PPC

# Summarised consolidated financial statements 2024

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## FINANCIAL STATEMENTS



### FEEDBACK

We encourage feedback on our integrated reporting suite.
Kindly direct feedback to the group company secretary,


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

# PPC AT A GLANCE

## SNAPSHOT OF PERFORMANCE FROM CONTINUING OPERATIONS

Consolidated group – continuing operations*

**Revenue**

up 20,6% to

R10 058 million

(FY23: R8 339 million)

**EBITDA**

up 38,6% to

R1 242 million

(FY23: R896 million)

**EBITDA margin**

up 1,6% points to

12,3%

(FY23: 10,7%)

**Free cash flow**

before financing activities and excluding disposal proceeds from sale of CIMERWA, free cash flow of

R260 million

(FY23: R124 million)

**Ordinary dividend**

of 13,7 cents per share

**HEPS**

of 19 cents

(FY23: loss of 20 cents)

**EPS**

of 6 cents

(FY23: loss of 21 cents)

* *The 2023 comparative figures have been re-presented to disclose discontinued operations (CIMERWA) separately.*

# PPC AT A GLANCE continued

## INDIVIDUAL BUSINESSES

### SA and Botswana group

**Cement revenue**

up 5,2% to

R6 080 million

(FY23: R5 782 million)

**Cement volumes**

down

5,8%

(FY23: 4,6%)

**Cement EBITDA margins**

down to

11,3%

(FY23: 11,7%)

**Materials businesses EBITDA**

increased to positive

R43 million

(FY23: negative R65 million)**

### PPC Zimbabwe

**Revenue**

up 90,9% to

R3 346 million

(FY23: R1 753 million)

**Cement volumes**

up

36,6%

(FY 23: negative 15,8%)

**EBITDA margins**

reduced marginally to

20,2%

(FY23: 20,8%)

**Dividends**

of

US$11,0 million paid

(FY23: US$10 million)

** *The Materials businesses EBITDA include a once-off non-cash item of R55 million being the installation of a new conveyor belt and offloading station by a third party as part of its rehabilitation obligations under the original sale and purchase agreement.*

# COMMENTARY

The group has faced sustained underperformance and decreasing profitability over a number of years and as I reflect on my time at PPC over the past seven months, the comprehensive review of the business revealed internal gaps that are also clear opportunities.

As we look to unlock internal value and drive profitability, the new Exco and I have had to challenge past assumptions and leadership decision-making practices. Our problems are pressing, and it is clear that a meaningful organisational reset and tough decisions are necessary for PPC's sustainable future.

Where we are failing, where we are missing opportunities and what our strengths are, were some of the questions posed in the design of the turnaround fundamentals. Through a "back to basics" approach and an appropriate focus on operational efficiency, we are looking into our commercial footprint, internal business intelligence data and reliability, logistics model, organisational structure and cost and capital expenditure discipline.

We need to rely on a strong set of values: integrity, sense of urgency, safety, agility and cost consciousness – values that speak to our aspirations. Moreover, we want to outline behaviours that demonstrate these values in a 'walk-the-talk' approach.

By refocusing the organisation on its core business, fostering a no-nonsense, get-things-done approach, and implementing agility in decision-making processes, I am confident that we can overcome the challenges ahead.

**Matias Cardarelli**
**Chief executive officer**

## GROUP PERFORMANCE – CONTINUING OPERATIONS

Group revenue for the current year rose 20,6% to R10 058 million (FY23: R8 339 million) driven primarily by a strong performance in PPC's Zimbabwean operation.

The SA and Botswana group cement revenues increased only marginally by 5,2%, driven by price increases and increased sales of clinker to Zimbabwe, which positively offset the declining cement sales volumes. Revenue from the materials businesses declined by 6,0% relative to the prior year.

Group cost of sales increased 16,3% to R8 409 million (FY23: R7 231 million). All of the increase in cost of sales is attributable to Zimbabwe, with the SA and Botswana group's cost of sales declining marginally by 1,3% (R73 million), driven by lower sales volumes. Group administration and other operating expenditure increased by 5,5%. Group EBITDA margin therefore improved to 12,3% (FY23:10,7%).

Accordingly, trading profit increased by R502 million to R619 million (FY23: R117 million). Of the R502 million increase, R395 million was attributable to Zimbabwe.

Depreciation for the group decreased by R155 million to R623 million (FY23: R778 million). The most material contributors to the decrease were PPC Zimbabwe and SA and Botswana cement. Due to the change in the functional currency for PPC Zimbabwe from the ZWL to the United States dollars (US$), hyperinflation accounting is no longer applicable, which resulted in a decrease in property, plant and equipment and an associated decrease in depreciation by R86 million. SA and Botswana cement also had a decrease in depreciation of R57 million, mainly due to the extension of useful lives of certain of the assets.

Given the movements in trading profit and depreciation, group EBITDA increased 38,6% to R1 242 million (FY23: R896 million).

The "fair value and foreign exchange gains movements" changed from a gain of R55 million FY23 to a charge of R30 million in the current year. In the prior year, US$ debtors were remeasured into ZWL creating significant exchange gains. This is no longer applicable given the change in functional currency.

The prior year net monetary loss arising from hyperinflation accounting for PPC Zimbabwe of R131 million is no longer applicable in the current year.

In the prior year, the credit risk adjustment on the intrinsic value of the blocked funds was taken to 100% resulting in a fair value loss of R32 million. Accordingly, the current period fair value loss is nil.

A significant increase in impairments to R267 million (FY23: R61 million) in the current year relate primarily to property, plant and equipment as muted market volumes are expected to persist and there is a need for capacity and cost optimisation going forward. Consequently, it was decided to mothball the Jupiter milling plant (impairment of R56 million) and Slurry and Dwaalboom swing kilns (impairment of R125 million), although all these assets remain readily available for re-commissioning should volume demand be there. Given the muted demand experienced by the aggregates business, which is not expected to change materially in the future, an impairment of R70 million was taken on the aggregates assets. The prior year impairment related primarily to impairments in the readymix business.

Finance costs increased marginally to R131 million (FY23: R123 million). Although SA and Botswana debt levels were lower in the current year, interest rate increases resulted in interest paid on borrowing increasing by R6 million. In addition, a higher level of capitalised leases resulted in an increase in this interest charge of R6 million. The balance relates to time value of money adjustments of rehabilitation and decommissioning provisions.

Investment income increased to R42 million (FY23: R26 million) on higher cash balances earning a higher interest rate in South Africa.

During the prior period the group realised a R23 million profit on the disposal of its equity-accounted investment in Habesha, Ethiopia.

Profit before tax increased to R233 million (FY23: loss of R126 million) and profit after tax was R88 million (FY23: loss of R328 million). In the current year, the effective tax rate was some 62,8%. The three largest contributors to the effective rate are:

- During the current year, PPC Ltd received dividends from Zimbabwe and RSA Holdings (for purposes of the share buyback) all of which are non-taxable. This had the effect of increasing the proportion of non-taxable vs taxable income to 62% (FY23: 40%) resulting in 62% of all expenditure in the holding company not being tax deductible.

  In PPC International Holdings, once-off costs related to the disposal of CIMERWA were also not deductible.

Collectively, the above contributed to a 13,4% increase in the effective tax rate.

- Withholding taxes paid on dividends and management fees received mainly from Zimbabwe and Botswana further increased the effective rate by 10,2%.
- In the 2024 budget, Zimbabwe announced an increase in the corporate tax rate from 24,72% to 25,75%. The effective date for the change for PPC Zimbabwe is 1 April 2024 and the remeasurement of the deferred tax liability resulted in a 7,2% increase in tax rate.

The headline earnings per share (HEPS) and earnings per share (EPS) of the continuing operations increased respectively to 19 cents (FY23: loss of 20 cents) and 6 cents (FY23: loss of 21 cents). The HEPS of the discontinued operations was 8 cents (FY23: 11 cents).

The group's net cash flow before financing activities from continuing operations, and excluding the proceeds received from the sale of CIMERWA, increased to R260 million (FY23: R124 million).

Total group capital expenditure for the year increased to R400 million (FY23: R368 million). This is some R35 million below the capital expenditure guidance of R435 million (excluding the Rwandan operation guidance of some R165 million). The share repurchase programme of R200 million, approved by the board in June 2023, was completed on 13 March 2024. The total number of shares repurchased were 64,6 million at an average price of R3,08 per share.

The SA and Botswana group bank debt decreased to R779 million (FY23: R930 million) largely due to the scheduled repayment of R150 million on the amortising term loan. Of the R857 million group cash holdings by continuing operations (FY23: R264 million), R780 million is held by the SA and Botswana group. PPC International Holdings (PPCIH) received US$42,5 million from the sale of its stake in CIMERWA. At year-end, R783 million had been lent to the SA and Botswana group.

