both decreased from the prior year but margins were up 14% due to improved volumes and the reduced cost of sales.

Rwanda

The new 600 000 ton per annum CIMERWA plant was officially opened in August 2015. The new plant operated for most of the last quarter and led to volumes improving.

LIME, AGGREGATES AND READYMIX

Revenue in the lime business of R871 million was 7% higher (2014: R817 million) after a 7% increase in burnt product sales volumes to major clients. EBITDA of R178 million was 31% higher than the previous year (2014: R136 million) due to the higher volumes and significant cost-saving initiatives. The improved performance occurred despite providing R14 million for doubtful debts as a major customer applied for business rescue.

Aggregates and readymix revenues were higher at R1 042 million (2014: R576 million) due to the full consolidation of Pronto Readymix. Consequently EBITDA rose to R168 million (2014: R90 million). Aggregates' sales volumes in South Africa reduced by 7%, mainly due to lower sales of concrete stone to the readymix concrete and concrete manufacturer segments.

PROJECTS UPDATE

Rwanda

The US$170 million, 600 000 ton per annum plant was successfully completed within the allocated budget. Provisional acceptance testing is well advanced, with outstanding testing on the raw mill, kiln and cement mills to be completed in the last quarter of calendar 2015. Product from the new plant has been well accepted in the market and a satisfactory ramp-up in the three months from July 2015 was achieved. In September 2015, the plant produced at around 60% of full capacity. Gradual ramp-up to full production is expected over the next two years.

Democratic Republic of the Congo

Construction of the US$280 million, 1 million ton per annum plant is around 55% complete and commissioning remains on track for end calendar 2016. Major civil works and cement silos have been completed, with construction of the packing plant and loading area under way. Structural steel and mechanical erection began in August 2015. In tandem with mine planning, the quarry was opened towards the end of the period and the haul road is being constructed. In conjunction with the country's utility company, Société Nationale d'électricité (SNEL), PPC will construct a 13km overhead transmission line to supply power to the cement plant as a public-private partnership. Key agreements on financing, construction and power supply have been signed with SNEL.

Zimbabwe

Construction of the US$85 million, 700 000 ton per annum mill in Harare is proceeding well, with the project around 50% complete and the rail siding contract 32% complete. Design work is almost complete, with 95% of equipment manufactured and 65% delivered to site, while civil construction is 40% complete. Roads to the site, water, sewerage infrastructure and power supply from the national power utility are complete. Plant commissioning is expected towards the end of calendar 2016, and will enable the company to improve use of its existing labour force as key staff members for the factory will be drawn from staff at our Bulawayo and Colleen Bawn operations.

Ethiopia

In 2014, we announced that we were increasing our shareholding in Habesha Cement to 51% from 31%. Given that further work to confirm the capital costs and timeframe of the project began early in 2015, we retained our shareholding at 31% until this exercise is concluded. The 1,4 million ton per annum plant is now expected to be concluded at a capital cost of between US$170 million and US$180 million and is scheduled to be commissioned during the second quarter of calendar 2017. The additional funds will be sourced from equity and debt funding. Construction is progressing well, with overall project progress at 52%.

Slurry

Our Slurry factory was granted authorisation by the Department of Environmental Affairs to construct the new kiln 9 project, a R1,5 to 1,7 billion project that will add 1 million tons per annum of cement capacity to Slurry from 2018. R241 million has been spent on this project to date.

BOARD CHANGES

Dr Daniel Ufitikirezi resigned as a director of PPC Ltd from 22 September 2015 after resigning as chairman of the board of CIMERWA, our subsidiary in Rwanda, where he served as the representative of the Rwanda Social Security Board. The board and executive committee thank him for his contribution and wish him well.

STRATEGY

Since 2010, PPC has focused on its two-pronged strategy of keeping the home fires burning and expanding into the rest of Africa. We have made significant progress with our expansion projects and the target of generating 40% of revenue from the rest of the continent by 2017 is within reach.

In 2015, after a series of engagements with the senior management team and the PPC board, we have revised our business strategy to ensure we remain positioned for growth. Our new vision is "to become a world-class provider of materials and solutions into the basic services sector, taking a strategic approach to more than doubling our business every ten years". We will consider ourselves successful if we can ensure a sustainable competitive excess return for all our stakeholders. Embedded in this is a requirement for our corporate culture to change, to match our ambitious new vision. This new strategy is supported by five key pillars:

- World-class excellence in all that we do
- Provider of materials and solutions
- Innovation culture
- Taking a strategic approach
- Doubling our business every ten years.

In 2016, we will focus on articulating the measures accompanying the different elements of our strategy. Senior management is already cascading the new vision and strategy to all business units, understanding that the success of our new strategy depends on the support of every member of team PPC.

In line with our new strategy, work is already under way to establish a vertically integrated materials business. This business unit will house our readymix, aggregates and related building materials businesses to ensure we offer our clients end-to-end solutions. In support of these ambitions, a bolt-on acquisition has been earmarked for early 2016.

PPC has reached agreement with its debt capital providers to restructure key provisions of its funding agreements to provide PPC with appropriate flexibility. Covenants, established in 2008 before PPC initiated its expansion programme, limited group debt to EBITDA to 3,0 times. These had to be realigned to better match the nature of our current business. The funders have now agreed to exclude non-recourse project finance from the definition of PPC's indebtedness and relax the group debt to EBITDA covenant from 3,0 times to 3,3 times.

PPC is also investigating a solution to unwind its 2008 BBBEE transaction during 2016. The solution will seek to restructure those aspects of the balance sheet associated with the transaction in an optimal way, to meet PPC's growth aspirations, and reduce refinance risk. In order to maintain our operating licences, a plan to enhance our BBBEE credentials will be communicated.

For 2015, we retained our level 2 rating under the Department of Trade and Industry's broad-based black economic empowerment (BBBEE) codes of good practice. This certificate expires in December 2015, following which the revised codes will apply and we anticipate that we could drop from level 2 to level 7. Management is developing a roadmap to achieve a more desirable BBBEE score.

PROSPECTS

Against the backdrop of a turbulent world economy, increasing cement capacity and falling cement selling prices across the African continent, PPC is focused on disciplined cost management, innovation and the efficient delivery of large projects. We anticipate business conditions to remain challenging.

Successfully delivering the CIMERWA project in Rwanda reflects our ability to manage complex, multi-dimensional projects in the heart of Africa. It gives us confidence that we will also be able to deliver on our projects and business plans in the DRC, Zimbabwe and Ethiopia.

PPC is increasingly creating a diversified portfolio of businesses in different geographies that will ensure steady returns for our shareholders.

The company year end will change from September to March.

On behalf of the board

BL Sibiya
Chairman

DJ Castle
Chief executive officer

MMT Ramano
Chief financial officer

17 November 2015

DIVIDEND ANNOUNCEMENT

Notice is hereby given that the final ordinary gross dividend of 33 cents per share has been declared payable to ordinary shareholders in respect of the year ended 30 September 2015. This dividend will be paid out of profits as determined by the directors.

The local dividends tax rate is 15%. The dividends tax to be withheld by the company amounts to 4,95 cents per share, giving a net dividend payable to shareholders of 28,05 cents per share where no exemption is applicable.

The issued share capital of the company at the declaration date comprises 605 379 648 shares and the company's income tax reference number is 9460015606.

The important dates pertaining to this dividend for shareholders trading on the JSE Limited are as follows:

Declaration date	Tuesday, 17 November 2015
Last day to trade "Cum" dividend	Thursday, 31 December 2015
Shares trade "Ex" dividend	Monday, 4 January 2016
Record date	Friday, 8 January 2016
Payment date	Monday, 11 January 2016

Share certificates may not be dematerialised or rematerialised between Monday, 4 January 2016 and Friday, 8 January 2016, both dates inclusive. Transfers between the South African and Zimbabwean registers may not take place between Monday, 4 January 2016 and Friday, 8 January 2016, both dates inclusive.

Zimbabwe

The important dates pertaining to this dividend for shareholders trading on the Zimbabwe Stock Exchange are as follows:

Shares trade "Ex" dividend	Monday, 4 January 2016
Record date	Friday, 8 January 2016
Payment date, on or shortly after	Monday, 11 January 2016

The register of members in Zimbabwe will be closed from Monday, 4 January 2016 and Friday, 8 January 2016, both days inclusive, for the purpose of determining those shareholders to whom the dividend will be paid. The dividend payable to shareholders registered in Zimbabwe will be paid in South African rand (ZAR).

By order of the board

JHDLR Snyman

Company secretary

17 November 2015

Sandton

SUMMARISED CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2015

	Notes	2015 Audited Rm	2014 Audited Rm	% change
Revenue		**9 227**	9 039	2
Cost of sales		**6 437**	6 266	3
Gross profit		**2 790**	2 773	
Administration and other operating expenditure		**1 130**	1 030	10
Operating profit before item listed below:		**1 660**	1 743	(5)
Empowerment transactions IFRS 2 charges*		**43**	38	
Operating profit		**1 617**	1 705	(5)
Finance costs (including fair value adjustments on financial instruments)	2	**496**	467	6
Investment income		**28**	53	
Profit before equity accounted earnings and exceptional adjustments		**1 149**	1 291	(11)
(Loss)/earnings from equity accounted investments		**(16)**	24	
Impairments	3	**(81)**	(111)	
Other exceptional adjustments	3	**–**	1	
Profit before taxation		**1 052**	1 205	(13)
Taxation	4	**391**	356	10
Profit for the year		**661**	849	(22)
Attributable to:				
Shareholders of PPC Ltd		**698**	840	(17)
Non-controlling interests		**(37)**	9	
Other comprehensive income, net of taxation		**775**	309	
Items that will be reclassified to profit or loss		**775**	309	
Effect of cash flow hedges		**38**	7	
Taxation on effect of cash flow hedges		**(11)**	–	
Translation of foreign operations		**752**	255	
Revaluation of available-for-sale financial asset		**(7)**	58	
Taxation on revaluation of available-for-sale financial asset		**3**	(11)	
Total comprehensive income		**1 436**	1 158	24
Attributable to:				
Shareholders of PPC Ltd		**1 340**	1 108	21
Non-controlling interests		**96**	50	
EARNINGS PER SHARE (CENTS)	5			
Basic		**133**	160	(17)
Diluted		**131**	158	(17)

*Comprise BBBEE, Zimbabwe indigenisation and DRC IFRS 2 charges.

SUMMARISED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

as at 30 September 2015

	Notes	Audited Rm	Audited Rm
ASSETS			
Non-current assets		**12 202**	8 938
Property, plant and equipment	6	**10 648**	7 223
Goodwill	7	**254**	268
Other intangible assets	8	**772**	681
Equity accounted investments	9	**125**	223
Other non-current assets	10	**355**	534
Deferred taxation assets		**48**	9
Non-current assets held for sale	11	**76**	–
Current assets		**2 979**	2 637
Inventories		**1 029**	894
Trade and other receivables	12	**1 232**	1 180
Cash and cash equivalents		**718**	563
Total assets		**15 257**	11 575
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	13	**(1 165)**	(1 173)
Other reserves		**1 402**	733
Retained profit		**2 406**	2 255
Equity attributable to shareholders of PPC Ltd		**2 643**	1 815
Non-controlling interests		**521**	603
Total equity		**3 164**	2 418
Non-current liabilities		**8 813**	7 186
Deferred taxation liabilities		**1 059**	1 030
Provisions		**400**	374
Long-term borrowings	14	**6 711**	5 740
Other non-current liabilities	15	**643**	42
Current liabilities		**3 280**	1 971
Short-term borrowings	14	**1 510**	351
Trade and other payables	16	**1 770**	1 620
Total equity and liabilities		**15 257**	11 575
Net asset book value per share (cents)		**503**	345

SUMMARISED CONSOLIDATED
STATEMENT OF CASH FLOWS

for the year ended 30 September 2015

	Notes	2015 Audited Rm	2014 Audited Rm
Cash flow from operating activities			
Operating cash flows		**2 416**	2 472
Working capital movements		**300**	111
Cash generated from operations		**2 716**	2 583
Finance costs paid		**(408)**	(426)
Investment income received		**28**	53
Taxation paid		**(489)**	(499)
Cash available from operations		**1 847**	1 711
Dividends paid		**(559)**	(880)
Net cash inflow from operating activities		**1 288**	831
Acquisition of equity accounted investments		**–**	(3)
Acquisitions of subsidiary companies	18	**–**	(662)
Acquisition of additional shares in subsidiary	15	**(108)**	–
Investments in property, plant and equipment and intangible assets	17	**(2 892)**	(2 182)
Other investing movements		**5**	7
Net cash outflow from investing activities		**(2 995)**	(2 840)
Net borrowings raised before bond issuances		**1 796**	201
Proceeds from the issuance of bonds		**–**	1 750
Purchase of shares in terms of the FSP incentive scheme	13	**(24)**	(53)
Net cash inflow from financing activities		**1 772**	1 898
Net movement in cash and cash equivalents		**65**	(111)
Cash and cash equivalents at beginning of the year		**563**	492
Cash and cash equivalents acquired on acquisitions of subsidiary companies	18	**–**	149
Exchange rate movements on opening cash and cash equivalents		**90**	33
Cash and cash equivalents at end of the year		**718**	563
Cash earnings per share (cents)*		**351**	325
Cash conversion ratio^		**1,1**	1,1

*Cash earnings per share is calculated using cash available from operations divided by the total weighted average number of shares in issue for the year.

