



UNAUDITED INTERIM FINANCIAL
RESULTS FOR THE SIX MONTHS ENDED

30 SEPTEMBER 2023

AGENDA



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FINANCIAL REVIEW



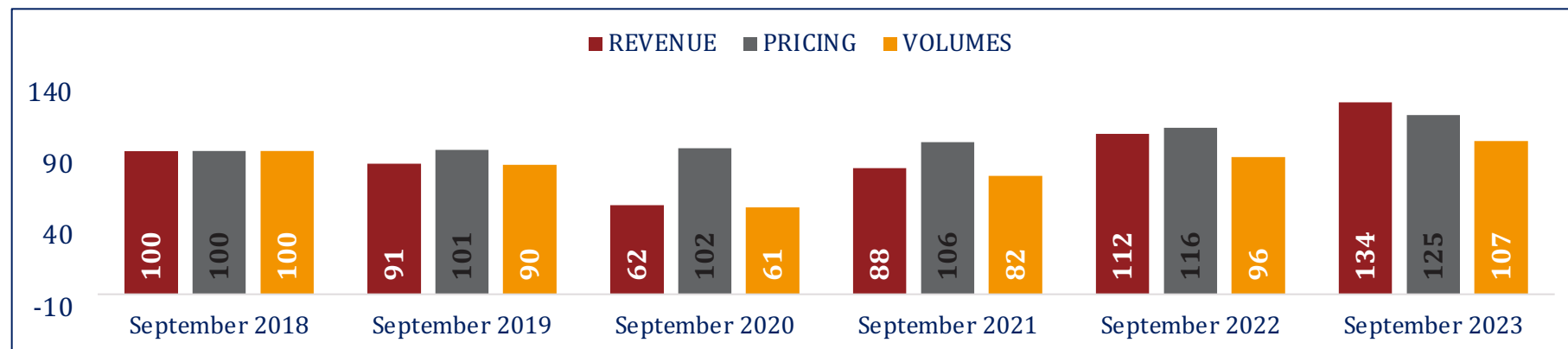
FINANCIAL REVIEW : GROUP

SEPHOLD ¹	MÉTIER ¹	SEPCEM ² <i>SepCem has a December year-end as a subsidiary of Dangote Cement PLC *.</i>
Basic EPS : 7.74 cents H1 2023 : 10.51 cents <div>▼ 26%</div>	Sales revenue : R626,6 million H1 2023 : R523,6 million <div>▲ 20%</div>	Sales revenue : R1,24 billion H1 2022 : R1,16 billion <div>▲ 7%</div>
HEPS : 7.54 cents H1 2023 : 11.26 cents <div>▼ 33%</div>	EBITDA : R62,8 million at margin of 10.0% H1 2023 : R59,2 million at 11.3% <div>▲ 6%</div>	EBITDA : R106,9 million at margin of 8.6% H1 2022 : R146,9 million at margin of 12.6% <div>▼ 27%</div>
NAV : 467.56 cents H1 2023 : 461.35 cents <div>▲ 1%</div>	EBIT : R52,3 million at margin of 8.4% H1 2023 : R43,8 million at 8.4% <div>▲ 19%</div>	EBIT : R14,2 million at margin of 1.1% H1 2022 : R61,8 million at 5.3% <div>▼ 77%</div>
SepCem equity accounted loss: R14,0 million H1 2023 profit : R3,8 million <div>▼ 468%</div>	Profit after tax : R37,8 million H1 2023 : R29,5 million <div>▲ 28%</div>	Loss after tax : R38,9 million H1 2022 profit: R10,5 million <div>▼ 470%</div>
Profit after tax : R19,7 million H1 2023 : R26,7 million <div>▼ 26%</div>		

1. Figures refer to the interim period ended 30 September 2023, and H1 2023 refers to the six months ended 30 September 2022 for the financial year ended 31 March 2023.
2. SepCem has a December year-end as a subsidiary of Dangote Cement PLC. Therefore, the figures refer to the six months ended 30 June 2023, and H1 2022 refers to the figures for the interim ended 30 June 2022.