Zimbabwe remains debt-free and had unrestricted cash holdings at 31 March 2024 of R40 million (FY23: R118 million). Approximately 80% of PPC Zimbabwe's cash is held in hard currencies.

Zimbabwe declared and paid a US$4 million dividend in H1 FY24 (H1 FY23: US$5 million) and a US$7 million dividend in H2: FY24 (H2: FY23 US$5 million) bringing the total dividends paid during the year to US$11 million (FY23: US$10 million). PPC's share of the dividend (before withholding taxes) amounted to R203 million (FY23: R155 million).

PPC has amended its SA and Botswana group leverage objective from gross debt to net debt to EBITDA of 1,3 – 1,5 times.

## SA AND BOTSWANA CEMENT

Cement sales volumes in SA and Botswana were down 5,8% when compared to the prior year (FY23: negative 4,6%), reflecting lower volumes across our key markets in South Africa while Botswana's volumes were flat. Competition remains stronger in the inland region where sales volumes have reduced especially since January 2024. Coastal volumes have dropped at a higher rate than inland due to demand.

While the construction sector in the coastal region continues to be depressed, the main driver of the volume decreases in this region was in the retail sector, impacted by low demand and aggressive price competition, especially in the last quarter of the financial year.

Clinker sales from inland to Zimbabwe have more than doubled in the current year supplementing the revenue increase in SA and Botswana cement business.

PPC continued to increase its cement selling prices on a bi-annual basis and achieved an average selling price increase of 9,7% when compared to the prior year (FY23: 8,0%). Clinker sales, however, was the main driver of the SA and Botswana cement revenue increase of 5,2% to R6 080 million (FY23: R5 782 million) given the 5,8% decline in cement volumes.

PPC remains vulnerable to high input cost inflation and local logistics and power challenges, penalising the production cost per tonne. Against the backdrop of a 4,2% decline in overall volumes (cement and clinker), total costs increased by 3,2%, with fixed costs increasing by 2,9%, ameliorated by reduced depreciation and the absorption of fixed costs in inventory build-up during the current year.

EBITDA increased 1,5% to R684 million (FY23: R674 million) with a margin of 11,3% (FY23: 11,7%) as price increases were not sufficient to offset cost increases. Key turnaround initiatives are to focus on contribution margin per customer, operational efficiencies to contain variable costs and absolute fixed costs/administration costs reduction.

## AGGREGATES, READYMIX AND ASH

Readymix volumes decreased by 18,2%, and aggregates volumes decreased by 8,8% compared to the prior year. Fly ash sales volumes increased by 7,2%. Overall, revenue for the materials division decreased by 6,0% to R1 031 million (FY23: R1 097 million), due to the largest contributor, readymix, continuing to experience a significant reduction in demand offset in part by an increase in the average selling price. The divisional EBITDA increased to R43 million, but this was shielded by a positive once-off non-cash item of R55 million being the installation of a new conveyor belt and offloading station by a third party as part of its rehabilitation obligations under the original sale and purchase agreement. Excluding this once-off item, the materials division EBITDA for FY24 would have been a negative R12 million (FY23: negative R65 million) mainly reflecting an improvement in the readymix division.

## ZIMBABWE

PPC's operation in Zimbabwe delivered a strong recovery in the current year albeit off a low base following the extended maintenance shutdown of the kiln in the first half of the prior year. Zimbabwe won back the market share it had lost with demand across both residential construction and government funded infrastructure projects.

Cement sales volumes increased 36,6% when compared to the prior year (FY23: down 15,8%) although growth has softened as the effect of the stronger base in the H2 FY23 starts coming through.

Revenue for the year increased by 90,9% in rand terms to R3 346 million (FY23: R1 753 million) on strong cement volumes and price increases. The full year impact of the 5% selling price increase that was effected in August 2022 (prior year) and the 4% sales price increase effected in January 2024 also contributed to the revenue increase. EBITDA margins reduced marginally to 20,2% (FY23: 20,8%) for the full year, but significantly off the half year margins of 24,6% due to high electricity costs resulting from a gradual tariff increase of ~76% from October 2023. Clinker purchases also continued in H2 FY24 and the full cost of purchased clinker was 169% higher than the prior year.

Dividends of US$11 million were paid during the year (FY23: US$10 million).

## DISCONTINUED OPERATIONS – RWANDA (CIMERWA)

PPC sold its 51% shareholding in CIMERWA on 25 January 2024 for a total selling price of US$42,5 million. PPC received the full selling price and paid the capital gains tax in Rwanda of US$372 000 in February 2024. No further capital gains tax is payable in South Africa. The approval by the Common Market for Eastern and Southern Africa (COMESA) was anticipated within 120 days of the filing on 8 February 2024, but COMESA have requested and been granted an extension to 12 July 2024. At the date of the disposal, the total net asset value attributable to PPC was R612 million and the consideration received was R809 million resulting in a profit on disposal of R197 million.

## DIVIDEND

Given the significant de-leveraging of the SA and Botswana group in the current year, the board has resolved to declare an ordinary dividend to shareholders. The board has also approved an amendment to the existing distribution policy which has the effect of calculating a distribution in two distinct parts being:

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

### Cash dividend

Shareholders are advised that, based on the above, the board resolved on 21 June 2024 to declare a gross cash dividend for the year ended 31 March 2024 of R213 million. (FY23: share repurchase of R200 million). This equates to 13,7 cents per share for each of the shares in issue, subject to the applicable tax levied in terms of the Income Tax Act (Act number 58 of 1962), as amended (dividend withholding tax).

The cash dividend has been declared from retained earnings. The dividend withholding tax is 20% and a net cash dividend of 10,96 cents per share will be paid to those shareholders who are not exempt from dividend withholding tax.

In accordance with the provisions of Strate, the electronic settlement and custody system used by the JSE Limited, the relevant dates for the cash dividend are as follows:

| | 2024 |
|---|---|
| Last day to trade "cum cash dividend" | Tuesday, 9 July |
| Shares commence trading "ex cash dividend" | Wednesday, 10 July |
| Record date | Friday, 12 July |
| Payment date | Monday, 15 July |

Those shareholders of the company who are recorded in the company's register as at the record date will be entitled to the cash dividend.

Share certificates may not be dematerialised between Wednesday, 10 July and Friday, 12 July 2024, both days inclusive.

Payments for certificated shareholders will be transferred electronically to their bank accounts or the payment date. Shareholders who hold dematerialised shares will have their accounts at their CSDP or stockbroker credited on Monday, 15 July 2024.

Taking into account the dividend that will be received by the subsidiary that repurchased the PPC Ltd shares in the current financial year, the net cash outlay pursuant to the cash dividend amounts to R204 million.

The sale of CIMERWA is subject to approval (as a condition subsequent) by COMESA, which approval has not yet been received. Prudently, the board resolved to retain the R783 million in the group until such time as approval is received, whereupon a special dividend to shareholders will be considered.

The company's income tax reference number is 9460015606. The company has 1,553,764,624 shares in issue as at the date of the declaration of the cash dividend.

In compliance with the Companies Act, the directors confirm and have resolved that the company will satisfy the solvency and liquidity tests immediately after the payment of the cash dividend.

## STRATEGIC PLAN & OUTLOOK

The group has faced sustained underperformance and decreasing profitability over a number of years. A comprehensive review of the business has identified internal gaps that are also clear opportunities. The new executive team has had to challenge past assumptions and decision-making practices. In order to create a sustainable future for PPC, these challenges must be addressed with a sense of urgency.

Agility in management decision-making has been hindered by the availability and accuracy of relevant data and gaps in internal business process. The previous complex organisational structure created a silo mentality and embedded a culture of lower accountability which was not conducive to delivering results

To unlock internal value and drive profitability, the immediate need for strategic personnel changes was identified and implemented. In FY25, the focus will be on cost awareness throughout the organisation, robust capital expenditure analyses and the creation of reliable internal business intelligence to support better quality decisions.

The strategic plan will focus on working capital management, a contribution margin approach, improving industrial performance, enhancing the go-to-market and logistics operating model.

Externally, demand is anticipated to remain subdued, although there are signs of growth in some regions. To navigate high input costs, cement companies must focus on optimising their operations for enhanced efficiency and profitability. Industry enforcement of quality standards will be crucial for sustainability of the cement sector.

While the road to turnaround, transformation and growth may be challenging, we are committed to creating a sustainable future for PPC. Guided by principles of integrity, urgency, safety, agility, and cost consciousness, we believe that with a clear vision and a strong team, we can increase profitability, deliver returns to our investors, and enhance our competitive position in the market.

# INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of PPC Limited

## OPINION

The summary consolidated financial statements of PPC Limited, set out on pages 10 to 46, which comprise the summary consolidated statement of financial position as at 31 March 2024, the summary consolidated statement of profit or loss, summary consolidated statement of other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of PPC Limited for the year ended 31 March 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, as set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

## SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

## THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 22 June 2024. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

## DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, set out in note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements.*

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: N Ndiweni
Registered Auditor
Johannesburg, South Africa

22 June 2024

# SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2024

| | Notes | March 2024 Rm | March 2023 Rm |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | **6 359** | 7 720 |
| Property, plant and equipment | 2 | **5 894** | 7 331 |
| Right-of-use-assets | | **144** | 68 |
| Other intangible assets | | **68** | 85 |
| Financial assets | | **207** | 185 |
| Other non-current assets | | **4** | 24 |
| Deferred taxation assets | | **42** | 27 |
| **Current assets** | | **3 193** | 2 759 |
| Inventories | | **1 355** | 1 287 |
| Trade and other receivables | | **969** | 995 |
| Taxation receivable | | **12** | 53 |
| Cash and cash equivalents | | **857** | 424 |
| **Assets held for sale** | 3 | **3** | 8 |
| **Total assets** | | **9 555** | 10 487 |
| **EQUITY AND LIABILITIES** | | | |
| **Capital and reserves** | | | |
| Stated capital | 4 | **4 352** | 4 544 |
| Other reserves | | **(7 204)** | (6 818) |
| Retained profit | | **8 822** | 7 999 |
| **Equity attributable to shareholders of PPC Ltd** | | **5 970** | 5 725 |
| Non-controlling interests | | **(73)** | 617 |
| **Total equity** | | **5 897** | 6 342 |
| **Non-current liabilities** | | **1 637** | 2 420 |
| Provisions | | **164** | 187 |
| Deferred taxation liabilities | | **1 131** | 1 338 |
| Long-term borrowings | 5 | **225** | 852 |
| Other non-current liabilities | | **—** | 1 |
| Lease liabilities | | **117** | 42 |
| **Current liabilities** | | **2 021** | 1 725 |
| Provisions | | **8** | 15 |
| Trade and other payables | | **1 327** | 1 288 |
| Lease liabilities | | **37** | 28 |
| Short-term borrowings | 5 | **554** | 337 |
| Taxation payable | | **95** | 57 |
| **Total equity and liabilities** | | **9 555** | 10 487 |

# SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 March 2024

| | Notes | March 2024 Rm | Restated[(a)] March 2023 Rm |
|---|---|---|---|
| **Continuing operations** | | | |
| **Revenue from contracts with customers** | 6 | **10 058** | 8 339 |
| Cost of sales | | **(8 409)** | (7 231) |
| **Gross profit** | | **1 649** | 1 108 |
| (Increase)/decrease in expected credit losses on financial assets | | **5** | (10) |
| Administration and other operating expenditure | | **(1 035)** | (981) |
| **Trading profit before items listed below:** | | **619** | 117 |
| Fair value and foreign exchange movements | | **(30)** | 55 |
| Fair value loss on Zimbabwe blocked funds | | **—** | (32) |
| Net monetary loss on hyperinflation in Zimbabwe | | **—** | (131) |
| Impairments | 8 | **(267)** | (61) |
| **Profit/(loss) before finance costs, investment income and equity-accounted investments** | | **322** | (52) |
| Finance costs | | **(131)** | (123) |
| Investment income | | **42** | 26 |
| **Profit before equity-accounted investments** | | **233** | (149) |
| Profit from sale of equity-accounted investments | | **—** | 23 |
| **Profit/(loss) before taxation** | | **233** | (126) |
| Taxation | | **(145)** | (202) |
| **Profit/(loss) for the year from continuing operations** | | **88** | (328) |
| **Profit/(loss) for the year from discontinued operations** | 3.1 | **422** | (246) |
| **Profit/(loss) for the year** | | **510** | (574) |
| **Attributable to:** | | | |
| Shareholders of PPC Ltd – continuing operations | | **88** | (328) |
| Shareholders of PPC Ltd – discontinued operations | | **318** | (339) |
| Non-controlling interests | | **104** | 93 |
| | | **510** | (574) |
| **Earnings/(loss) per share (cents)** | | | |
| **Basic – group** | 10 | **27** | (43) |
| **Diluted – group** | | **27** | (43) |
| **Basic – continuing operations** | | **6** | (21) |
| **Diluted – continuing operations** | | **6** | (21) |
| **Basic – discontinued operations** | | **21** | (22) |
| **Diluted – discontinued operations** | | **21** | (22) |

[(a)] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*

# SUMMARISED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2024

| | Foreign currency translation reserve | | Financial assets at fair value through other comprehensive income | | Post-retirement benefits | | Retained profit | | Total comprehensive profit/(loss) | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | Restated[a] March 2023 Rm | **March 2024 Rm** | March 2023 Rm |
| **Profit/(loss) for the year** | **—** | — | **—** | — | **—** | — | **510** | (574) | **510** | (574) |
| **Items that will be reclassified to profit or loss on disposal** | | | | | | | | | | |
| Translation of foreign operation | **32** | (2 420) | **—** | — | **—** | — | **—** | — | **32** | (2 420) |
| Loss reclassified to profit or loss on disposal of foreign operation | **12** | 111 | **—** | — | **—** | — | **—** | — | **12** | 111 |
| Gain reclassified to profit or loss on disposal of equity-accounted investments | **—** | (8) | **—** | — | **—** | — | **—** | — | **—** | (8) |
| Revaluation of financial assets[b] | **—** | — | **—** | (1) | **—** | — | **—** | — | **—** | (1) |
| **Items that will not be reclassified to profit or loss** | | | | | | | | | | |
| Actuarial gains on post-retirement benefits | **—** | — | **—** | — | **—** | 5 | **—** | — | **—** | 5 |
| **Other comprehensive (loss)/ profit net of taxation** | **44** | (2 317) | **—** | (1) | **—** | 5 | **—** | — | **44** | (2 313) |
| **Total comprehensive income (loss)** | **44** | (2 317) | **—** | (1) | **—** | 5 | **510** | (574) | **554** | (2 887) |
| Attributable to: | | | | | | | | | | |
| Shareholders of PPC Ltd – continuing operations | **113** | (2 445) | **—** | (1) | **—** | 5 | **88** | (328) | **201** | (2 769) |
| Shareholders of PPC Ltd – discontinued operations | **(50)** | 111 | **—** | — | **—** | — | **318** | (339) | **268** | (228) |
| Non-controlling interests | **(19)** | 17 | **—** | — | **—** | — | **104** | 93 | **85** | 110 |

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*
[b] *Revaluation of financial assets has a tax impact of R0,1 million (2023: R0,2 million).*

# SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

| | | Other reserves[a] | | Other reserves[b] | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Stated capital | Foreign currency translation reserve | Financial assets at fair value through other comprehensive income | Post-retirement benefit | Equity compen-sation reserve | Retained profit | Equity attributable to shareholders of PPC Ltd | Non-controlling interests | Total equity |
| | Rm | Rm | Rm | Rm | Rm | Rm | Rm | Rm | Rm |
| **March 2024** | | | | | | | | | |
| **Balance at 31 March 2023** | 4 544 | (7 388) | (4) | 5 | 569 | 7 999 | 5 725 | 617 | 6 342 |
| **Movement for the year** | (192) | 63 | — | — | (449) | 823 | 245 | (690) | (445) |
| IFRS 2 charges | — | — | — | — | 28 | — | 28 | — | 28 |
| Disposal of subsidiaries | — | — | — | — | — | (75) | (75) | (659) | (734) |
| Shares purchased in terms of the share incentive scheme | (24) | — | — | — | — | — | (24) | — | (24) |
| Vesting of share incentive scheme | 31 | — | — | — | (31) | — | — | — | — |
| Purchase of PPC Ltd shares by a subsidiary | (199) | — | — | — | — | — | (199) | — | (199) |
| Other movement | — | — | — | — | (446) | 492 | 46 | (46) | — |
| Profit/(loss) for the year | — | — | — | — | — | 406 | 406 | 104 | 510 |
| Other comprehensive income/(loss)[b] | — | 63 | — | — | — | — | 63 | (19) | 44 |
| Dividends declared | — | — | — | — | — | — | — | (70) | (70) |
| **Balance at 31 March 2024** | 4 352 | (7 325) | (4) | 5 | 120 | 8 822 | 5 970 | (73) | 5 897 |
| **March 2023** | | | | | | | | | |
| **Balance at 31 March 2022** | 4 575 | (5 054) | (3) | — | 465 | 7 367 | 7 350 | 22 | 7 372 |
| IFRS 2 charges | — | — | — | — | 27 | — | 27 | — | 27 |
| Vesting of share incentive scheme | 5 | — | — | — | (5) | — | — | — | — |
| Actuarial gains | — | — | — | 5 | | | 5 | — | 5 |
| Disposal of subsidiaries | — | — | — | — | — | (24) | (24) | 579 | 555 |
| Shares purchased in terms of the share incentive scheme | (36) | — | — | — | — | — | (36) | — | (36) |
| Other movement | — | — | — | — | 8 | (7) | 1 | — | 1 |
| Zimbabwe hyperinflation impact | — | — | — | — | 74 | 1 330 | 1 404 | — | 1 404 |
| Profit/(loss) for the year | — | — | — | — | — | (667) | (667) | 93 | (574) |
| Other comprehensive income/(loss) | — | (2 334) | (1) | — | — | — | (2335) | 17 | (2 318) |
| Dividends declared | — | — | — | — | — | — | — | (94) | (94) |
| **Balance at 31 March 2023** | 4 544 | (7 388) | (4) | 5 | 569 | 7 999 | 5 725 | 617 | 6 342 |