^Cash conversion ratio is calculated using cash generated from operations divided by EBITDA.

SUMMARISED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2015

	Stated capital Rm	Other	
		Unrealised surplus on reclassi- fication of plant Rm	Foreign currency translation reserve Rm
Balance at September 2013	(1 236)	1	202
Acquisition of subsidiary company	–	–	–
Dividends declared	–	–	–
IFRS 2 charges	–	–	–
Put option recognised on acquisition of subsidiary company^	–	–	–
Total comprehensive income	–	–	214
Transfer to retained profit	–	(1)	–
Treasury shares purchased in terms of the FSP incentive scheme	(53)	–	–
Vesting of certain shares held by BBBEE 1 entities	100	–	–
Vesting of certain FSP incentive scheme awards	16	–	–
Balance at September 2014	**(1 173)**	**–**	**416**
Dividends declared	**–**	**–**	**–**
IFRS 2 charges	**–**	**–**	**–**
Put option recognised on non-controlling shareholder investment in subsidiary^	**–**	**–**	**–**
Recognition of non-controlling interest in subsidiary	**–**	**–**	**–**
Total comprehensive income/(loss)	**–**	**–**	**618**
Transactions with non-controlling shareholders recognised directly in equity	**–**	**–**	**–**
Treasury shares purchased in terms of the FSP incentive scheme	**(24)**	**–**	**–**
Vesting of certain shares held by BBBEE 1 entities	**9**	**–**	**–**
Vesting of certain FSP incentive scheme awards	**23**	**–**	**–**
Balance at September 2015	**(1 165)**	**–**	**1 034**

^ For details on the put options refer note 15 and 16.

reserves						
Available-for-sale financial asset Rm	Hedging reserve Rm	Equity compensation reserve Rm	Retained profit Rm	Equity attributable to shareholders of PPC Ltd Rm	Non-controlling interests Rm	Total equity Rm
37	(7)	306	2 257	1 560	582	2 142
–	–	–	–	–	140	140
–	–	–	(848)	(848)	(32)	(880)
–	–	48	–	48	–	48
–	–	–	–	–	(137)	(137)
47	7	–	840	1 108	50	1 158
–	–	(5)	6	–	–	–
–	–	–	–	(53)	–	(53)
–	–	(100)	–	–	–	–
–	–	(16)	–	–	–	–
84	**–**	**233**	**2 255**	**1 815**	**603**	**2 418**
–	**–**	**–**	**(540)**	**(540)**	**(19)**	**(559)**
–	**–**	**59**	**–**	**59**	**–**	**59**
–	**–**	**–**	**–**	**–**	**(422)**	**(422)**
–	**–**	**–**	**–**	**–**	**256**	**256**
(3)	**27**	**–**	**698**	**1 340**	**96**	**1 436**
–	**–**	**–**	**(7)**	**(7)**	**7**	**–**
–	**–**	**–**	**–**	**(24)**	**–**	**(24)**
–	**–**	**(9)**	**–**	**–**	**–**	**–**
–	**–**	**(23)**	**–**	**–**	**–**	**–**
81	**27**	**260**	**2 406**	**2 643**	**521**	**3 164**

SEGMENTAL INFORMATION

for the year ended 30 September 2015

The group discloses its operating segments which comprise cement, lime, aggregates and readymix and other according to the business units which are regularly reviewed by the group executive committee.

Revenue is split between South Africa and the rest of Africa based on where the underlying products are anticipated to be consumed or used by the customer.

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

	Consolidated		Cement	
	2015 Rm	2014 Rm	**2015 Rm**	2014 Rm
Revenue				
South Africa	**6 795**	6 671	**4 999**	5 395
Rest of Africa	**2 624**	2 432	**2 507**	2 315
	9 419	9 103	**7 506**	7 710
Inter-segment revenue	**(192)**	(64)		
Total revenue	**9 227**	9 039		
Operating profit before item listed below	**1 660**	1 743	**1 422**	1 590
Empowerment transactions IFRS 2 charges	**43**	38	**43**	38
Operating profit	**1 617**	1 705	**1 379**	1 552
South Africa	**1 120**	1 230	**881**	1 072
Rest of Africa	**497**	475	**498**	480
Fair value adjustments on financial instruments	**22**	38	**34**	40
Finance costs	**518**	505	**382**	384
Investment income	**28**	53	**19**	48
Profit before earnings from equity accounted investments and exceptional adjustments	**1 149**	1 291	**1 050**	1 256
(Loss)/earnings from equity accounted investments	**(16)**	24	**(16)**	24
Impairments and other exceptional adjustments	**(81)**	(110)	**(59)**	(81)
Profit before taxation	**1 052**	1 205	**975**	1 199
Taxation	**391**	356	**325**	314
Profit for the year	**661**	849	**650**	885
Depreciation and amortisation	**702**	615	**594**	542
EBITDA~	**2 362**	2 358	**2 016**	2 132
South Africa	**1 706**	1 790	**1 364**	1 569
Rest of Africa	**656**	568	**652**	563
EBITDA margin (%)	**25,6**	26,1	**26,9**	27,7
Assets				
Non-current assets	**12 202**	8 938	**11 251**	7 991
South Africa	**5 141**	5 019	**4 231**	4 107
Rest of Africa	**7 061**	3 919	**7 020**	3 884
Current assets	**2 979**	2 637	**2 536**	2 191
Non-current assets held for sale	**76**	–	**76**	–
Total assets	**15 257**	11 575	**13 863**	10 182
South Africa	**6 687**	6 541	**5 376**	5 225
Rest of Africa	**8 570**	5 034	**8 487**	4 957
Investments in property, plant and equipment	**2 856**	2 119	**2 741**	2 025
Capital commitments (refer note 19)	**4 643**	3 896	**4 588**	3 860
Liabilities				
Non-current liabilities	**8 813**	7 186	**7 492**	5 768
Current liabilities	**3 280**	1 971	**2 921**	1 707
Total liabilities	**12 093**	9 157	**10 413**	7 475
South Africa	**8 343**	7 446	**6 692**	5 789
Rest of Africa	**3 750**	1 711	**3 721**	1 686

Includes readymix from effective date of consolidation of Pronto, being July 2014. Aggregates and readymix have been aggregated in line with industry practices.

^Comprises BBBEE trusts and trust funding SPVs.

~Excluding empowerment IFRS 2 charges. In 2014, the restructuring costs were added back when EBITDA was disclosed in the segment analysis. This has been amended in the current year and not adjusted when disclosing EBITDA.

Lime		Aggregates and readymix#		Other^	
2015 Rm	2014 Rm	**2015 Rm**	2014 Rm	**2015 Rm**	2014 Rm
853	792	**943**	484	**–**	–
18	25	**99**	92	**–**	–
871	817	**1 042**	576	**–**	–
133	96	**105**	57	**–**	–
–	–	**–**	–	**–**	–
133	96	**105**	57	**–**	–
133	96	**106**	62	**–**	–
–	–	**(1)**	(5)	**–**	–
–	1	**(12)**	(5)	**–**	2
4	3	**29**	8	**103**	110
1	2	**8**	3	**–**	–
130	96	**72**	47	**(103)**	(108)
–	–	**–**	–	**–**	–
–	–	**(22)**	(29)	**–**	–
130	96	**50**	18	**(103)**	(108)
35	25	**31**	17	**–**	–
95	71	**19**	1	**(103)**	(108)
45	40	**63**	33	**–**	–
178	136	**168**	90	**–**	–
178	136	**164**	85	**–**	–
–	–	**4**	5	**–**	–
20,4	16,6	**16,1**	15,6	**–**	–
310	310	**641**	637	**–**	–
310	310	**600**	602	**–**	–
–	–	**41**	35	**–**	–
185	192	**254**	253	**4**	1
–	–	**–**	–	**–**	–
495	502	**895**	890	**4**	1
495	502	**812**	813	**4**	1
–	–	**83**	77	**–**	–
45	62	**70**	32	**–**	–
28	7	**27**	29	**–**	–
94	101	**89**	96	**1 138**	1 221
105	48	**162**	143	**92**	73
199	149	**251**	239	**1 230**	1 294
199	149	**222**	214	**1 230**	1 294
–	–	**29**	25	**–**	–

NOTES TO THE SUMMARISED CONSOLIDATED RESULTS

for the year ended 30 September 2015

1. Basis of preparation

The summarised consolidated financial statements have been prepared in accordance with the framework concepts, recognition and measurement criteria of International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board in issue and effective for the group at 30 September 2015 and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and financial reporting pronouncements as issued by the Financial Reporting Standards Council. The results are presented in accordance with IAS 34 *Interim Financial Reporting* at a minimum and comply with the Listings Requirements of the JSE Limited and the Companies Act of South Africa applicable to summarised financial statements. These summarised consolidated financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated annual financial statements.

These summarised consolidated financial statements have been prepared under the supervision of MMT Ramano CA(SA), chief financial officer, and were approved by the board of directors on 17 November 2015.

The accounting policies and methods of computation used are consistent with those used in the preparation of the annual financial statements for the year ended 30 September 2014, except for the following revised accounting standards and interpretations that were effective during the year, and which did not have a material impact on the reported results:

- IAS 19 (amendment) *Defined Benefit Plans: Employee Contribution*
- IAS 32 (amendment) *Offsetting Financial Assets and Financial Liabilities*
- IAS 36 (amendment) *Recoverable Amount Disclosures for Non-financial Assets*
- IAS 39 (amendment) *Novation of Derivatives and Continuation of Hedge Accounting*
- IFRIC 21 *Levies*
- Investment entities (amendment to IFRS 10, IAS 28, IFRS 12)
- IASB improvements to IFRS 2010 – 2012 (amendment to IFRS 2, IFRS 3, IFRS 13, IAS 16, IAS 38, IAS 24, IFRS 8)
- IASB improvements to IFRS 2011 – 2013 (amendment to IFRS 1, IFRS 3, IFRS 13, IAS 40).

These summarised consolidated financial statements for the year ended 30 September 2015 have been audited by Deloitte & Touche, who expressed an unmodified opinion thereon. The auditors also expressed an unmodified opinion on the annual financial statements from which these summarised consolidated financial statements were derived. A copy of the auditor's report on the summarised consolidated financial statements and annual financial statements are available for inspection at the company's registered office. The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of that report together with the accompanying financial information from the company's registered office. Any reference to future financial information included in this announcement has not been reviewed or reported on by the auditor.

	2015 Audited Rm	2014 Audited Rm
2. Finance costs (including fair value adjustments on financial instruments)		
Bank and other short-term borrowings	**48**	73
Bonds	**189**	108
Long-term loans	**313**	203
	550	384
Capitalised to plant and equipment and intangibles	**(196)**	(36)
Finance costs before BBBEE transaction and time value of money adjustments	**354**	348
BBBEE transaction	**116**	110
Dividends on redeemable preference shares	**42**	48
Long-term borrowings	**74**	62
Time value of money adjustments on rehabilitation and decommissioning provisions and put option liabilities	**48**	47
	518	505
Fair value gains on financial instruments	**(22)**	(38)
	496	467
South Africa	**474**	465
Rest of Africa	**22**	2

	2015 Audited Rm	2014 Audited Rm
3. Impairments and other exceptional adjustments		
Gain on remeasurement of equity stake in Pronto (refer note 18)	–	1
Impairment of goodwill (refer note 7)	**(22)**	(65)
Impairment of financial asset	**(1)**	–
Impairment of loans advanced	**(1)**	–
Impairment of property, plant and equipment (refer note 6)	**(57)**	(46)
	(81)	(110)

Impairment of property, plant and equipment

Following reviews of property, plant and equipment, impairments were deemed necessary. These impairments are:

- Post the group's decision to no longer pursue the current Algeria project, it was deemed appropriate that the costs capitalised of R15 million be impaired. The impairment is included in cement in the segment analysis.
- Costs of R27 million relating to a limestone quarry in Zimbabwe have been impaired due to uncertainty of future development prospects. The impairment is included in cement in the segment analysis.
- An impairment of R14 million was recorded against plant and equipment relating to the old plant at CIMERWA that would not be used post commissioning of the new plant. The impairment is included in cement in the segment analysis.
- Other minor impairments of property, plant and equipment amounting to R1 million.