[a] *Description of other reserves:*
*The foreign currency translation reserve includes exchange differences arising on monetary items that form part of PPC's net investment in a foreign operation.*
*Financial assets at fair value through other comprehensive income includes fair value changes and impairment adjustments on fair value through other comprehensive income assets. The cumulative gain or loss is recognised in the statement of profit or loss on derecognition of the financial assets.*

*Equity compensation reserve represents the increase in equity from the issuance of shares relating to the forfeitable share incentive scheme (FSP) and BEE transactions. Due to the expiry of the Zimbabwe indigenisation arrangement, there has been a reclassification between the reserve and retained earnings.*
*The post-retirement benefit reserve includes actuarial gains and losses on the post-retirement benefit.*

[b] *The reduction in the foreign currency translation reserve is due to the discontinuation of hyperinflation accounting.*

# SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

| | March 2024 Rm | Restated[a] March 2023 Rm |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Cash generated from operations** | **900** | 725 |
| Finance costs paid | **(124)** | (111) |
| Interest received | **32** | 14 |
| Taxation paid | **(185)** | (144) |
| **Cash available from operations** | **623** | 484 |
| Net operating activities from discontinued operations | **183** | 357 |
| **Net cash inflow from operating activities** | **806** | 841 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Investment in intangible assets | **(8)** | (12) |
| Investment in property, plant and equipment (adjusted for capital expenditure accruals) | **(400)** | (368) |
| Proceeds from disposal of property, plant and equipment | **24** | 5 |
| Proceeds from disposal of equity-accounted investments | **—** | 15 |
| Proceeds from long-term receivables | **21** | — |
| Proceeds from sale of a subsidiary[b] | **656** | — |
| Net investing activities from discontinued operations | **(50)** | (174) |
| **Net cash outflow from investing activities** | **243** | (534) |
| **Net cash inflow before financing activities** | **1 049** | 307 |

| | March 2024 Rm | Restated[a] March 2023 Rm |
|---|---|---|
| **CASH FLOWS FROM FINANCING ACTIVITIES[c]** | | |
| Purchase of PPC Ltd shares by a subsidiary | **(199)** | — |
| Purchase of PPC Ltd in terms of the FSP incentive scheme | **(24)** | (36) |
| Repayment of borrowings | **(150)** | (282) |
| Proceeds from borrowings raised | **—** | 3 |
| Repayment of principal portion of lease liabilities | **(34)** | (29) |
| Dividends paid to non-controlling interest | **(70)** | (94) |
| Net financing activities from discontinued operations | **(127)** | (280) |
| **Net cash outflow from financing activities** | **(604)** | (718) |
| **Net movement in cash and cash equivalents** | **445** | (411) |
| Cash and cash equivalents at the beginning of the year | **424** | 764 |
| Effect of exchange rate movements on cash and cash equivalents – continuing operations | **1** | 27 |
| Effect of exchange rate movements on cash and cash equivalents – discontinued operations | **(13)** | 44 |
| **Cash and cash equivalents at the end of the year** | **857** | 424 |
| Cash and cash equivalents comprise | | |
| Cash and cash equivalents – continuing operations | **857** | 264 |
| Cash and cash equivalents – discontinued operations | **—** | 160 |
| **Group cash and cash equivalents at the end of the year** | **857** | 424 |

(a) *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*
(b) *Comprises of gross proceeds (R809 million) less cash and cash equivalents derecognised from the sale of CIMERWA (R153 million).*
(c) *During the period, the unfavourable non-cash changes on borrowings amounted to R15 million (March 2023: R50 million favourable) arising from unrealised foreign exchange differences.*

# SEGMENTAL INFORMATION

for the year ended 31 March 2024

The group discloses its operating segments according to the business units, which are reviewed by the group executive committee, which is also the chief operating decision-maker for the group. The group executive committee views the South African and Botswana cement businesses as one business unit and reviews the results on this basis. The group executive committee primarily uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) to assess the performance of the operating segments.

The operating segments are initially identified based on the products produced and sold and then per geographical location. The operating segments are SA and Botswana Cement, Zimbabwe, Rwanda, aggregates, ash and readymix and group services.

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

| | Consolidated | | Cement: SA and Botswana | |
|---|---|---|---|---|
| | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm |
| **Revenue from contracts with customers** | | | | |
| Gross revenue | **10 457** | 8 632 | **6 080** | 5 782 |
| Inter-segment revenue[c] | **(399)** | (293) | **(371)** | (273) |
| **Total revenue[d]** | **10 058** | 8 339 | **5 709** | 5 509 |
| Gross revenue | **10 058** | 8 339 | **6 080** | 5 782 |
| Cost of sales | **(8 409)** | (7 231) | **(5 114)** | (4 976) |
| Expected credit losses on financial assets | **5** | (10) | **3** | (4) |
| Admin and other operating expenses[h] | **(1 035)** | (981) | **(648)** | (548) |
| **Trading profit before items listed below** | **619** | 117 | **321** | 254 |
| Fair value and foreign exchange gains movements | **(30)** | 55 | **(6)** | (2) |
| Fair value loss on Zimbabwe blocked funds | **—** | (32) | **—** | — |
| Net monetary loss on hyperinflation in Zimbabwe | **—** | (131) | **—** | — |
| (Impairments)/reversal of impairments | **(267)** | (61) | **(197)** | (8) |
| **Profit/(loss) before finance costs, investment income and equity-accounted investments** | **322** | (52) | **118** | 244 |
| Finance costs | **(131)** | (123) | **(123)** | (112) |
| Investment income | **42** | 26 | **30** | 12 |
| **Profit/(loss) before equity-accounted earnings** | **233** | (149) | **25** | 144 |
| Profit from sale of equity-accounted investments | **—** | 23 | **—** | — |
| **Profit/(loss) before taxation** | **233** | (126) | **25** | 144 |
| Taxation | **(145)** | (202) | **(13)** | (4) |
| **Profit/(loss) for the year from continuing operations** | **88** | (328) | **12** | 140 |
| **Profit/(loss) for the year from discontinued operations** | **422** | (246) | **—** | — |
| Profit/(loss) for the year | **510** | (574) | **12** | 140 |
| **Attributable to:** | | | | |
| Shareholders of PPC Ltd – continuing operations | **88** | (328) | **12** | 140 |
| Shareholders of PPC Ltd – discontinued operations | **318** | (339) | **—** | — |
| Non-controlling interests | **104** | 93 | **—** | — |
| | **510** | (574) | **12** | 140 |

| | Zimbabwe | | Materials business: Rwanda | | Materials business: Aggregates, ash and readymix – South Africa | | Group services and other[b] | |
|---|---|---|---|---|---|---|---|---|
| | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | Restated[a] March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | Restated[a] March 2023 Rm |
| **Revenue from contracts with customers** | | | | | | | | |
| Gross revenue | **3 346** | 1 753 | **—** | — | **1 031** | 1 097 | **—** | — |
| Inter-segment revenue[c] | **—** | — | **—** | — | **(28)** | (20) | **—** | — |
| **Total revenue[d]** | **3 346** | 1 753 | **—** | — | **1 003** | 1 077 | **—** | — |
| Gross revenue | **3 346** | 1 753 | | | **1 031** | 1 097 | **(399)** | (293) |
| Cost of sales | **(2 729)** | (1 478) | **—** | — | **(964)** | (1 058) | **398** | 281 |
| Expected credit losses on financial assets | **(2)** | (12) | **—** | — | **3** | 5 | **1** | 1 |
| Admin and other operating expenses[h] | **(136)** | (179) | **—** | — | **(62)** | (141) | **(189)** | (113) |
| **Trading profit before items listed below** | **479** | 84 | **—** | — | **8** | (97) | **(189)** | (124) |
| Fair value and foreign exchange gains movements | **(41)** | 35 | **—** | — | **(3)** | (2) | **20** | 24 |
| Fair value loss on Zimbabwe blocked funds | **—** | — | **—** | — | **—** | — | **—** | (32) |
| Net monetary loss on hyperinflation in Zimbabwe | **—** | (131) | **—** | — | **—** | — | **—** | — |
| (Impairments)/reversal of impairments | **—** | — | **—** | — | **(70)** | (49) | **—** | (4) |
| **Profit/(loss) before finance costs, investment income and equity-accounted investments** | **438** | (12) | **—** | — | **(65)** | (148) | **(169)** | (136) |
| Finance costs | **(4)** | (6) | **—** | — | **(1)** | (2) | **(3)** | (3) |
| Investment income | **—** | 3 | **—** | — | **1** | — | **11** | 11 |
| **Profit/(loss) before equity-accounted earnings** | **434** | (15) | **—** | — | **(65)** | (150) | **(161)** | (128) |
| Profit from sale of equity-accounted investments | **—** | — | **—** | — | **—** | — | **—** | 23 |
| **Profit/(loss) before taxation** | **434** | (15) | **—** | — | **(65)** | (150) | **(161)** | (105) |
| Taxation | **(112)** | (137) | **—** | — | **6** | 11 | **(26)** | (72) |
| **Profit/(loss) for the year from continuing operations** | **322** | (152) | **—** | — | **(59)** | (139) | **(187)** | (177) |
| **Profit/(loss) for the year from discontinued operations** | **—** | — | **225** | 179 | **—** | — | **197** | (425) |
| Profit/(loss) for the year | **322** | (152) | **225** | 179 | **(59)** | (139) | **10** | (602) |
| **Attributable to:** | | | | | | | | |
| Shareholders of PPC Ltd – continuing operations | **322** | (152) | **—** | — | **(59)** | (139) | **(187)** | (177) |
| Shareholders of PPC Ltd – discontinued operations | **—** | — | **121** | 78 | **—** | — | **197** | (417) |
| Non-controlling interests | **—** | — | **104** | 101 | **—** | — | **—** | (8) |
| | **322** | (152) | **225** | 179 | **(59)** | (139) | **10** | (602) |

# SEGMENTAL INFORMATION continued

for the year ended 31 March 2024

| | | | Cement | | | | Materials business | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Aggregates, ash and readymix | | Group services and other[b] | |
| | Consolidated | | SA and Botswana | | Zimbabwe | | Rwanda[a] | | South Africa | | | |
| | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm | **March 2024 Rm** | March 2023 Rm |
| **Basic – continuing operations** | **6** | (21) | **1** | 9 | **21** | (10) | **—** | — | **(4)** | (9) | **(12)** | (11) |
| **Basic – discontinued operations** | **21** | (22) | **—** | — | **—** | | **8** | 5 | **—** | — | **13** | (27) |
| **Headline EPS – continuing operations** | **19** | (20) | **11** | 10 | **22** | (10) | **—** | — | **(1)** | (7) | **(13)** | (13) |
| **Headline EPS – discontinued operations** | **8** | 11 | **—** | — | **—** | — | **8** | 13 | **—** | — | **—** | (2) |
| Depreciation and amortisation | **623** | 778 | **363** | 420 | **196** | 282 | **—** | — | **36** | 48 | **28** | 28 |
| EBITDA[e][h] | **1 242** | 896 | **684** | 674 | **675** | 365 | **—** | — | **43** | (65) | **(160)** | (78) |
| EBITDA margin (%)[g] | **N/A** | N/A | **11.3** | 11.7 | **20.2** | 20.8 | **—** | — | **4.2** | (5.9) | **—** | — |
| EBITDA margin (%)[f] | **12.3** | 10.7 | **12.0** | 12.2 | **20.2** | 20.8 | **—** | — | **4.3** | (6.0) | **—** | — |
| **Assets** | | | | | | | | | | | | |
| Non-current assets (excluding equity-accounted investments) | **6 359** | 7 720 | **3 673** | 3 894 | **2 188** | 2 181 | **—** | 1 169 | **221** | 233 | **277** | 243 |
| Assets held for sale and held by disposal groups | **3** | 8 | **—** | — | **3** | — | **—** | — | **—** | 8 | **—** | — |
| Current assets | **3 193** | 2 759 | **2 245** | 1 435 | **688** | 504 | **—** | 510 | **208** | 212 | **52** | 98 |
| **Total assets** | **9 555** | 10 487 | **5 918** | 5 329 | **2 879** | 2 685 | **—** | 1 679 | **429** | 453 | **329** | 341 |
| Investments in property, plant and equipment and intangibles (refer to note 2) | **411** | 437 | **264** | 217 | **105** | 117 | **—** | 52 | **18** | 38 | **24** | 13 |
| **Liabilities** | | | | | | | | | | | | |
| Non-current liabilities | **1 637** | 2 420 | **1 004** | 1 592 | **485** | 493 | **—** | 173 | **24** | 20 | **124** | 142 |
| Current liabilities | **2 021** | 1 725 | **1 393** | 861 | **404** | 294 | **—** | 358 | **162** | 164 | **62** | 48 |
| **Total liabilities** | **3 658** | 4 145 | **2 379** | 2 453 | **889** | 787 | **—** | 531 | **186** | 184 | **186** | 190 |
| Capital commitments (refer to note 11) | **206** | 227 | **78** | 65 | **114** | 92 | **—** | 63 | **1** | 4 | **13** | 3 |

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*
[b] *Group services and other comprises Group shared services, PPC International Holdings, BEE entities and group eliminations.*
[c] *Segments are disclosed net of inter-segment transactions.*
[d] *Revenue from external customers generated by the group's material foreign operations is as follows:*
*Botswana R459 million (2023: R438 million)*
*Zimbabwe R3 346 million (2023: R1 753 million).*
[e] *EBITDA is defined as trading profit before depreciation and amortisation.*
[f] *EBITDA margin is defined as EBITDA divided by total revenue (including inter-segment revenue).*
[g] *EBITDA margin is defined as EBITDA divided by total revenue (excluding inter-segment revenue).*
[h] *Includes a once-off non-cash item of R55 million.*

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

## 1. BASIS OF PREPARATION

The summarised consolidated financial statements have been prepared in accordance with the provisions of the JSE Limited (JSE) Listings Requirements for abridged reports and the requirements of the Companies Act 71 of 2008 (Companies Act), as applicable to the summary financial statements. The Listings Requirements require the abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the South African Institute of Chartered Accountants' Financial Reporting Guides, as issued by the Accounting Practices Committee, and Financial Pronouncements as issued by Financial Reporting Standards Council, and contain, at a minimum, the information required by IAS 34 – *Interim Financial Reporting*. The summary consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 March 2024, which have been prepared in accordance with IFRS and the Companies Act 71 of 2008 of South Africa.

A copy of the full set of the audited consolidated financial statements is available for inspection from the company secretary or can be downloaded from the website at www.ppcafrica.co.za.

All accounting policies applied in the preparation of these summarised consolidated financial statements are in compliance with IFRS, and the accounting policies are consistent with the prior year except where the group has adopted new or revised accounting standards, amendments and interpretations of those standards, which became effective during the year under review. The adoption of any new or revised standards had no significant impact on the consolidated financial statements.

The consolidated and summarised consolidated financial statements have been prepared under the supervision of B Berlin CA(SA), chief financial officer, and were approved by the board of directors on Friday, 21 June 2024. The directors take full responsibility for the preparation of these summarised unaudited consolidated financial statements.

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

# 1. BASIS OF PREPARATION continued

## 1.1 SIGNIFICANT JUDGEMENTS MADE BY MANAGEMENT AND SOURCES OF ESTIMATION UNCERTAINTY

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

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

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

Inventory write down to net realisable value amounted to Rnil (2023: R20 million) during the year.