In September 2014, the carrying value of the assets at PPC Aggregates Quarries of Botswana (Pty) Limited and CIMERWA were assessed for potential impairment. PPC Aggregate Quarries of Botswana (Pty) Limited had been making operating losses and certain assets relating to the old plant in CIMERWA were identified that would not be used post commissioning of the new plant. Following these assessments, R17 million and R29 million was recorded against property, plant and equipment for PPC Aggregates Quarries of Botswana (Pty) Limited and CIMERWA respectively. The impairments are included in aggregates and readymix and cement in the segment analysis.

4. Taxation

	%	%
Taxation rate reconciliation		
A reconciliation of the standard South African normal taxation rate is shown below:		
Profit before taxation (excluding earnings from equity accounted investments)	**36,6**	30,1
Prior years' taxation impact	**2,7**	5,9
Profit before taxation, excluding prior years' taxation adjustments	**39,3**	36,0
Adjustment due to the inclusion of dividend income	**0,3**	0,4
Effective rate of taxation	**39,6**	36,4
Income tax effect of:	**(11,6)**	(8,4)
Disallowable charges, permanent differences and impairments	**(8,9)**	(4,4)
Empowerment transactions and IFRS 2 charges not taxation deductible	**(1,1)**	(0,8)
Finance costs on BBBEE transaction not taxation deductible	**(2,1)**	(2,4)
Foreign taxation rate differential	**1,6**	0,9
Withholding taxation	**(1,1)**	(1,7)
South African normal taxation rate	**28,0**	28,0

	2015 Audited Cents	2014 Audited Cents
5. Earnings and headline earnings		
Earnings per share		
Basic	**133**	160
Diluted	**131**	158
Basic (normalised)^	**148**	175
Diluted (normalised)^	**147**	173
Headline earnings per share		
Basic	**145**	179
Diluted	**143**	176
Basic (normalised)^	**149**	175
Diluted (normalised)^	**147**	173
Determination of headline earnings per share		
Earnings per share	**133**	160
Adjusted for:		
Impairments and other exceptional adjustments	**15**	21
Taxation on impairments and other exceptional adjustments	**(3)**	(2)
Headline earnings per share	**145**	179
	Rm	Rm
Headline earnings		
Net profit	**661**	849
Impairments and other exceptional adjustments	**81**	110
Taxation on impairments and other exceptional adjustments	**(15)**	(12)
Headline earnings	**727**	947
Attributable to:		
Shareholders of PPC Ltd	**759**	927
Non-controlling interests	**(32)**	20
Normalised earnings		
Net profit	**661**	849
Normalisation adjustments^	**82**	79
Normalised net profit	**743**	928
Attributable to:		
Shareholders of PPC Ltd	**775**	908
Non-controlling interests	**(32)**	20

^Normalised earnings adjusts the reported earnings for the effects of empowerment transaction IFRS 2 charges, restructuring costs, impairments and other exceptional adjustments net of taxation and prior year taxation adjustments. The calculation of normalised earnings for September 2014 has been updated since published on SENS on 18 November 2014 but was adjusted in the annual financial statements.

The difference between earnings and diluted earnings per share relates to shares held under the forfeitable share plan incentive scheme that have not vested, together with the dilution impact of the group's various empowerment transactions.

For the weighted average number of shares used in the calculation, refer note 13.

NOTES TO THE SUMMARISED CONSOLIDATED RESULTS continued

for the year ended 30 September 2015

	2015 Audited Rm	2014 Audited Rm
6. Property, plant and equipment		
Balance at beginning of the year	**7 223**	5 522
Acquisitions of subsidiary companies (refer note 18)	**–**	225
Additions	**3 269**	1 908
Depreciation	**(612)**	(543)
Other movements	**(22)**	(19)
Impairments (refer note 3)	**(57)**	(46)
Reallocation to other intangible assets (refer note 8)	**(115)**	–
Transfer to non-current assets held for sale (refer note 11)	**(40)**	–
Translation differences	**1 002**	176
Balance at end of the year	**10 648**	7 223
Comprising:		
Freehold and leasehold land, buildings and mineral rights	**778**	862
Factory decommissioning assets	**87**	111
Plant, vehicles, furniture and equipment	**9 780**	6 244
Capitalised leased plant	**3**	6
	10 648	7 223

Assets pledged as security

Property, plant and equipment with a net carrying value of R2 167 million, R2 166 million and R22 million (2014: Rnil, R1 502 million and Rnil) are encumbered and used as security for the borrowings in the DRC, Rwanda and Zimbabwe, respectively (refer note 14).

	2015 Audited Rm	2014 Audited Rm
7. Goodwill		
Balance at beginning of the year	**268**	101
Acquisitions of subsidiary companies (refer note 18)	**–**	227
Impairments (refer note 3)	**(22)**	(65)
Translation differences	**8**	5
Balance at end of the year	**254**	268
Goodwill, net of impairments, is allocated to the following cash generating units:		
CIMERWA Limited	**49**	41
Safika Cement Holdings (Pty) Ltd	**78**	78
Pronto Holdings (Pty) Ltd	**127**	149
	254	268

Following the goodwill impairment assessment review, the recoverable amount of Pronto Holdings of R758 million (2014: CIMERWA of R677 million) was calculated to be lower than its carrying amount and resulted in an impairment of R22 million (2014: CIMERWA R65 million).

	2015 Audited Rm	2014 Audited Rm

8. Other intangible assets

	2015 Audited Rm	2014 Audited Rm
Balance at beginning of the year	**681**	232
Acquisitions of subsidiary companies (refer note 18)	**–**	428
Additions	**36**	63
Amortisation	**(90)**	(72)
Transfers and other movements#	**118**	19
Translation differences	**27**	11
Balance at end of the year	**772**	681
Comprising:		
Right of use of mineral assets	**191**	54
ERP development and other software	**143**	132
Brand and trademarks	**332**	359
Customer relationships – contractual and non-contractual	**106**	132
Off market lease agreements	**–**	4
	772	681

#As communicated in the September 2014 results, the company was still finalising the split between property, plant and equipment (PPE) and intangible assets on the contribution made by the Barnet Group SARL, non-controlling shareholder, into PPC Barnet DRC Holdings. This split was finalised and R115 million has been transferred from PPE and is included under the right of use mineral assets. The asset will be amortised over the estimated useful life of the reserves.

The group does not have any intangible assets with an indefinite useful life, other than goodwill.

9. Equity accounted investments

	2015 Audited Rm	2014 Audited Rm
Investments at cost	**126**	133
Loans advanced	**–**	46
Share of retained (loss)/profit	**(1)**	44
	125	223
Comprising:		
Afripack Limited	**–**	96
Habesha Cement Share Company	**121**	121
Other	**4**	6
	125	223

In 2015 the board approved the sale of its investment in Afripack, resulting in R36 million (cost of R7 million and share of retained profit R29 million) being classified to non-current assets held for sale (refer note 11).

	2015 Audited Rm	2014 Audited Rm
10. Other non-current assets		
Advance payments for plant and equipment^	**148**	322
Loans advanced	**1**	3
Investment in government bonds#	**7**	–
Unlisted collective investment~	**117**	114
Unlisted investment at fair value@	**82**	95
	355	534

^ In terms of the construction agreements with the suppliers of the new cement plants in Rwanda and the DRC, a portion of the full contract price is required to be paid in advance of the plant construction. The advance payments are secured by advance payment bonds, and will be re-cycled to property, plant and equipment as the plants are constructed. The decline from 2014 is as a result of the utilisation of the advance payments in Rwanda.

Represent government of Zimbabwe treasury bills carried at fair value. The treasury bills were issued in the current year in exchange for funds previously expropriated by the government in 2007. The treasury bills have a face value of R10 million, repayable in three equal annual instalments from June 2017 to June 2019. A discount rate of 12% was applied in determining the fair value. Interest is paid bi-annually at a total rate of 5% per annum.

~ Comprises an investment by the PPC Environmental Trust in local unit trusts. These investments are held to fund PPC's South African environmental obligations.

@ PPC holds a 6,75% (2014: 6,75%) shareholding in Ciments du Bourbon, incorporated in Reunion. Negotiations have been concluded for the sale of the investment and the purchase consideration is deemed to be its fair value. In the prior year the fair value of the investment was calculated using a dividend yield valuation methodology, using comparable company dividend yields of 7% and applied to forecast dividends. The sale is anticipated to be finalised during the first quarter of 2016. The movement in fair value of R13 million (2014: R58 million) has been recorded against other comprehensive income.

	2015 Audited Rm	2014 Audited Rm
11. Non-current assets held for sale		
Equity accounted investment (refer note 9)^	**36**	–
Property, plant and equipment (refer note 6)*	**40**	–
	76	–

^ PPC holds a 25% stake in Afripack Limited, which was previously held as an equity accounted investment. The company is currently in the process of selling it's full shareholding in Afripack. A sales agreement has been signed and the conditions precedent to the sale are expected to be met in the new financial year and finalisation of the transaction to occur shortly thereafter. Afripack's carrying amount immediately before classification as held for sale was R36 million which is lower than its fair value less costs to sell of R70 million. The fair value represents the selling price per the sales agreement less estimated transaction costs. Afripack is included under the cement segment in the segment analysis.

* PPC Zimbabwe intends to dispose of houses at its Colleen Bawn and Bulawayo factories over the next 12 months. No impairment loss was recognised on reclassification of land as the management expects that the fair value (estimated based on recent market prices of similar properties) less costs to sell is higher than the current carrying amount.

	2015 Audited Rm	2014 Audited Rm
12. Trade and other receivables		
Trade receivables	**931**	1 064
Allowance for doubtful debts	**(70)**	(30)
Net trade receivables	**861**	1 034
Loan relating to non-current asset held for sale	**46**	–
Derivative financial instruments (cash flow hedge)	**38**	–
Derivative financial instruments (fair value hedge)	**13**	–
Other financial receivables	**50**	57
Trade and other financial receivables	**1 008**	1 091
Prepayments	**75**	61
Taxation prepaid	**8**	28
VAT receivable on plant and equipment imported into the DRC	**141**	–
	1 232	1 180

	Shares (000)	Shares (000)
13. Stated capital		
Number of ordinary shares and weighted average number of shares		
Total shares in issue at beginning of the year	**605 380**	605 380
Adjustments for shares treated as treasury shares:		
Shares held by consolidated participants of the second BBBEE transaction&	**(37 382)**	(37 382)
Shares held by consolidated BBBEE trusts and trust funding SPVs*	**(34 478)**	(34 765)
Shares held by consolidated Porthold Trust Pvt Limited@	**(1 285)**	(1 285)
Shares purchased in terms of the FSP incentive scheme~	**(6 343)**	(5 866)
Total shares in issue (net of treasury shares)	**525 892**	526 082
Weighted average number of shares, used for:		
Earnings and headline earnings per share	**526 022**	526 180
Dilutive earnings and headline earnings per share	**532 236**	532 755
Cash earnings per share	**526 022**	526 180

& Shares issued in terms of the second BBBEE transaction which was facilitated by means of a notional vendor funding (NVF) mechanism. These shares participate in 20% of the dividends declared by PPC during the NVF period, which ends 30 September 2019. With the exception of the Bafati Investment Trust, entities participating in this transaction are consolidated into the PPC group in terms of IFRS 10 *Consolidated Financial Statements*.

* In terms of IFRS 10 *Consolidated Financial Statements*, certain of the BBBEE trusts and trust funding SPVs from PPC's first BBBEE transaction are consolidated, and as a result, shares owned by these entities are carried as treasury shares on consolidation. During the year, 287 361 (2014: 3 202 770) shares vested to beneficiaries and are no longer treated as treasury shares.

@ Shares owned by a Zimbabwean employee trust company treated as treasury shares.

~ In terms of the forfeitable share plan (FSP) incentive scheme, 6 342 640 (2014: 5 865 851) shares are held for participants of this long-term incentive scheme. The shares are treated as treasury shares during the vesting periods of the awards. During the year, 531 179 (2014: 619 457) shares vested and are therefore no longer treated as treasury shares.

Shares are weighted for the period in which they are entitled to participate in the net profit of the group.