## 1.2 GOING CONCERN

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

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

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 2. PROPERTY, PLANT AND EQUIPMENT

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

## 2. PROPERTY, PLANT AND EQUIPMENT continued

| | Freehold and leasehold land and buildings Rm | Mineral rights Rm | Decom-missioning assets Rm | Plant, vehicles, furniture and equipment Rm | Total Rm |
|---|---|---|---|---|---|
| **March 2023** | | | | | |
| Cost | 2 646 | 164 | 93 | 13 157 | 16 060 |
| Accumulated depreciation and impairments | (951) | (100) | (27) | (7 651) | (8 729) |
| | 1 695 | 64 | 66 | 5 506 | 7 331 |
| **Movements during the year** | | | | | |
| Net carrying value at the beginning of the year | 2 134 | 101 | 239 | 6 781 | 9 255 |
| Additions | 18 | 2 | 1 | 399 | 420 |
| To enhance existing operations | 14 | 1 | 1 | 356 | 372 |
| To expand operations | 4 | 1 | — | 43 | 48 |
| Depreciation | (99) | (7) | (16) | (717) | (839) |
| Disposals | — | (1) | — | (14) | (15) |
| Impairments (refer to note 8) | (9) | (20) | — | (55) | (84) |
| Other movements | (59) | — | 60 | (7) | (6) |
| Hyperinflation impact | 566 | — | (22) | 990 | 1 534 |
| Transfer to non-current assets held for sale (refer to note 8) | — | — | — | (8) | (8) |
| Translation differences | (856) | (11) | (196) | (1 863) | (2 926) |
| Net carrying value at the end of the year | 1 695 | 64 | 66 | 5 506 | 7 331 |

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 3. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS

| | Notes | 31 March 2024 Rm | 31 March 2023 Rm |
|---|---|---|---|
| Houses in PPC Zimbabwe | | 3 | — |
| Readymix trucks | | — | 8 |
| | | 3 | 8 |

### PPC ZIMBABWE HOUSES

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

During FY24, PPC Zimbabwe decided to offer 69 houses to qualifying employees who were not on the original list of beneficiaries (mainly new employees). This disposal process will not be subject to the previous disposal requirements as the Village 2 has already been handed over to the respective Rural District Council. The disposal of the 69 houses is mainly a process between the beneficiaries and PPC Zimbabwe.

### READYMIX TRUCKS

During the prior year, certain trucks/tipper trucks were classified as non-current assets held for sale in terms of IFRS 5. The trucks were sold and derecognised during the current year.

### CIMERWA

Management concluded that the effective date for the disposal was 25 January 2024 and CIMERWA was deconsolidated with effect from that date. Refer to note 7.

## 3. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS continued

| | | March 2024 Rm | March[a] 2023 Rm |
|---|---|---|---|
| 3.1 | **Discontinued operations[b]** | | |
| | **Revenue** | **1 318** | 1 639 |
| | Cost of sales | **(929)** | (1 161) |
| | **Gross profit** | **389** | 478 |
| | Expected credit losses on trade receivables | **—** | (14) |
| | Administration and other operating expenditure | **(99)** | (115) |
| | **Operating profit before items listed below:** | **290** | 349 |
| | Fair value and foreign exchange loss | **15** | 14 |
| | Impairments (impairment reversal) | **—** | (86) |
| | **(Loss)/profit before finance costs, investment income** | **305** | 277 |
| | Finance costs | **(22)** | (71) |
| | Investment income | **2** | 1 |
| | **(Loss)/profit before taxation** | **285** | 207 |
| | Taxation | **(60)** | (24) |
| | **(Loss)/profit for the year from discontinued operations** | **225** | 183 |
| | Profit/(loss) on disposal of subsidiaries | **197** | (429) |
| | **Profit/(loss) for the year** | **422** | (246) |
| | **Attributable to:** | | |
| | Shareholders of PPC Ltd | **318** | (339) |
| | Non-controlling interests | **104** | 93 |
| | | **422** | (246) |
| | **(Loss)/profit per share (cents)** | | |
| | **Basic – discontinued operations** | **21** | (22) |
| | **Diluted – discontinued operations** | **21** | (22) |

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 3. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS continued

| | | March 2024 Rm | March 2023 Rm |
|---|---|---|---|
| 3.2 | **Cash flows from discontinued operations** | | |
| | Net operating cash flows from discontinued operations | **183** | 357 |
| | Net investing cash flows from discontinued operations | **(50)** | (174) |
| | Net financing cash flows from discontinued operations | **(127)** | (280) |
| | Effect of exchange rate movements on cash and cash equivalents | **(13)** | 44 |
| | **Net (decrease)/increase in cash and cash equivalents** | **(7)** | (53) |

[a] *The 2023 comparative figures have been re-presented to include CIMERWA.*
[b] *Discontinued operations in March 2024 includes amounts for CIMERWA until 25 January 2024. In the prior year, these amounts include PPC Barnet until 29 April 2023 and CIMERWA.*

# 4. STATED CAPITAL AND RESERVES

| | 31 March 2024 Shares | 31 March 2023 Shares |
|---|---|---|
| **Stated capital** | | |
| **Authorised ordinary shares** | **10 000 000 000** | 10 000 000 000 |
| Refer to note 10 for total shares in issue | | |
| **Authorised preference shares** | **20 000 000** | 20 000 000 |
| Twenty million preference shares of R1 000 each. No preference shares have been issued. | | |

| | Rm | Rm |
|---|---|---|
| **Stated capital** | | |
| Balance at the beginning of the year | **4 544** | 4 575 |
| Shares purchased in terms of incentive scheme | **(24)** | (36) |
| Vesting of share incentive scheme | **31** | 5 |
| Purchase of PPC Ltd shares by a subsidiary | **(199)** | — |
| Balance at the end of the year | **4 352** | 4 544 |

| | Shares | Shares |
|---|---|---|
| **Unissued shares** | | |
| Ordinary shares | **8 446 235 376** | 8 446 235 376 |
| Preference shares | **20 000 000** | 20 000 000 |

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 5. BORROWINGS

| | March 2024 Rm | March 2024 Rm | March 2023 Rm | | | | | |
|---|---|---|---|---|---|---|---|---|
| **South Africa long-term funding** | **Available** | **Utilised** | **Utilised** | **Interest base** | **Interest margin (basis points)** | **Interest payment frequency** | **Final maturity** | **Security** |
| Facility A – bullet term loan | — | 400 | 400 | 3-month JIBAR | 284 | Quarterly | 17 Dec 2024 | Secured |
| Facility B – revolving credit facility | 500 | — | — | 3-month JIBAR | 305 | Quarterly | 17 Dec 2025 | Secured |
| Facility C – amortising term loan | — | 375 | 525 | 3-month JIBAR | 294 | Quarterly | 15 Sep 2026 | Secured |
| Capitalised transaction costs | — | (4) | (4) | | | | | |
| Capitalised transaction costs written off | — | 4 | 3 | | | | | |
| **Total** | 500 | 775 | 924 | | | | | |
| **International project funding** | | | | | | | | |
| Rwanda new facility | — | — | 265 | 13,2% | N/A | Monthly | 30 Aug 2024 | Secured |
| Capitalised transaction costs | — | — | (6) | | | | | |
| **Total** | — | — | 259 | | | | | |
| **Total long-term borrowings** | 500 | 775 | 1 183 | | | | | |
| **Short-term facilities** | | | | | | | | |
| South Africa | 540 | 4 | 6 | | | | | |
| **Total short-term borrowings** | 540 | 4 | 6 | | | | | |
| **Total borrowings** | 1 040 | 779 | 1 189 | | | | | |

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 5. BORROWINGS continued

| | March 2024 Rm | March 2023 Rm |
|---|---|---|
| **Broken down as follows:** | | |
| Long-term portion of long-term funding | | |
| South Africa | **225** | 775 |
| Rwanda | **—** | 77 |
| | **225** | 852 |
| Short-term portion of long-term funding | | |
| South Africa | **550** | 149 |
| Rwanda | **—** | 182 |
| | **550** | 331 |
| Short-term facilities and bank overdrafts | **4** | 6 |
| | **779** | 1 189 |

## 6. REVENUE FROM CONTRACTS WITH CUSTOMERS

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

The group has the following revenue stream, which is recognised at a point in time:

| | **March 2024 Rm** | Restated[(a)] March 2023 Rm |
|---|---|---|
| **Disaggregation of revenue** | | |
| Cementitious goods | **9 055** | 7 262 |
| Aggregates | **154** | 154 |
| Readymix | **717** | 803 |
| Ash | **132** | 120 |
| **Total revenue** | **10 058** | 8 339 |
| **Major goods and services per primary geographical markets** | | |
| | **10 058** | 8 339 |
| South Africa | **6 253** | 6 148 |
| Botswana | **459** | 438 |
| Zimbabwe | **3 346** | 1 753 |

[(a)] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 7. DISPOSAL OF SUBSIDIARIES

**CIMERWA**

Management concluded that the effective date for the disposal was 25 January 2024 and CIMERWA was de-consolidated with effect from that date. The profit on sale of the business is included in note 3.

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

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

## 8. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS

| | **March 2024 Rm** | Restated[a] March 2023 Rm |
|---|---|---|
| Impairment of intangible assets | **—** | (5) |
| Impairment of property, plant and equipment (refer to note 2) | **(197)** | (15) |
| Impairment of CGUs (refer to note 2) | **(70)** | (42) |
| Reversal of impairment of property, plant and equipment (refer to note 2) | **—** | 1 |
| Gross impairments and reversals of impairments | **(267)** | (61) |
| Taxation impact | **72** | 17 |
| Net impairments | **(195)** | (44) |

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*

## 9. TAXATION

| | 31 March 2024 % | 31 March 2023 % |
|---|---|---|
| **Taxation rate reconciliation** | | |
| Effective tax rate | **62** | 262 |
| Prior years' taxation impact | **(2)** | 67 |
| Profit before taxation, excluding prior years' taxation adjustments | **60** | 329 |
| Income taxation effect of: | | |
| Foreign taxation rate differential | **5** | 21 |
| Expenditure attributable to non-taxable income | **(13)** | (9) |
| Expenditure not deductible in terms of taxation legislation[a] | **(20)** | (49) |
| Withholding taxation | **(13)** | (24) |
| Fair value adjustments on financial instruments not taxable or deductible | **2** | 1 |
| **Normalised taxation rate** | **21** | 269 |
| Taxation effect of the following transactions | | |
| Non-taxable income | **8** | — |
| Deferred taxation not raised | **(6)** | (88) |
| Change in tax rate | **(7)** | — |
| Impairment of investments | **—** | (12) |
| Accounting profit on disposal of investments | **—** | 7 |
| **Adjusted taxation rate before Zimbabwe** | **16** | 176 |
| Expected credit loss provision on Zimbabwe blocked funds | **(3)** | (9) |
| Fair value adjustment on Zimbabwe financial asset | **3** | — |
| Unwinding of deferred tax due to change in functional currency | **11** | — |
| Tax effect of Zimbabwe hyperinflation | **—** | (140) |
| South African normal taxation rate | **27** | 27 |

[a] *Disallowed expenses in the jurisdictions in which PPC operates including interest, legal and consulting fees that are capital in nature, fines and penalties, non-deductible IFRS adjustments and limitations on the deductible value of telephone, entertainment and public relations.*

## 10. EARNINGS AND HEADLINE EARNINGS PER SHARE

### 10.1 NUMBER OF SHARES AND WEIGHTED AVERAGE NUMBER OF SHARES

| | 31 March 2024 shares | 31 March 2023 shares |
|---|---|---|
| **Total shares in issue at the beginning of the year** | **1 553 764 624** | 1 553 764 624 |
| **Total shares in issue at the end of the year** | **1 553 764 624** | 1 553 764 624 |
| Treasury shares | **(54 216 556)** | (29 977 850) |
| **Weighted average number of shares for calculation of basic earnings per share** | **1 499 548 068** | 1 523 786 774 |
| Adjusted for: | | |
| Shares held by consolidated Safika Trust treated as treasury shares | **—** | 1 354 347 |
| **Weighted average number of shares for calculation of diluted earnings per share** | **1 499 548 068** | 1 525 141 121 |

## 10. EARNINGS AND HEADLINE EARNINGS PER SHARE continued

### 10.2 TREASURY SHARES

In terms of IFRS requirements, shares held by subsidiaries, consolidated BBBEE entities and employee trusts are treated as treasury shares. As at 31 March 2024, a total of 3,49% (2023: 2%) of the total shares in issue are thus treated as treasury shares.

| | Number of shares |
|---|---|
| ***Shares held by PPC GPCO*** | |
| Shares owned in PPC Ltd due to the share repurchase programme | 28 259 290 |
| ***Long-term incentive plan*** | |
| The scheme was introduced on 1 April 2020 and offers employees across the group participation in the LTIP with the aim of driving group performance in line with the company's strategy | 23 686 473 |
| ***Shares held by consolidated Porthold Trust (Pvt) Ltd*** | |
| Shares owned by a Zimbabwe employee trust company are treated as treasury shares | 1 284 556 |
| ***PPC shares held by PPC Zimbabwe*** | |
| PPC Zimbabwe owns shares in PPC Ltd shares via the Zimbabwe Stock Exchange | 986 237 |
| | 54 216 556 |

## 10. EARNINGS AND HEADLINE EARNINGS PER SHARE continued

### 10.3 BASIC EARNINGS/(LOSS)

| | Discontinued operations | | Continuing operations | | Group | |
|---|---|---|---|---|---|---|
| | **March 2024 Rm** | Restated[(a)] March 2023 Rm | **March 2024 Rm** | Restated[(a)] March 2023 Rm | **March 2024 Rm** | March 2023 Rm |
| **Profit/(loss) for the year** | **422** | (246) | **88** | (328) | **510** | (574) |
| Attributable to: | | | | | | |
| Shareholders of PPC Ltd | **318** | (339) | **88** | (328) | **406** | (667) |
| Non-controlling interests | **104** | 93 | **—** | — | **104** | 93 |
| | **422** | (246) | **88** | (328) | **510** | (574) |

### 10.4 EARNINGS/(LOSS) PER SHARE

| | **Cents** | Cents | **Cents** | Cents | **Cents** | Cents |
|---|---|---|---|---|---|---|
| Basic | **21** | (22) | **6** | (21) | **27** | (43) |
| Diluted | **21** | (22) | **6** | (21) | **27** | (43) |

[(a)] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 10. EARNINGS AND HEADLINE EARNINGS PER SHARE continued

### 10.5 HEADLINE EARNINGS/(LOSS)

| | Discontinued operations | | Continuing operations | | Group | |
|---|---|---|---|---|---|---|
| | **March 2024 Rm** | Restated[a] March 2023 Rm | **March 2024 Rm** | Restated[a] March 2023 Rm | **March 2024 Rm** | Restated[a] March 2023 Rm |
| **Headline earnings/(loss)** | | | | | | |
| Headline earnings/(loss) is calculated as follows: | | | | | | |
| **Profit/(loss) for the year** | **422** | (246) | **88** | (328) | **510** | (574) |
| *Adjusted for:* | | | | | | |
| Reversal of impairment of property, plant and equipment and intangible assets (refer to note 8) | **—** | — | **—** | (1) | **—** | (1) |
| Impairment of property, plant and equipment, intangible assets and right-of-use assets (refer to note 8) | **—** | 44 | **267** | 62 | **267** | 106 |
| Impairment of goodwill (refer to note 8) | | 42 | **—** | — | **—** | 42 |
| Taxation on impairments | **—** | (8) | **(72)** | (17) | **(72)** | (25) |
| Loss on sale of property, plant and equipment | **—** | 3 | **9** | 6 | **9** | 9 |
| Profit on sale of equity-accounted associates | **—** | — | **—** | (23) | **—** | (23) |
| (Profit)/loss on disposal of subsidiaries | **(197)** | 400 | **—** | — | **(197)** | 400 |
| Taxation on profit/loss on sale of assets | **—** | (1) | **(2)** | (1) | **(2)** | (2) |
| **Headline earnings/(loss)** | **225** | 234 | **290** | (302) | **515** | (68) |
| *Attributable to:* | | | | | | |
| Shareholders of PPC Ltd | **121** | 162 | **290** | (302) | **411** | (140) |
| Non-controlling interests | **104** | 72 | **—** | — | **104** | 72 |

### 10.6 HEADLINE EARNINGS/(LOSS) PER SHARE

| | **Cents** | Cents | **Cents** | Cents | **Cents** | Cents |
|---|---|---|---|---|---|---|
| Basic | **8** | 11 | **19** | (20) | **27** | (9) |
| Diluted | **8** | 11 | **19** | (20) | **27** | (9) |

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 3.*

## 11. COMMITMENTS

| | March 2024 Rm | March 2023 Rm |
|---|---|---|
| Contracted capital commitments | **118** | 55 |
| Approved capital commitments | **88** | 172 |
| **Capital commitments** | **206** | 227 |
| Lease commitments not reflected in measurement of lease liabilities | **6** | 20 |
| | **212** | 247 |
| **Capital commitments** | | |
| Southern Africa | **87** | 72 |
| Zimbabwe | **119** | 92 |
| Rwanda | **—** | 63 |
| | **206** | 227 |
| **Capital commitments are anticipated to be incurred:** | | |
| Within one year | **175** | 216 |
| Between one and five years | **31** | 11 |
| | **206** | 227 |

**Lease commitments**

This relates to future cash outflows that the group is exposed to that are not reflected in the measurement of the lease liabilities. This includes exposure from variable lease payments for certain leases, lease payments for low-value leases and short-term leases.

| | | |
|---|---|---|
| **Lease commitments** | | |
| Land and buildings | **5** | 6 |
| Plant equipment | **—** | 12 |
| Other | **1** | 2 |
| | **6** | 20 |
| **Lease commitments are anticipated to be incurred:** | | |
| Within one year | **2** | 15 |
| Between one and five years | **4** | 5 |
| | **6** | 20 |

## 12. FINANCIAL RISK MANAGEMENT

### METHODS AND ASSUMPTIONS USED BY THE GROUP IN DETERMINING FAIR VALUES

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

The fair value of unlisted collective investment is valued using the closing unit price at year-end.