	2015 Audited Rm	2014 Audited Rm
13. Stated capital continued		
Balance at beginning of the year	**(1 173)**	(1 236)
Shares purchased in terms of the FSP incentive scheme treated as treasury shares	**(24)**	(53)
Vesting of shares held by certain BBBEE 1 entities	**9**	100
Vesting of shares for a portion of the shares held in terms of the FSP incentive scheme	**23**	16
Balance at end of the year	**(1 165)**	(1 173)
14. Borrowings		
Bonds‡	**1 748**	2 395
Long-term loan*	**1 520**	1 520
Project funding	**2 306**	605
US dollar-denominated#	**641**	359
US dollar-denominated^	**421**	–
US dollar-denominated$	**938**	–
Rwandan franc-denominated@	**306**	246
Long-term borrowings before BBBEE transaction	**5 574**	4 520
BBBEE transaction	**1 137**	1 220
Preference shares~	**441**	529
Long-term borrowings%	**696**	691
Long-term borrowings	**6 711**	5 740
Short-term borrowings and short-term portion of long-term borrowings	**1 510**	351
Total borrowings	**8 221**	6 091

‡ Comprises four unsecured bonds, issued under the company's R6 billion Domestic Medium-Term Note programme, and are recognised net of capitalised transaction costs, with details on the following page.

* Comprises a bullet loan, bearing interest at a fixed rate of 10,86% per annum, and is repayable in December 2016, with interest payable bi-annually.

\# Denominated in US dollar, bearing interest at 650 basis points above LIBOR and is repayable over a ten-year period ending 2024. The loans are secured against CIMERWA's property, plant and equipment.

^ The loan bears interest at a six-month US dollar LIBOR plus 700 basis points with interest payable bi-annually. First capital repayment is in December 2016; thereafter bi-annual repayments in equal instalments over five years. The loan is secured against PPC Zimbabwe's property, plant and equipment.

$ Denominated in US dollar, capital and interest payable bi-annually starting January 2017 ending 2025. The loan bears interest at a six-month US dollar LIBOR plus 725 basis points. The loan is secured against DRC's property, plant and equipment.

@ Denominated in Rwandan franc, at a fixed interest rate of 16% per annum and is repayable over a ten-year period ending 2024. The loans are secured against CIMERWA's property, plant and equipment.

~ Comprises redeemable A preference shares bearing bi-annual dividends, with variable interest rates averaging 85% of prime with compulsory annual redemptions until December 2016, redeemable preference shares being bi-annual dividends, with variable interest rates averaging 85% of prime and fixed rates of 9,24% to 9,37% per annum and compulsory annual redemptions ending December 2016 and B preference shares bearing interest at a rate of 78% of prime; capital and dividends are payable by December 2016.

% B loans bearing interest at a rate of 285 basis points above JIBAR, with interest and capital repayable in December 2016. Capital is capped at R700 million.

14. Borrowings continued

		2015 Audited Rm	2014 Audited Rm
Maturity profile of borrowings:			
One year		**1 510**	351
Two years		**2 877**	763
Three years		**303**	2 706
Four years		**1 056**	61
Five years and more		**2 475**	2 210
		8 221	6 091
Bond number, term and interest rate	**Issue date**		
PPC 001: three years; three-month JIBAR plus 1,26%	March 2013	**650**	650
PPC 002: five years; three-month JIBAR plus 1,5%	December 2013	**750**	750
PPC 003: five years; three-month JIBAR plus 1,48%	July 2014	**750**	750
PPC 004: seven years; 9,86%	July 2014	**250**	250
		2 400	2 400
Less: Transaction costs capitalised		**(2)**	(5)
		2 398	2 395
Less: Short-term portion		**(650)**	–
		1 748	2 395

The group is in compliance with its debt covenants for the year ended September 2015. The company's covenants, imposed in 2008 for our first BBBEE transaction, have been renegotiated to exclude non-recourse project finance from the definition of PPC's indebtedness. The new covenant levels now aligns with the group's African growth strategy.

	2015 Audited Rm	2014 Audited Rm
15. Other non-current liabilities		
Cash settled share-based payment liability	**5**	18
Liability to non-controlling shareholders in wholly owned subsidiary#	**17**	–
Put option liabilities	**464**	145
Retentions held for plant and equipment*	**204**	–
	690	163
Less: Short-term portion of other non-current liabilities	**(47)**	(121)
	643	42

Relates to interest payable on initial equity contributions into the DRC group of companies by a non-controlling shareholder. The interest will be repaid once the external funding has been settled.

* Retentions held for the construction of the cement plants in Rwanda and the DRC. These retentions will be paid over to the contractors once the plant achieves guaranteed performance targets.

Put option liabilities

PPC Barnet DRC Holdings

The International Finance Corporation (IFC) was issued a put option in the current year in terms of which PPC is required to purchase all or part of the class C shares held by the IFC in PPC Barnet DRC Holdings. The put option may be exercised after six years from when the IFC subscribed for the shares but only for a five-year period. The put option value is based on the company's forecast EBITDA applying an earnings multiple less net debt. Forecast EBITDA is based on financial forecasts approved by management, with pricing and margins similar to those currently being achieved by the business unit while selling prices and costs are forecast to increase at local inflation projections and extrapolated using local GDP growth rates. The present value of the put option was calculated at R422 million.

Safika Cement

With the purchase of the initial 69,3% equity stake in Safika Cement (refer note 18), PPC granted non-controlling shareholders individual put options, with different exercise dates, for the sale of their remaining shares in the company to PPC. One of the put options, representing 21,1% shareholding in Safika Cement, was exercised in the current year for R108 million. The other put options were anticipated to be exercised on the fifth anniversary of the transaction, however these will now be exercised in the next financial year to be settled by the issue of PPC's shares and cash subject to shareholder's approval. The liability of R42 million (2014: R105 million) has therefore been classified as a current liability (refer note 16). The put option value of R108 million that has been exercised was based on the company's EBITDA achieved applying an earnings multiple dependent on the level of EBITDA less net debt. The remainder of the put options have been valued on the same principle due to the revised settlement date.

	2015 Audited Rm	2014 Audited Rm
16. Trade and other payables		
Cash settled share-based payment liability (short-term portion) (refer note 15)	**5**	16
Derivative financial instruments	**1**	1
Equity contribution for future non-controlling interest in wholly owned subsidiary~	**–**	115
Other financial payables	**260**	296
Put option liability (refer note 15)	**42**	105
Retentions held for plant and equipment	**116**	81
Trade payables and accruals	**924**	664
Trade and other financial payables	**1 348**	1 278
Payroll accruals	**310**	194
Restructuring costs	**–**	6
Taxation payable	**112**	142
	1 770	1 620

~The amount recognised in the prior year includes the value of land and mining rights transferred by a future non-controlling shareholder for equity in the DRC companies. Certain conditions were not met in 2014 and the shares in PPC Barnet DRC Holdings, the holding company for the DRC group of companies, were only issued to the non-controlling shareholder in the current year, resulting in the amount recorded as a liability in the prior year being transferred to non-controlling interest post the issuance of these shares.

	2015 Audited Rm	2014 Audited Rm
17. Investment in property, plant and equipment and intangible assets		
Cement	**2 777**	2 088
Lime	**45**	62
Aggregates and readymix	**70**	32
Investment in property, plant and equipment and intangible assets	**2 892**	2 182
South Africa	**933**	479
Rest of Africa	**1 959**	1 703

	Safika Cement	Pronto Holdings	2014 Audited Rm Total
18. Acquisitions of subsidiary companies			
Fair value of assets and liabilities acquired at date of acquisition			
Property, plant and equipment	63	162	225
Goodwill	78	149	227
Other intangible assets	236	192	428
Financial assets	–	1	1
Cash and cash equivalents	84	65	149
Other current assets	199	89	288
Long-term borrowings	–	(10)	(10)
Long-term provisions and deferred taxation	(72)	(78)	(150)
Current liabilities	(71)	(75)	(146)
Non-controlling interests	(140)	–	(140)
Total consideration	377	495	872
Less: fair value of the previously held equity accounted stake	–	(215)	(215)
Consideration payable to external entities	377	280	657

Safika Cement Holdings (Pty) Ltd (Safika Cement)

During December 2013, all conditions to the transaction were filled and PPC acquired a 69,3% equity stake in Safika Cement for R377 million and was consolidated from the effective date of the transaction. This transaction further enhanced PPC´s South African footprint through Safika Cement´s five blending facilities and one milling operation that produce blended 32,5N cement under three brands: IDM Best Build, Castle and the Spar Build-It house brand. During the year a further 21,1% was acquired for R108 million, bringing PPC's shareholding in Safika Cement to 85,4%. Details on the put option are included in note 15.

Pronto Holdings (Pty) Ltd (Pronto)

During July 2014, PPC acquired the remaining 50% equity stake in Pronto, making it a wholly owned subsidiary. Pronto is a prominent Gauteng based readymix and flyash supplier, with nine readymix batching plants. This acquisition provided PPC with additional ways to increase its cement distribution channel while also expanding its range of complementary products available to the building and construction industry. In accordance with the requirements of IFRS on step acquisitions, the previously held equity accounted investment was revalued resulting in an adjustment gain of R1 million which was recognised in 2014. The fair values presented at the time were provisional and are now final, with no changes made to the provisional numbers.

Quarries of Botswana

In October 2011 all conditions precedent with regards to the transaction to acquire three aggregate quarries and related assets in Botswana were met. The transaction value amounted to R52 million and was to be funded over a two-year period. The final payment of R5 million was paid during the 2014 financial year.

	2015 Audited Rm	2014 Audited Rm
19. Commitments		
Contracted capital commitments	**3 594**	2 786
Approved capital commitments	**1 049**	1 110
Capital commitments	**4 643**	3 896
Operating lease commitments	**171**	138
	4 814	4 034
Capital commitments		
South Africa	**2 409**	242
Rest of Africa	**2 234**	3 654
	4 643	3 896
Capital commitments are anticipated to be incurred:		
Within one year	**2 758**	2 246
Between one and two years	**1 518**	1 572
Greater than two years	**367**	78
	4 643	3 896

Project funding has been secured for the DRC and Zimbabwe projects, amounting to US$168 million and US$75 million respectively. In addition, the IFC has subscribed for equity in the DRC project and now holds 10% equity in the project. The one million tons per annum plant in the DRC is expected to be commissioned at the end of calendar year 2016, while the 700 000 tons per annum mill in Zimbabwe is on track to be commissioned end calendar 2016. The one million tons per annum kiln expansion at Slurry is planned to be commissioned during the 2018 financial year.

NOTES TO THE SUMMARISED CONSOLIDATED RESULTS continued

for the year ended 30 September 2015

20. Fair values of financial assets and liabilities

The financial assets and liabilities carried at fair value are classified into three levels as reflected below:

	Level*	2015 Audited Rm	2014 Audited Rm
Financial assets			
Available-for-sale			
Unlisted investment at fair value^	2	**82**	95
Loans and receivables			
Investment in government bonds	2	**7**	–
Loans advanced	2	**1**	3
Loans to equity accounted companies	2	**–**	46
Loans relating to non-current assets held for sale	2	**46**	–
Derivative financial instruments (cash flow and fair value hedges)	1	**51**	–
Trade and other financial receivables	2	**911**	1 091
Cash and cash equivalents	1	**718**	563
At fair value through profit and loss			
Unlisted collective investment at fair value (held for trading)	1	**117**	114
Non-current assets held for sale	2	**110**	–
Total financial assets		**2 043**	1 912
Level 1*		**886**	677
Level 2*		**1 157**	1 140
Level 3*		**–**	95
Financial liabilities			
At amortised cost			
Long-term borrowings	2	**6 727**	5 769
Short-term borrowings	1	**1 510**	351
Trade and other financial payables and retentions	2	**1 504**	1 156
At fair value through profit and loss			
Cash settled share-based payment liability	2	**5**	18
Put option liabilities (refer note 15)	3	**464**	145
Derivatives			
Derivative financial instrument – current (cash flow hedge)	2	**1**	1
Total financial liabilities		**10 211**	7 440
Level 1*		**1 510**	351
Level 2*		**8 237**	6 944
Level 3*		**464**	145

^The unlisted investment at fair value has been transferred from level 3 to level 2 because observable market data became available (refer note 10).

20. Fair values of financial assets and liabilities continued

Methods and assumptions used by the group in determining fair values:

*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 judgement in determining the fair value. Refer note 15 for quantitative information and significant assumptions on the unobservable inputs used to determine fair value liabilities.

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 the unlisted investment has been valued based on the purchase agreement following the decision to dispose of the investment, while the unlisted collective investment is valued the closing unit price at period end. Investment in government bonds is valued using the discounted face value of the bills. Further details are disclosed in note 10.

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

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

Put option liabilities have been calculated using EBITDA forecasts prepared by management and discounted to present value. Further details are disclosed in note 15.

The fair value of derivative financial instruments relating to cash settled share appreciation rights is determined with reference to valuation performed by third-party financial institutions at reporting date, using an actuarial binomial pricing model.

20. Fair values of financial assets and liabilities continued

Level 3 sensitivity analysis

Financial instrument	Valuation technique	Key assumptions	Carrying value	Decrease (Rm)	Increase (Rm)
Put option liabilities	Earnings multiple	EBITDA and net debt	422	**20**	**20**

If the key unobservable inputs to the valuation model, being estimated EBITDA and net debt, were 1% higher/lower while all other variables were held constant, carrying amount of the put option liabilities would decrease/increase by R20 million.

The sensitivities are only based on the DRC put option as any movement on the remainder of the Safika put options are not deemed material.

Movements in level 3 financial instruments	2015 Rm	2014 Rm
Financial assets		
Balance at beginning of the year	**95**	37
Remeasurements	**(13)**	58
Transfer to level 2	**(82)**	–
Balance at end of the year	**–**	95
Financial liabilities		
Balance at beginning of the year	**145**	–
Exercised during the year	**(108)**	–
Put options issued	**422**	137
Remeasurements	**(14)**	(8)
Time value of money adjustments	**19**	16
Balance at end of the year	**464**	145

21. Events after the reporting date

There are no events that occurred after the reporting date that may have a material impact on the group's reported financial position at 30 September 2015.

NOTICE OF ANNUAL GENERAL MEETING

PPC LTD

Incorporated in the Republic of South Africa
(Registration number: 1892/000667/06)
JSE share code: PPC
ZSE share code: PPC
ISIN: ZAE000170049
(PPC or the company)

Notice is hereby given that the 122nd annual general meeting (AGM) of the company will be held at the African Pride Hotel in the Auditorium, 1 Melrose Square, Melrose Arch, on Monday, 25 January 2016 at 12:00 to consider the following business and, if deemed fit, to approve, with or without modification, the ordinary and special resolutions set out below.

RECORD DATE

The board of directors of the company (board) has, in terms of section 59(1)(a) of the Companies Act 71 of 2008 (Act), set the record date for the purpose of determining which shareholders of the company are entitled to receive notice of the AGM, as 11 December 2015, and has, in terms of section 59(1)(b) of the Act, set the record date, for purposes of determining which shareholders of the company are entitled to participate in and vote at the AGM, as 15 January 2016. Accordingly, the last day to trade will be 8 January 2016 and only shareholders who are registered in the register of members of the company on 15 January 2016 will be entitled to participate in and vote at the AGM.

Shareholders are reminded that:

- **A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy (or more than one proxy) to attend, participate in and vote at the AGM in place of the shareholder, and shareholders are referred to the proxy form attached to this notice in this regard**
- **A proxy need not also be a shareholder of the company**
- **In terms of section 63(1) of the Act, any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification and the person presiding at the shareholder meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as shareholder or as proxy for a shareholder) has been reasonably verified. Acceptable forms of verification include a green bar-coded or smart card identification document issued by the South African Department of Home Affairs, a driver's licence and a valid passport**
- **This notice of meeting includes the attached proxy form.**

ELECTRONIC PARTICIPATION IN THE ANNUAL GENERAL MEETING

Shareholders or their proxies may participate in the AGM by way of a teleconference call provided that, if they wish to do so:

- They must contact the company secretary (by email at the address jaco.snyman@ppc.co.za by no later than 12:00 on 15 January 2016 to obtain a pin number and the dial-in details for such teleconference call
- They will be required to provide reasonably satisfactory identification, by prior arrangement with the company secretary
- They will be billed separately by their own telephone service providers for their telephone call to participate in the AGM.

Shareholders participating in the AGM by electronic means shall not be entitled to exercise their votes at the AGM electronically. For shareholders wishing to vote, their shares will need to be represented at the meeting either in person, by proxy or by letter of representation, as provided for in this notice of the AGM.

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated audited annual financial statements of the company and its subsidiaries, incorporating the reports of the auditors, audit committee and directors for the year ended 30 September 2015, as approved by the board on 17 November 2015, are hereby presented to the shareholders as required in terms of section 30(3)(d) read with section 61(8)(a) of the Act.

ORDINARY BUSINESS

New election of a director

The board wishes for Ms Salukazi Dakile-Hlongwane to be elected by shareholders of the company who are entitled to exercise voting rights on such resolution, in accordance with article 25.2 of the MOI. The board, through the nominations committee, has recommended her election. A brief curriculum vitae of Ms Dakile-Hlongwane appears on page 49 of this notice.

Ordinary resolution number 1

"**Resolved that**, Ms Dakile-Hlongwane be and is hereby elected as a director of the company with effect from the conclusion of the AGM on 25 January 2016."

Directors retiring by rotation

In terms of article 25.6.1 of the MOI, one-third of the company's non-executive directors are required to retire at every AGM. Mr BL Sibiya, Mr TDA Ross, Mr MP Malugani and Mr SK Mhlarhi are accordingly required to retire by rotation at this AGM. Mr Sibiya and Mr Malungani have decided not to make themselves available for re-election. The board appreciates their contribution and wishes them well.

A retiring director is however entitled to offer him/herself for re-election and Mr TDA Ross, and Mr SK Mhlarhi have offered themselves for re-election and the board, through the nominations committee, has recommended their re-election. A brief curriculum vitae of each of the directors standing for re-election appears on pages 50 and 51 of this notice.

The percentage of voting rights required for ordinary resolution number 1 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 2

"**Resolved that** Mr SK Mhlarhi who is required to retire as a director of the company at this AGM in terms of article 25.6.1 of the MOI and who, being eligible, offers himself for re-election, be and is hereby elected, in terms of section 68(1) of the Act and article 25.2 of the MOI, as a director of the company with immediate effect."

The percentage of voting rights required for ordinary resolution number 2 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

***Ordinary resolution number* 3**

"**Resolved that** Mr TDA Ross who is required to retire as a director of the company at this AGM in terms of article 25.6.1 of the MOI and who, being eligible, offers himself for re-election, be and is hereby elected, in terms of section 68(1) of the Act and article 25.2 of the MOI, as a director of the company with immediate effect."

The percentage of voting rights required for ordinary resolution number 3 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Reappointment of external auditors

In terms of section 90(1) of the Act, the auditor of the company must be appointed at the AGM each year. To be appointed as auditor, the auditor must satisfy the requirements of section 90(2) of the Act and section 22 of the JSE listings requirements. The audit committee and the board (based on the findings of the audit committee) are satisfied that Deloitte & Touche Incorporated (Deloitte & Touche) meets the requirements of section 90(2) of the Act and section 22 of the JSE listings requirements.

Accordingly, the audit committee and the board have proposed the reappointment of Deloitte & Touche as independent auditors of the company for the period ending 31 March 2016 to hold office until the conclusion of the next AGM.

Ordinary resolution number 4

"**Resolved that** Deloitte & Touche (on recommendation by the audit committee and the board) be and are hereby appointed as external independent auditors of the company to hold office from this AGM until the conclusion of the next AGM of the company. Mr Nyembe (IRBA No 841323) from Deloitte & Touche will undertake the audit for the financial year ending 31 March 2016."

The percentage of voting rights required for ordinary resolution number 4 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Authorisation for auditors' remuneration

The directors propose to fix the remuneration payable to the external auditors for the audit conducted for the period ending 30 September 2015.

Ordinary resolution number 5

"**Resolved that** the directors be and are hereby authorised to fix the remuneration of the external auditors, Deloitte & Touche, for the audit conducted for the period ending 30 September 2015."

The percentage of voting rights required for ordinary resolution number 5 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Appointment of members of the audit committee

In terms of section 94(2) of the Act, at each AGM, the company is required to elect an audit committee comprising at least three members, each of whom must satisfy the requirements set out in section 94(4) of the Act.

Ms B Modise, Mr T Moyo, Mr PG Nelson and Mr TDA Ross are the incumbent members of the audit committee and their term of office ends at the conclusion of this AGM. The board, through the nominations committee, has recommended the election of Ms B Modise, Mr T Moyo, Mr PG Nelson and Mr TDA Ross to the audit committee for the financial year ending 31 March 2016. The nominations committee and the board are satisfied that each member meets the requirements of section 94(4) of the Act and that each member meets the minimum qualification requirements for a member of an audit committee and that they, together, have adequate relevant knowledge and experience to equip the audit committee to perform its functions. A brief curriculum vitae of each member appears on pages 50 to 52 of this notice.

Ordinary resolution number 6

"**Resolved that** Ms B Modise, who is an independent non-executive director of the company, be and is hereby elected as a member of the audit committee with immediate effect to hold office until the next AGM."

The percentage of voting rights required for ordinary resolution number 6 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 7

"**Resolved that** Mr T Moyo, who is an independent non-executive director of the company, be and is hereby elected as a member of the audit committee with immediate effect to hold office until the next AGM."

The percentage of voting rights required for ordinary resolution number 7 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 8

"**Resolved that** Mr PG Nelson, who is an independent non-executive director of the company, be and is hereby elected as a member of the audit committee with immediate effect to hold office until the next AGM."

The percentage of voting rights required for ordinary resolution number 8 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 9

"**Resolved that** Mr TDA Ross, who is an independent non-executive director of the company, be and is hereby elected as a member of the audit committee with immediate effect to hold office until the next AGM."

The percentage of voting rights required for ordinary resolution number 9 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Non-binding approval of the remuneration policy

King III requires the board (with the assistance of the remuneration committee) to put forward a policy of remuneration to the shareholders. The company's remuneration policy (remuneration policy) is set out from page 70 of the integrated report. In accordance with the recommendations of King III, the company should give shareholders the right to express their views on the remuneration policy by casting an advisory vote in the manner set out below.

Ordinary resolution number 10

"**Resolved that** the company's remuneration policy, as set out in the remuneration report from page 70 of the integrated report, be and is hereby approved, through a non-binding advisory vote, in accordance with the recommendations of King III."

The percentage of voting rights required for ordinary resolution number 10 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

SAFIKA SHARE ISSUE

Ordinary resolution number 11

Safika Share issue

Background to ordinary resolution number 11

On 13 December 2013, the company acquired 64,3% of the issued share capital of Safika Cement Holdings Pty Limited (IDM). The remaining shareholding in IDM is currently held by Robert Mark Rein (Rein), Daniel Swanepoel (Swanepoel) and Philippe Taylor (Taylor). Rein and Swanepoel currently hold, in aggregate, 9,59% and, together with Taylor, hold, in aggregate, a further 5% through a NVF structure.

For sake of completeness, Chestnut Hill Investments 342 CC was also a shareholder of IDM (holding 21,1%) but this entity has since sold its shareholding in IDM to the company. As a result, the company currently holds 85,4% of the shares in IDM, with the aforementioned minority shareholders holding, in aggregate, the remaining 14,6%.

At the time of the company's investment into IDM, the company, IDM, Rein and Swanepoel entered into a put option agreement. Pursuant to this agreement, Rein and Swanepoel were granted the right to put to the company, 9,59% of their shares in IDM. The options are only exercisable by Rein and Swanepoel for a 90-day period beginning 2 January 2019.

However, considering that the put option is only exercisable early 2019, the company wishes now to progress its new channel management strategy (and avoid any potential conflicts of interest), and therefore the company wishes to purchase Rein and Swanepoel's shares in IDM which are the subject of the put option agreement (IDM Minorities Transaction), through a combination of cash and shares in the company to be issued to them, for an aggregate purchase consideration of R43 500 000 (forty three million five hundred thousand rand). The cash component comprises R17 400 000 (seventeen million four hundred thousand rand). The shares to be issued to Rein and Swanepoel will be based on a 30-day Volume Weighted Average Price (VWAP) as at the first business day prior to the closing date of the transaction, for a maximum purchase consideration of R26 100 000 (twenty six million one hundred thousand rand).

"**Resolved that** the company be and is hereby authorised to issue so many shares as may be necessary or requisite to enable the company to discharge its obligations under the IDM Minorities Transaction and for this purpose, such shares be and are hereby placed under the control of the directors for the purpose of issuing such shares to Rein and Swanepoel in terms of clause 7.9.2 of the company's MOI, subject to the company complying with the Companies Act, the MOI and the provisions of the JSE listings requirements."

Shareholders' attention is drawn to the fact that the shares to be placed under the control of directors in this resolution (if approved) will be in addition to those shares sought to be placed under the control of directors in ordinary resolution 12 (if approved).

The percentage of voting rights required for ordinary resolution number 11 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 12

To place unissued shares under the control of directors

It would be of advantage to grant the directors the necessary authority to enable the company to take expeditiously advantage of business opportunities (in the form of rights offers, acquisition issues and/or acquisitions of any shares in any group company owned by any minorities (as set out in paragraph (b) of the resolution below)). In order to be in a position to do so, the company is required, in terms of clause 7.9 of its MOI, to have shareholder approval to issue shares in such circumstances.