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

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

## 12. FINANCIAL RISK MANAGEMENT continued

### FAIR VALUE HIERARCHY DISCLOSURES

| | Notes | Carrying amount (by measurement basis) Amortised cost | Fair value Level 1 | Fair value Level 2 | Fair value Level 3 | Total |
|---|---|---|---|---|---|---|
| **2024** | | | | | | |
| **Financial assets** | | | | | | |
| *At amortised cost* | | | | | | |
| Trade and other financial receivables | | **778** | **—** | **—** | **—** | **778** |
| Cash and cash equivalents | | **857** | **—** | **—** | **—** | **857** |
| Readymix trucks receivable | | **—** | **—** | **—** | **3** | **3** |
| *At fair value through other comprehensive income* | | | | | | |
| Investment in Old Mutual shares on the Zimbabwe Stock Exchange | | **—** | **—** | **2** | **—** | **2** |
| MRG investment | | **—** | **—** | **—** | **6** | **6** |
| *At fair value through profit or loss* | | | | | | **—** |
| Unlisted collective investments at fair value (held for trading) | | **—** | **—** | **153** | **—** | **153** |
| Cell captive investment | | **—** | **—** | **—** | **46** | **46** |
| Interest rate swap asset | | **—** | **—** | **1** | **—** | **1** |
| **Financial liabilities** | | | | | | |
| *At amortised cost* | | | | | | |
| Long-term borrowings | 5 | **225** | **—** | **—** | **—** | **225** |
| Short-term borrowings | 5 | **554** | **—** | **—** | **—** | **554** |
| Lease liabilities | | **154** | **—** | **—** | **—** | **154** |
| Trade and other financial payables | | **1 317** | **—** | **—** | **—** | **1 317** |
| **2023** | | | | | | |
| **Financial assets** | | | | | | |
| *At amortised cost* | | | | | | |
| Trade and other financial receivables | | 811 | — | — | — | 811 |
| Cash and cash equivalents | | 424 | — | — | — | 424 |
| *Loan receivable* | | — | — | — | 24 | 24 |
| *At fair value through other comprehensive income* | | | | | | |
| Investment in Old Mutual shares on the Zimbabwe Stock Exchange | | — | — | 2 | — | 2 |
| *MRG investment* | | — | — | — | 6 | 6 |
| *At fair value through profit or loss* | | | | | | |
| Unlisted collective investments at fair value (held for trading) | | — | — | 144 | — | 144 |
| Cell captive investment | | — | — | — | 33 | 33 |
| **Financial liabilities** | | | | | | |
| *At amortised cost* | | | | | | |
| Long-term borrowings | 5 | 852 | — | — | — | 852 |
| Short-term borrowings | 5 | 337 | — | — | — | 337 |
| Finance lease liabilities | | 70 | — | — | — | 70 |
| Trade and other financial payables | | 1 066 | — | — | — | 1 066 |
| At fair value through profit or loss | | | | | | |
| Interest rate swap liability | | — | — | 1 | — | 1 |

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 12. FINANCIAL RISK MANAGEMENT continued

**FAIR VALUE HIERARCHY DISCLOSURES** continued

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

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

Level 3 – financial assets and liabilities that are valued using unobservable data and require management judgement in determining the fair value.

**Level 3 sensitivity analysis**

| Financial instrument | Valuation technique | Key unobservable inputs | Sensitivity % | Carrying value (Rm) | Increase or decrease (Rm) |
|---|---|---|---|---|---|
| MRG investment | Net asset value | Cash and cash equivalents, investment in unit trusts, insurance fund liabilities | N/A | 6 | — |
| Cell captive investment | Net asset value | Cash and cash equivalents, Investment in unit trusts, Insurance fund liabilities | N/A | 46 | — |
| Readymix truck receivable | The fair value has been determined based on the present value adjusted for counterparty's credit risk | Expected future cash flows adjusted for credit risk | N/A | 3 | — |

## 12. FINANCIAL RISK MANAGEMENT continued

### FAIR VALUE HIERARCHY DISCLOSURES continued

| Movements in level 3 financial instruments | 2024 Rm | 2023 Rm |
|---|---|---|
| **Financial assets at fair value through profit or loss** | | |
| Balance at the beginning of the period | 63 | 51 |
| New financial assets recognised | 3 | 30 |
| Fair value adjustments | 36 | 89 |
| Fair value adjustment – credit risk | (23) | (107) |
| Transfer to short term | (6) | |
| Repayments | (18) | — |
| Balance at the end of the year | 55 | 63 |

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

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

## 13. ADDITIONAL DISCLOSURE

### CONTINGENT LIABILITIES AND GUARANTEES

The total guarantees issued by the group by means of a bank guarantee in favour of the various suppliers were R102 million (2023: R102 million). Included in this amount are financial guarantees for the environmental rehabilitation and decommissioning obligations of the group to the Department of Resources and Energy amounting to R76 million (2023: R76 million).

In Botswana, the tax authorities have queried the methodology for the allocation of taxable profits between manufacturing and non-manufacturing activities, for which different tax rates are applicable. There is currently no dispute with the tax authorities and but the outcome of the engagements between the authorities and the company are not certain.

## 14. EVENTS AFTER REPORTING DATE

### INTRODUCTION OF A NEW STRUCTURED CURRENCY IN ZIMBABWE

The Reserve Bank of Zimbabwe (RBZ) issued out Statutory Instrument (SI) 60 of 2024 on 7 April 2024. The SI introduced a new currency, the Zimbabwe Gold (ZIG) and mandated the suspension of the Zimbabwe Dollar (ZWL) with effect from 8 April 2024. All balances held in ZWL were converted to ZIG by the application of a government recommend rate (ZIG1: ZWL 2 499). As the bulk of PPCZ's transactions and balances were denominated in US$, the introduction of the new currency did not have an impact on the functional currency, operations and cashflows of the business for 2024.

## 15. Audit report

The group's auditors PwC has issued their audit opinion on the consolidated financial statements for the year ended 31 March 2024. The auditor's report sets out their key audit matters. The audit was conducted in accordance with International Standards on Auditing. PwC has issued an unmodified audit opinion. These financial results have been derived from the audited consolidated financial statements and are consistent in all material respects with the audited consolidated financial statements. Any reference to future financial performance included in this announcement has not been reviewed or reported on by PwC.

# CORPORATE INFORMATION

## PPC LTD

Incorporated in the Republic of South Africa
Registration number: 1892/000667/06
JSE code: PPC ZSE code: PPC
JSE ISIN: ZAE 000170049
(PPC or company or group)

## DIRECTORS

PJ Moleketi (chair), SM Cardarelli* (CEO), B Berlin (CFO), N Gobodo, BM Hansen**, K Maphisa, NL Mkhondo, CH Naude, D Smith, MR Thompson

* *Argentinian*
** *Danish*

## REGISTERED OFFICE

First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld
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(PO Box 787416, Sandton, 2146, South Africa)

## TRANSFER SECRETARIES SOUTH AFRICA

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank
Private Bag X9000, Saxonwold, 2132

## TRANSFER SECRETARIES ZIMBABWE

Corpserve (Pvt) Ltd
2nd Floor, ZB Centre
Corner 1st Street and Union Avenue
Harare, Zimbabwe
(PO Box 2208, Harare, Zimbabwe)

## COMPANY SECRETARY

KR Ross
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(PO Box 787416, Sandton, 2146, South Africa)

## SPONSOR

Questco Corporate Advisory (Pty) Ltd
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Hyde Park, Johannesburg, 2196

## FORWARD LOOKING STATEMENT

This report, including statements on the demand outlook, PPC's expansion projects and its capital resources and expenditure, contains certain forward looking views that are not historical facts and relate to other information which is based on forecasts of future results and estimates of amounts not yet determinable. By their nature, forward looking statements involve uncertainties and the risk that these forward looking statements will not be achieved. Although PPC believes the expectations reflected in these statements are reasonable, no assurance can be given that these expectations will prove correct. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, outcomes could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment, other government action and business and operational risks.

Forward looking statements apply only as at the date on which they are made. PPC does not undertake to update or revise them, whether arising from new information, future events or otherwise. While PPC takes reasonable care to ensure the accuracy of information presented, it accepts no responsibility for any damages – be they consequential, indirect, special or incidental, whether foreseeable or unforeseeable – based on claims arising out of misrepresentation or negligence in connection with a forward looking statement. This report is not intended to contain any profit forecasts or profit estimates, and some information in this report may be unaudited.


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