The company understands that this authority cannot be open-ended, and has therefore proposed that it be granted subject to:

- The restrictions set out below, particularly that the number of shares it is authorised to issue be limited to 5% (five percent) of the ordinary shares in issue as at the date of this notice of AGM, excluding treasury shares
- The company not being entitled and having no authority to issue any shares over and above the aforementioned threshold of 30 250 000 ordinary shares (which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares), whether such issue is pursuant to this ordinary resolution 12 or pursuant to ordinary resolution 13.

"**Resolved** to place the undermentioned ordinary shares in the authorised but unissued share capital of the company at the disposal and under the control of the directors, until the next AGM of the company, who are hereby authorised and empowered, subject to the provisions of the Act and the JSE listings requirements, to allot, issue and otherwise dispose of such shares to such person/s on such terms and conditions and at such time/s as the directors may from time to time in their discretion deem fit, subject to:

(a) A maximum amount of 30 250 000 ordinary shares, which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares, being placed at the disposal and under the control of the directors

(b) The company not being entitled and having no authority to issue any shares over and above the aforementioned threshold of 30 250 000 ordinary shares (which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares), whether such issue is pursuant to this ordinary resolution 12 or pursuant to ordinary resolution 13

(c) This resolution shall not authorise the directors to effect an issue of shares for cash as contemplated in the JSE listings requirements

(d) Such authority shall be utilised to effect or implement relevant corporate action including but not limited to rights offers, acquisition issues and/or acquisitions of any shares in any group company owned by any minorities.

The percentage of voting rights required for ordinary resolution number 12 to be adopted: more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Ordinary resolution number 13

General authority to issue shares for cash

This resolution is required in order to authorise the company to effect a general issue shares for cash subject to compliance with the requirements of the JSE listings requirements. This authority would enable the board to consider wider corporate opportunities available to it (on an expedited basis), which may be advantageous in the current market, but subject to the restrictions set out below.

"**Resolved** that the directors be and are hereby authorised as a general authority to issue the authorised but unissued shares in the capital of the company, for cash, subject to the Act, the MOI and the JSE listings requirements, provided that:

(a) The equity securities that are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue
(b) The equity securities must be issued to public shareholders, as defined in the JSE listings requirements, and not to related parties
(c) The securities which are the subject of a general issue for cash may not exceed a maximum amount of 30 250 000 ordinary shares, which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares
(d) The company shall not be entitled and shall have no authority to issue any shares over and above the aforementioned threshold of 30 250 000 ordinary shares (which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares), whether such issue is pursuant to ordinary resolution 12 or pursuant to this ordinary resolution 13
(e) The authority shall be valid until the issuer's next AGM or for 15 months from the date on which the general issue for cash ordinary resolution was passed, whichever period is shorter (Validity Period)
(f) The calculation of the applicant's listed equity securities must be a factual assessment of the applicant's listed equity securities as at the date of the notice of AGM, excluding treasury shares
(g) Any equity securities issued under the authority during the Validity Period must be deducted from such number in sub-paragraph (c) above
(h) In the event of a sub-division or consolidation of issued equity securities during the Validity Period, the existing authority must be adjusted accordingly to represent the same allocation ratio
(i) The maximum discount at which equity securities may be issued is 10% of the weighted average traded price of such equity securities measured over the 30 business days prior to the date that the price of the issue is agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the applicant's securities have not traded in such 30-business day period
(j) This authority includes the issue of any options/convertible securities that are convertible into an existing class of equity securities, where applicable,

after the company has issued equity securities in terms of an approved general issue for cash representing, on a cumulative basis within the Validity Period, 5% or more of the number of equity securities in issue. Prior to that issue, the company shall publish an announcement containing full details of the issue, subject to the JSE listings requirements.

Shareholders' attention is drawn to the following:

- This ordinary resolution number 13 is required in order to authorise the company to effect a general issue of shares for cash in compliance with the JSE listings requirements
- The company shall not be entitled and shall have no authority to issue any shares over and above the aforementioned threshold of 30 250 000 ordinary shares (which represents 5% (five percent) of the ordinary shares in issue as at the date of the notice of the AGM, excluding treasury shares), whether such issue is pursuant to ordinary resolution 12 or pursuant to this ordinary resolution 13.

The percentage of voting rights required for ordinary resolution number 13 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the ordinary resolution number 13.

SPECIAL BUSINESS

Special resolution number 1

To authorise financial assistance to related or inter-related companies or corporations

Background to special resolution number 1

The reason for special resolution number 1 is that the company does advance loans and other financial assistance to subsidiaries and other related companies or corporations in its group. Shareholders are required to pass special resolution number 1 to approve the company providing such financial assistance, subject to the board meeting, the solvency and liquidity tests and subject further to the financial assistance falling within the category of assistance mentioned in sub-paragraph (c) of special resolution number 1 below.

"**Resolved that**, as a special resolution, in terms of section 45(3)(a)(ii) of the Act, shareholders of the company hereby approve of the company providing, at any time during the period of 2 (two) years from the date of passing this special resolution, any direct or indirect financial assistance as contemplated in section 45 of the Act to any 1 (one) or more related or inter-related companies or corporations of the company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation, provided that:

(a) The recipient or recipients of such financial assistance, the form, nature and extent of such financial assistance and the terms and conditions under which such financial assistance is to be provided, are determined by the board from time to time

(b) The board may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all the requirements of section 45 of the Act which it is required to meet in order to authorise the company to provide such financial assistance

(c) Such financial assistance to a recipient is, in the opinion of the board, required for the purpose of (i) meeting all or any of such recipient's operating expenses (including capital expenditure), and/or (ii) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or (iii) funding such recipient for any other purpose which, in the opinion of the board, is directly or indirectly in the interests of the company."

The percentage of voting rights required for special resolution number 1 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Shareholders are referred to the notice to shareholders in terms of section 45(5) of the Companies Act set out in Annexure 1 hereto.

Special resolutions number 2.1 to 2.17 – Pre-approval of remuneration of non-executive directors

Background to special resolutions number 2.1 to 2.17

In terms of section 66(8) read with section 66(9) of the Act, except to the extent that the Act provides otherwise, the company may pay remuneration to its directors for their service as directors and any such remuneration must be approved by special resolution of shareholders within the previous two years. The remuneration committee has determined the remuneration for non-executive directors and the board has accepted the recommendations of this committee.

"**Resolved that**, as a special resolution, in terms of section 66(8) read with 66(9) of the Act, the company be and is hereby authorised to pay remuneration to non-executive directors for their services as non-executive directors for the period from the date of the passing of this special resolution to the conclusion of the next AGM, as follows:

			Base fee and attendance fee 2016 R	Base fee and attendance fee 2015 R
2.1	Board	Chairman	**1 121 000**	1 057 738,83
2.2	Board	Each non-executive director	**270 000**	254 883,26
2.3	Audit committee	Chairman	**254 000**	239 845,46
2.4	Audit committee	Each non-executive director	**128 000**	120 176,73
2.5	Remuneration committee	Chairman	**193 000**	182 495,21
2.6	Remuneration committee	Each non-executive director	**95 000**	89 208,66
2.7	Risk and compliance committee	Chairman	**193 000**	182 495,21
2.8	Risk and compliance committee	Each non-executive director	**95 000**	89 208,66
2.9	Social, ethics and transformation committee	Chairman	**193 000**	182 495,21
2.10	Social, ethics and transformation committee	Each non-executive director	**95 000**	89 208,66
2.11	Nominations committee	Chairman	**146 000**	138 200,79
2.12	Nominations committee	Each non-executive director	**68 000**	63 721,08
2.13	Investment committee	Chairman	**193 000**	Not applicable
2.14	Investment committee	Each non-executive director	**95 000**	Not applicable
2.15	Attendance fee for special meetings	Chairman	**40 000**	38 232,44
2.16	Attendance fee for special meetings	Each non-executive director	**20 000**	19 121,01
2.17	Board fee for the lead independent non-executive director		**351 000**	331 348,24

The percentage of voting rights required for special resolutions number 2.1 to 2.17 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Special resolution number 3 – General authority to repurchase shares

Background to special resolution number 3

In terms of the JSE listings requirements, clause 17.1 of the MOI and section 48(2) of the Act, a company may repurchase some of its own shares and a subsidiary company may acquire shares in its holding company (both referred to as a repurchase).

The reason for special resolution number 3 is to grant the company or any of its subsidiaries a general authority in terms of the Act, the MOI and the JSE listings requirements to implement a repurchase. This authority will be valid until the earlier of (i) the next AGM of the company; (ii) the variation or revocation of such general authority by special resolution by any subsequent meeting of shareholders; or (iii) the expiry of a period of 15 (fifteen) months from the date of passing this special resolution number 3. The passing of this special resolution will have the effect of authorising the company to undertake a general repurchase.

"**Resolved** as a special resolution that the board is hereby authorised by way of a renewable general authority, in terms of the provisions of the JSE listings requirements, the Act and otherwise as permitted in the MOI, to approve a repurchase of ordinary shares of the company by the company and any of its subsidiaries, on such terms and conditions and in such amounts as the board may from time to time determine, but subject to the MOI, the provisions of the Act and the JSE listings requirements, when applicable, and provided that:

- Any such repurchase of ordinary shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and/or any of its subsidiaries and the counterparty
- This general authority will only be valid until the earlier of (i) the next AGM of the company; (ii) the variation or revocation of such general authority by special resolution by any subsequent meeting of shareholders; or (iii) the expiry of a period of 15 (fifteen) months from the date of passing this special resolution number 3
- Authorisation thereto is given in terms of the company's MOI (or the MOI of the relevant subsidiary, as the case may be)
- A press announcement will be published in accordance with, and giving such details as required in terms of the JSE listings requirements, where the company or its subsidiaries has/have repurchased ordinary shares constituting, on an aggregate basis, 3% (three percent) of the initial number of shares (the number of that class of ordinary shares in issue at the time that the general authority from shareholders is granted) and in respect of every 3% (three percent) in the aggregate of the initial number of shares thereafter
- The general repurchase by the company of ordinary shares in the aggregate in any one financial year does not exceed 20% (twenty percent) of the company's issued ordinary share capital as at the beginning of the financial year
- The general repurchase by any subsidiaries of ordinary shares in the company in the aggregate does not exceed 10% (ten percent) of the company's issued ordinary share capital
- General repurchases by the company and/or any subsidiary of the company in terms of this authority may not be made at a price greater than 10% (ten percent) above the weighted average of the market value at which

such ordinary shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date of repurchase of such ordinary shares by the company and/or any subsidiary of the company

- A resolution has been passed by the board of the company and/or any subsidiary of the company confirming that the board and/or the board of directors of any subsidiary of the company has authorised the repurchase, and that the company and/or its subsidiary/ies, as the case may be, have satisfied the solvency and liquidity test contemplated in section 4 of the Act, and that since the application of the liquidity and solvency test, there have been no material changes to the financial position of the company and its subsidiaries (group)
- The company may at any point in time, only appoint one agent to effect any repurchase(s) on its or its subsidiaries behalf
- The company and/or any of its subsidiaries may not repurchase securities during a prohibited period, as defined in paragraph 3.67 of the JSE listings requirements, unless the company and/or any of its subsidiaries has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (and not subject to any variation) and full details of the programme have been submitted to the JSE in writing prior to the start of the prohibited period, and the company and/or its subsidiary, as the case may be, has instructed an independent third party, which makes its investment decisions in relation to its shares independently or, and uninfluenced by, the company and/or its subsidiary concerned, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE."

The percentage of voting rights required for special resolution number 3 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the resolution.

Additional information in respect of special resolution number 3

The information required by the JSE listings requirements on this general authority appears in the integrated report, as indicated below:

Major shareholders: page 128.

Share capital: page 128.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors, whose names are given on pages 50 to 52 of this notice, collectively and individually accept full responsibility for the accuracy of the information given, in respect of this special resolution number 3, and certify that to the best of their knowledge and belief no facts have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the annual report and notice of AGM contain all information required by the Act and the JSE listings requirements.

MATERIAL CHANGES

There has been no material change in the financial or trading position of the company or any of its subsidiaries since 30 September 2015 to the signature date of this notice of AGM.

Additional information

In terms of the JSE listings requirements, the directors of the company hereby state that:

- The intention of the company and/or any of its subsidiaries is to use this authority only if at some future date the cash resources of the company exceed its requirements. In this regard the directors will take into account, inter alia, an appropriate capitalisation structure for the company, the long-term cash needs of the company, and will ensure that any such use is in the interest of the shareholders
- The method by which the company and/or any of its subsidiaries intends to repurchase securities and the date on which such repurchase will take place has not yet been determined.

After considering the effect of a maximum permitted repurchase of securities, the company and its subsidiaries are, as at the date of this notice convening the AGM of the company, able to fully comply with the JSE listings requirements. Nevertheless, at the time the contemplated repurchase is to take place, the directors of the company will ensure that:

- The company and the group will be able in the ordinary course of business to pay its debts for a period of 12 (twelve) months after the date of the notice of the AGM
- The assets of the company and the group will exceed the liabilities of the company and the group for a period of 12 months after the date of the notice of the AGM. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited group annual financial statements
- The share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of the notice of the AGM
- The working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of the notice of the AGM
- A resolution by the board will authorise the repurchase, that the company and its subsidiary/ies have passed the solvency and liquidity test and that from the date on which the test was last performed, there have been no material changes to the financial position of the group.

Special resolution number 4 – 3Q share issue

Background to special resolution number 4

The company intends concluding an asset for shares agreement with Capital Africa Steel Pty Limited (CAS), 3Q Group Holdings Pty Limited (3Q Holdings), 3Q Mahuma Concrete Pty Limited (Target) and Mahuma Investment Holdings Pty Limited (Mahuma Investment) (3Q Transaction). The 3Q Transaction is anticipated to be concluded as soon as possible but in any event by not later than the date of the AGM.

The commercial rationale for the 3Q Transaction is to progress the company's ready-mix channel management strategy that serves as a complementary platform for cement growth both in South Africa and in the rest of Africa. PPC's strategic intention is to be a provider of materials and solutions into the basic services sector. Cementitious distribution channels including ready-mix concrete is increasingly being utilised as a conduit to grow and sustain cement sales volumes. 3Q is the largest independent ready-mix concrete provider in South Africa, and provides a further complementary platform to grow our service offering in this market segment. This acquisition combined with our other material businesses will form the foundation for establishing a building materials business. The South African market is evolving towards a concrete delivery model. This requires complementary building materials which includes cement, aggregates and ready-mix. Controlling cement distribution channels is vital, with customers and end-users requiring integrated solutions. 3Q will assist PPC in protecting and growing its cement market share, whilst entrenching the company as a major ready-mix provider in the markets that we operate in.

Pursuant to the 3Q Transaction, the company, through its wholly owned subsidiary, Pronto Holdings Pty Limited (Pronto), will acquire all of the shares in the Target. CAS, 3Q Holdings and Mahuma Investment are the sellers of all of the shares in the Target (Sellers). The 3Q Transaction is subject to a number of conditions precedent. In addition, if any material adverse change occurs prior to the closing date, this may potentially lead to a downwards adjustment in the purchase consideration or termination of the transaction. If the Target does not have adequate working capital as at closing, then the purchase consideration is also adjusted downwards by an amount equal to the difference.

The aggregate purchase consideration for all of the shares in the Target is R182 700 000 (subject to potential adjustment as mentioned above), to be discharged by Pronto exchanging with each Seller, such number of shares in the company as is equal to the relevant Seller's shareholding percentage in the Target multiplied by R182 700 000, and divided by the 14-day VWAP of such shares as at the first business day before the closing date of the transaction.

In order to enable Pronto to hold sufficient shares in the company to discharge its obligations under the 3Q Transaction, the company wishes to issue such shares to Pronto (in exchange for Pronto issuing a corresponding amount of shares in it to the company).

Accordingly, the reason for special resolution number 4 is to authorise the company in terms of clause 7.9 of its MOI to issue so many shares in the company to Pronto, in exchange for a corresponding number of shares in Pronto, to enable Pronto to discharge its obligations under the 3Q Transaction to the Sellers. In addition, as Pronto is a person related to the company, section 41(1)(b) of the Act requires that such issue be approved by way of a special resolution of the shareholders of the company. The effect of special resolution number 4 being approved is that the company will have the necessary authority to issue such number of shares to Pronto as may be necessary to enable Pronto to implement the 3Q Transaction with the Sellers, on the basis set out above.

"**Resolved that**:

(a) The company be and is hereby authorised to issue to Pronto (in exchange for Pronto issuing a corresponding amount of shares in it to the company) so many shares as may be necessary or requisite to enable Pronto to discharge its obligations under the 3Q Transaction to the Sellers

(b) Pronto be and is hereby authorised to exchange such shares with the Sellers under the 3Q Transaction,

and for this purpose, such shares be and are hereby placed under the control of the directors for the purpose of issuing such shares to Pronto, subject to the company complying with the Act, MOI and the provisions of the JSE listings requirements."

Shareholders' attention is drawn to the fact that the shares to be placed under the control of directors in this resolution (if approved) will be in addition to those shares sought to be placed under the control of directors in ordinary resolution 12 (if approved).

The percentage of voting rights required for special resolution number 4 to be adopted: at least 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights on the special resolution number 4.

- To transact such other business as may be transacted at an AGM.

By order of the board

JHDLR Snyman
Company secretary

7 December 2015

Sandton

PROXY AND VOTING PROCEDURE

On a show of hands, every shareholder present in person or by proxy, and if a member is a body corporate, its representatives, will have one vote and, on a poll, every shareholder present in person or by proxy and, if the person is a body corporate, its representative, will have one vote for every share held or represented by him/her.

Shareholders holding dematerialised shares, but not in their own name, must furnish their Central Securities Depository Participant (CSDP) or broker with their instructions for voting at the AGM. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it, or if the mandate is silent in this regard, complete the form of proxy enclosed.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker, by the stipulated cut-off time stipulated therein, that you wish to attend the AGM or send a proxy to represent you at this AGM, your CSDP or broker will assume that you do not wish to attend the AGM or send a proxy.

If you wish to attend the AGM or send a proxy, you must request your CSDP or broker to issue the necessary letter of representation to you. Shareholders holding dematerialised shares, and who are unable to attend the AGM and wish to be represented at that AGM, must complete the form of proxy enclosed in accordance with the instructions and lodge it with or mail it to the transfer secretaries.

Forms of proxy (enclosed) must be dated and signed by the shareholder appointing a proxy and should be forwarded to reach the transfer secretaries, Computer Share, 70 Marshall Street, Johannesburg 2001 (PO Box 61051 Marshalltown 2107) (Fax number +27 (0)11 688 5238) and for Zimbabwean PPC shareholders, Corpserve (Private) Limited, 2nd Floor, ZB Centre, corner First Street and Kwame Nkrumah Avenue, Harare, Zimbabwe (PO Box 2208, Harare, Zimbabwe), by no later than 12:00 on 21 January 2016. Before a proxy exercises any rights of a shareholder at the AGM, this form of proxy must be delivered.

In compliance with the provisions of section 58(8)(b)(i) of the Act, a summary of the rights of a shareholder to be represented by proxy is set out below.

An ordinary shareholder entitled to attend and vote at the AGM may appoint any individual (or two or more individuals) as a proxy or proxies to attend, participate in and vote at the AGM in the place of the shareholder. A proxy need not be a shareholder of the company.

A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the AGM (or such other period as the shareholders may elect, subject to section 58(2)(b) of the Act).

A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.

Irrespective of the form of instrument used to appoint the proxy, the appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in exercising any rights as a shareholder.

Unless the proxy appointment expressly provides otherwise, the appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which a copy of the revocation instrument is delivered to the company as required in the first sentence of this paragraph.

If the instrument appointing the proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Act or the MOI to be delivered by the company to the shareholder, must be delivered by the company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the company to do so in writing; and (ii) paid any reasonable fee charged by the company for doing so.

Attention is also drawn to the explanatory notes regarding the proxy on the form of proxy.

The completion of a form of proxy does not preclude any shareholder attending the AGM.

Any shareholder having difficulties or queries on the above may contact the company secretary on +27 11 386 9000.

PROOF OF IDENTIFICATION REQUIRED

In terms of section 63(1) of the Act, any person (shareholder or proxy) who wishes to attend or participate in a shareholders' meeting must present reasonably satisfactory identification at the meeting. A green bar-coded or smart card identification document issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted as sufficient identification.

By order of the board

JHDLR Snyman
Company secretary

7 December 2015

Sandton

FORM OF PROXY

PPC Limited
Incorporated in the Republic of South Africa
(Registration number: 1892/000667/06)
JSE share code: PPC
ZSE share code: PPC
ISIN: ZAE000170049
(PPC or the company)

Only for use by registered holders of certificated ordinary shares in the company and the holders of dematerialised ordinary shares in the capital of the company in "own-name" form, at the annual general meeting (AGM) at the African Pride Hotel Auditorium, 1 Melrose Square, Melrose Arch, Gauteng on Monday, 25 January 2016 at 12:00.

Holders of ordinary shares in the company (whether certificated or dematerialised) through a nominee must not complete this form of proxy but should timeously inform that nominee, or, if applicable, their participant or stockbroker of their intention to attend the AGM and request such nominee, participant or stockbroker to issue them with the necessary letter of representation to attend or provide such nominee, participant or stockbroker with their voting instructions should they not wish to attend the AGM in person but wish to be represented by proxy at the meeting. Such ordinary shareholders must not return this form of proxy to the transfer secretaries.

I/We of

(Name and address in block letters)

Telephone number Cellphone number

Email address

Being a member/s of the above company and holding ordinary shares

therein, hereby appoint

of or, failing him/her,

the chairman of the meeting as my/our proxy to attend, speak and vote for me/us and on my/our behalf or to abstain from voting at the AGM of the company to be held at the African Pride Hotel in the Auditorium, 1 Melrose Square, Melrose Arch, on Monday, 25 January 2016 at 12:00, and at any postponement or adjournment of that meeting as follows:

		In favour of	Against	Abstain
Ordinary resolutions				
1	Election of Ms Dakile-Hlongwane			
2	Re-election of Mr SK Mhlarhi			
3	Re-election of Mr TDA Ross			
4	Appointment of Deloitte & Touche as external auditors of the company			
5	Authorise directors to fix remuneration of external auditors			
6	Appointment to audit committee – Ms B Modise			
7	Appointment to audit committee – Mr T Moyo			
8	Appointment to audit committee – Mr PG Nelson			
9	Appointment to audit committee – Mr TDA Ross			
10	Advisory vote on company's remuneration policy			
11	Safika share issue			
12	To place unissued shares under the control of directors			
13	General authority to issue shares for cash			
Special resolutions				
1	To authorise the provision of financial assistance			
2	To approve the board fees:			
2.1	Board – chairman			
2.2	Board – each non-executive director			
2.3	Audit committee – chairman			
2.4	Audit committee – each non-executive director			
2.5	Remuneration committee – chairman			
2.6	Remuneration committee – each non-executive director			
2.7	Risk and compliance committee – chairman			
2.8	Risk and compliance committee – each non-executive director			
2.9	Social, ethics and transformation committee – chairman			
2.10	Social, ethics and transformation committee – each non-executive director			
2.11	Nominations committee – chairman			
2.12	Nominations committee – each non-executive director			
2.13	Investment committee – chairman			
2.14	Investment committee – each non-executive director			
2.15	Special meetings – chairman			
2.16	Special meetings – each non-executive director			
2.17	Lead independent non-executive director			
3	Repurchase of own shares or acquisition of the company's shares by a subsidiary			
4	3Q share issue			

Insert an X in the relevant spaces above according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of ordinary shares than you own in the company, insert the number of ordinary shares held in respect of which you desire to vote (see note 2).

Signed at on 2016

Signature/s

Assisted by (where applicable)

Each member is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and vote in place of that member at the AGM.

Please read the notes to the form of proxy overleaf.

EXPLANATORY
NOTES REGARDING PROXY

1. The form of proxy must only be used by shareholders who hold shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
2. All other beneficial owners who have dematerialised their shares through a CSDP or broker and wish to attend the AGM must provide the CSDP or broker with their voting instructions in terms of the relevant agreement entered into between them and the CSDP or broker.
3. A shareholder entitled to attend and vote at the AGM may insert the name of a proxy or the names of two or more alternate proxies of the shareholder's choice in the space provided, with or without deleting "the chairperson of the AGM". The person whose name stands first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.
4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by that shareholder in the appropriate space provided. If an "X" (cross) or a tick has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's exercisable votes. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
5. A vote given in terms of an instrument of proxy will be valid in relation to the AGM despite the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the shares in respect of which the proxy is given, unless notice on any of the noted matters has been received by the transfer secretaries not less than 48 hours before the start of the AGM.
6. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the AGM be proposed, such proxy shall be entitled to vote as he/she thinks fit.
7. The chairperson of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with the Act, the MOI and these notes.
8. A shareholder's authorisation to the proxy including the chairperson of the AGM, to vote on such shareholder's behalf, will be deemed to include the authority to vote on procedural matters at the AGM.
9. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person to the exclusion of any proxy appointed in terms hereof.
10. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company's transfer secretaries or waived by the chairperson of the AGM.
11. A minor or any other person under legal incapacity or limited capacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the transfer secretaries of the company.
12. Where there are joint holders of shares:
    12.1 Any one holder may sign the form of proxy
    12.2 The vote(s) of the senior shareholder (for that purpose seniority will be determined by the order in which the names of shareholders appear in the company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. Forms of proxy should be lodged with or mailed to the transfer secretaries, Computer Share, 70 Marshall Street, Johannesburg 2001 (PO Box 61051 Marshalltown 2107) (Fax number +27 (0)11 688 5238) and for Zimbabwean PPC shareholders, Corpserve (Private) Limited, 2nd Floor, ZB Centre, corner First Street and Kwame Nkrumah Avenue, Harare, Zimbabwe (PO Box 2208, Harare, Zimbabwe), to be received by no later than 12:00 on 21 January 2016 (or 48 (forty-eight) hours before any adjournment of the AGM which date, if necessary, will be notified on SENS).
14. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.

ANNEXURE 1

Notice to shareholders in terms of section 45(5) of the Companies Act in respect of special resolution number 1

Notice is hereby given to shareholders of the company in terms of section 45(5) of the Companies Act of a resolution adopted by the board of directors of the company (board) authorising the company to provide such direct or indirect financial assistance as specified in special resolution number 1 on the basis that:

(a) By the time that the notice of AGM is delivered to shareholders of the company, the board will have adopted a resolution (Section 45 Board Resolution) authorising the company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date on which the special resolution number 1 is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the company and/or to any one or more members of any such related or inter-related company or corporation and/or to any one or more persons related to any such company or corporation

(b) The Section 45 Board Resolution will be effective only if and to the extent that the special resolution number 1 is adopted by the shareholders of the company, and the provision of any such direct or indirect financial assistance by the company, pursuant to such resolution, will always be subject to the board being satisfied that (i) immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the company as referred to in section 45(3)(b)(ii)

(c) in as much as the Section 45 Board Resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of one percent of the company's net worth at the date of adoption of such resolution, the company hereby provides notice of the Section 45 Board Resolution to shareholders of the company. Such notice will also be provided to any trade union representing any employees of the company.

ANNEXURE 2

Curriculum Vitae of Ms Salukazi Dakile-Hlongwane (65)

Salukazi is the chair of Nozala Investments Pty Limited, a broad-based women-owned and led investment company representing over half a million direct/indirect women beneficiaries, which she co-founded in 1996.

She holds a BA degree (economics and statistics) from the National University of Lesotho (NUL) and a Master's degree (development economics) from Williams College (Massachusetts, USA).

Her career was spent at various organisations, including five years with Lesotho National Development Corporation whilst lecturing part-time at the NUL (in the Mature Students Programme). She spent 13 years with African Development Bank (Abidjan-Cote d'Ivoire), taking a two-year sabbatical to work at the Development Bank of Southern Africa, followed by two years respectively at FirstCorp Merchant Bank and BOE Specialised Finance. Salukazi is also a trustee of Nozala Trust and Chancellor House Trust, a member of the International Women's Forum/South Africa and Women Corporate Directors.

LEADERSHIP

1 Bheki Lindinkosi Sibiya (58)

Chairman (independent non-executive director)
Board committees: remuneration, nominations (chair) and investment
Appointed November 2008
MBA (University of Western Michigan, USA)

Bheki has worked in a number of South African blue-chip companies including Ford Motor Company (human resources), SA Breweries (procurement, logistics and human resources), Tongaat Hulett Sugar (director: human resources) and Transnet (director: human resources). He was a founding chief executive of Business Unity South Africa, the most authoritative voice of business in the country, and has served on a number of significant national policy-formulating structures, such as the anti-corruption forum, president's working group with business and Africa peer review mechanism council.

2 Darryll John Castle (47)

Chief executive officer
Board committees: risk and compliance
Appointed January 2015
BSc (civil), BCom, MBA, CFA

Darryll has a broad range of skills in corporate management, fund management, financial analysis, mining and engineering. He has extensive experience in the mining industry and served as chief executive officer of Trafigura Mining Group and Anvil Mining Limited (listed on the Toronto and Australian stock exchanges), as well as chief operations officer at Metorex Group Limited. He has first-hand knowledge of various countries in Africa and emerging markets as well as deep relationships built over the years.

3 Mmakeaya Magoro Tryphosa Ramano (44)

Chief financial officer
Appointed August 2011
CA(SA)

Tryphosa was CEO of WIP International (a subsidiary of WIPHOLD focused on African expansion). She also served as CFO of SAA and, prior to that, was requested to join National Treasury, where she set up a business unit with financial oversight of state-owned entities. As chief director of this unit, she was instrumental in listing Telkom on the Johannesburg and New York stock exchanges. Her diverse professional development includes financial and strategic planning, corporate governance reform, industry analysis and corporate restructuring. She currently serves on the boards of Airports Company of SA and Land Bank of SA as a non-executive director.

4 Zibusiso Janice Kganyago (49)

Independent non-executive director
Board committees: alternate director to the chairman
Appointed October 2007
BCom (University of Natal), management programmes (Wharton School of Business, Pennsylvania and University of Nevada, Reno)

Zibusiso has over 20 years' experience in the built environment in the fields of property planning, development and management of mega developments. She also served as non-executive director on the boards of the Johannesburg Property Company and the Land Affairs Board.

5 Timothy Dacre Aird Ross (71)

Independent non-executive director
Board committees: audit (chair), risk and compliance and investment
Appointed July 2008
CA(SA)

Tim was a partner with Deloitte & Touche for 36 years, retiring in 2008. He led the Johannesburg audit practice and served on the executive, as client service director, as well as the board and remuneration committees. He was a director of Liberty Holdings until he retired from the board in 2015 and remains a director of Eqstra Holdings, Adcorp and Mpact, chairing the audit committees of Eqstra, Adcorp and Mpact. He is also a member of the risk committees of Eqstra and Mpact.

6 Sydney Knox Mhlarhi (42)

Non-executive director
Board committees: remuneration and investment
Appointed March 2012
BCom, BAcc (University of the Witwatersrand), CA(SA)

Sydney serves on the board as a representative of the PPC consortium of strategic black partners. He is a founder and director of Tamela Holdings Pty Limited, an investment holding and corporate finance advisory company. Sydney has held various senior positions in the investment banking sector, including divisional director at Standard Bank and chief investment officer of Makalani Holdings. He completed his articles at Ernst & Young in 1997 and is a member of the South African Institute of Chartered Accountants' education and examinations committee. He is a non-executive director of Assore Limited.

7 Mangalani Peter Malungani (57)

Non-executive director
Board committees: social, ethics and transformation, and investment (chair)
Appointed February 2009
BCom (Unisa), management programmes (Wits Business School, Wharton University, USA)

Peter is executive chairman and founder of the Peu Group. After an early accounting career with Philips (SA), he started his own business management consultancy in 1984 and investment group Peu in 1996. He is chairman of Phumelela Gaming and Leisure, a former director of Investec Limited, Investec plc. and certain Peu subsidiaries. Peter has also held advisory positions in government and directorships in state-owned enterprises.

8 Bridgette Modise (48)

Independent non-executive director
Board committees: risk and compliance (chair) and audit
Appointed December 2010
BCompt (hons), CTA, CA(SA), CIMA, management development programmes

Bridgette was director at KPMG for ten years until 2008. She is currently CEO of the retail business Sugarberry Trading and chairperson of Kutira Capital, an investment holding company. She is a non-executive director of Sun International, Nestlife Assurance Limited, Tellabs South Africa Pty Limited and Kanhym Estates Pty Limited.

9 Todd Moyo (57)

Independent non-executive director
Board committee: audit and nominations
Appointed November 2013
BAcc (hons) (University of Zimbabwe),
CA(Z), CA(SA), RPA(Z), MCSZ

Todd is chairman of PPC Zimbabwe Limited. He is a member of the Institute of Chartered Accountants in Zimbabwe and in South Africa. His experience in other disciplines includes sales, marketing and information technology and he has attended a number of executive development programmes. Todd is chairman and CEO of healthcare company Datlabs Pvt Limited and chairman of National Foods Holdings Limited, both based in Zimbabwe. He is also a director of other listed and unlisted companies. In his personal capacity, he is a board member and trustee of institutions in the education and health sectors and has supported several universities' fund-raising activities, and served on the local authority of Bulawayo's valuation board and development committees.

10 Nicky Goldin (45)

Independent non-executive director
Board committees: remuneration and investment
Appointed January 2015
BCom (hons) University of the Witwatersrand, MBA (University of Illinois)

Nicky is presently a strategy and investment consultant to the Yellowwoods Group. She has global experience having worked in Africa, Australia and the United States in strategy development and execution; business improvement; corporate finance and investment banking (debt and capital raising), primarily focusing on the natural resources and financial services industry sectors. She has held senior positions at Deloitte Consulting, BHP Billiton, Anglo American, Standard Bank and ANZ Bank (Australia).

11 Timothy Leaf-Wright (62)

Independent non-executive director
Board committees: risk and compliance, social, ethics and transformation, and investment
Appointed January 2015
Chartered Institute of Secretaries (Natal Technikon)

Timothy's career with Nampak Limited spanned 41 years prior to taking early retirement end 2014. During this time he held various senior positions including group export manager and business development director (rest of Africa). During the last 11 years he was seconded to Mozambique, Nigeria and Angola to spearhead negotiations and subsequently construction and managing of both brown and green fields' plants in those countries.

12 Charles Naude (60)

Independent non-executive director
Board committees: remuneration and risk and compliance
Appointed January 2015
BSc (hons geology, chemistry) (University of Pretoria), certificate production management (Wits Technikon), MBL (Unisa)

Charles has been a self-employed derivatives trader for the past five years. Prior to that, he was CEO of AfriSam South Africa and chairman of Tanga Cement Company Limited in Tanzania. Collectively, he has 30 years' experience in all facets of the cement industry, including aggregates, readymix and lime.

13 Peter Gill Nelson (61)

Independent non-executive director
Board committee: remuneration (chair) and audit
Appointed January 2015
BCom (Rhodes), BCompt (hons) (Unisa), CA(SA)

Peter's experience covers manufacturing, mining, telecommunications, healthcare, leisure, property, packaging and the motor industry in listed and private entities in South Africa, the United Kingdom, Zimbabwe and Nigeria. He has served as CFO on several boards including Telkom, Netcare, PPC and Mondi.

14 Tito Mboweni (56)

Independent non-executive director
Board committees: social, ethics and transformation (chair), and nomination
Appointed January 2015
BA (National University of Lesotho), MA, development economics (University of East Anglia), Diploma in international business diplomacy (Georgetown University), CD(SA)

Tito is the chairman of Nampak Limited, Sacoil Holdings and Accelerate Property Fund. He also holds other directorships. In an academic, political and business career spanning three decades, he has gained considerable expertise and experience in the fields of economic and political analysis, macro-level economy strategy, finance, labour relations and public policy.

ADMINISTRATION

PPC Ltd
(Incorporated in the Republic of South Africa)
(Company registration number: 1892/000667/06)
JSE code: PPC
JSE ISIN: ZAE 000170049
ZSE code: PPC

Directors
Executive: DJ Castle (chief executive officer), MMT Ramano (chief financial officer)
Non-executive: BL Sibiya (chairman), N Goldin, ZJ Kganyago, TJ Leaf-Wright, MP Malungani, T Mboweni, SK Mhlarhi, B Modise, T Moyo*, CH Naude, PG Nelson, TDA Ross
**Zimbabwean*

Registered office
148 Katherine Street, Sandton, South Africa
(PO Box 787416, Sandton 2146, South Africa)

Company secretary
JHDLR Snyman
148 Katherine Street, Sandton, South Africa
PO Box 787416, Sandton, 2146, South Africa

Transfer secretaries^
Computershare Services (Pty) Ltd, 70 Marshall Street
Marshalltown, Johannesburg 2001
PO Box 61051, Marshalltown, 2107, South Africa

Transfer secretaries Zimbabwe
Corpserve Pvt Limited
4th Floor, Intermarket Centre, Corner 1st Street/Kwame Nkrumah Avenue, Harare Zimbabwe
(PO Box 2208, Harare, Zimbabwe)

Sponsor
Merrill Lynch South Africa (Pty) Ltd

^With effect from 1 December 2015, Computershare Investor Services Proprietary Limited will replace Link Market Services SA Proprietary Limited as transfer secretaries.

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