FINANCIAL REVIEW : MÉTIER

Recovery in revenue and volume now exceeding pre-COVID numbers

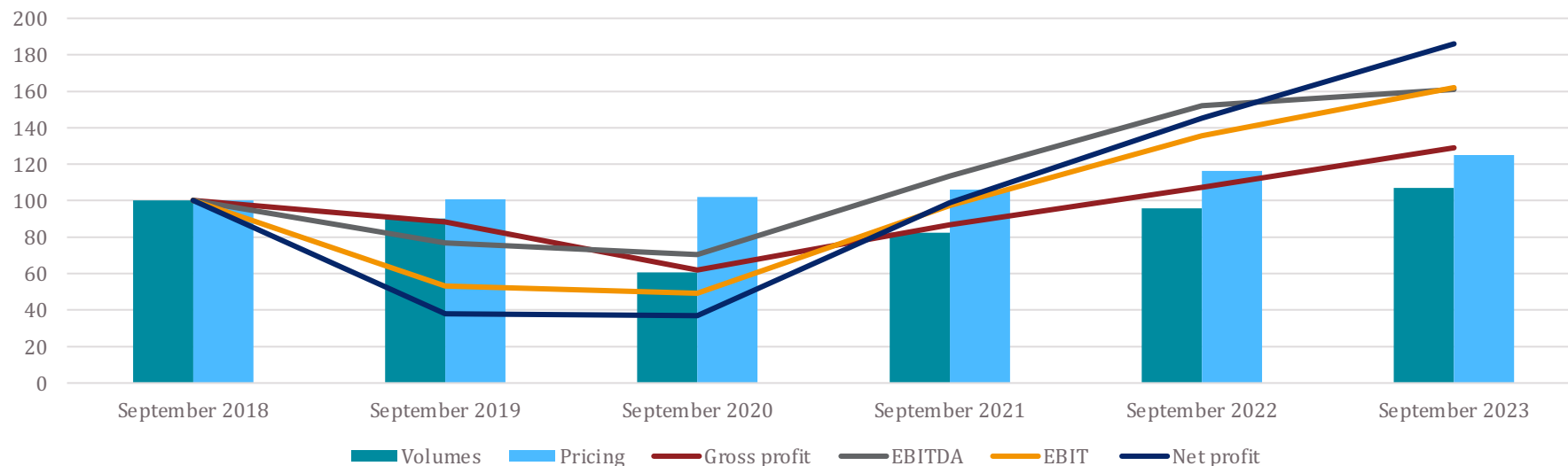


Comparative performance YoY

- 20% ▲ in revenue
- 12% ▲ in sales volumes
- 7% - 10% ▲ in pricing
- Volumes under pressure over the past 5 years due to low demand exceeding 2018 levels for the first time

FINANCIAL REVIEW : MÉTIER

Increased pricing and volume recovery supported profitability

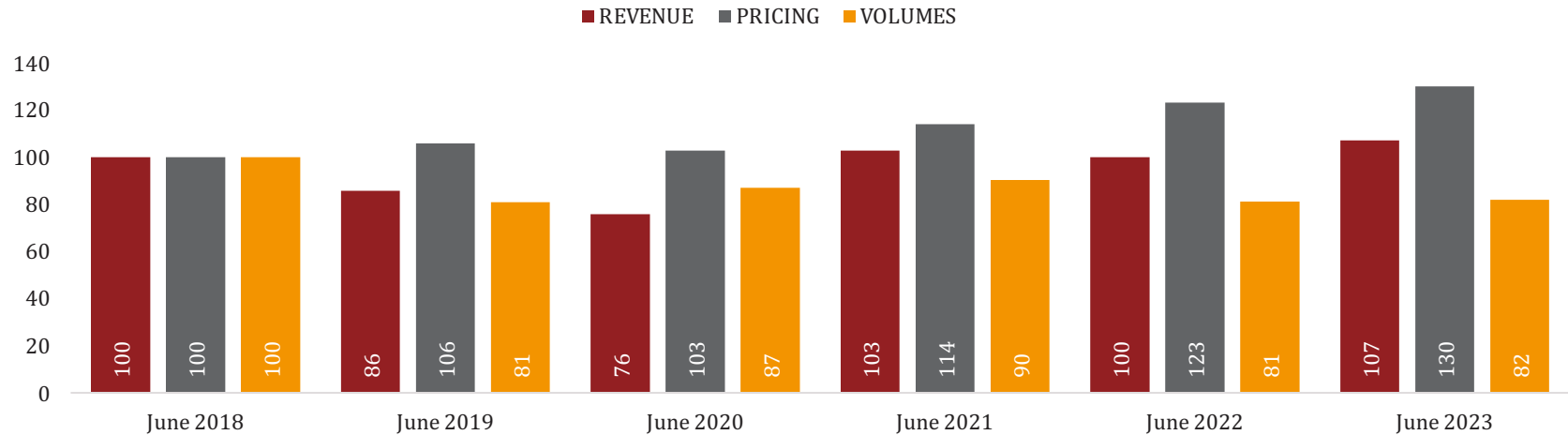


Comparative performance YoY

- 20% ▲ in gross profit to R233 million against 19% ▲ in cost of sales
- 6% ▲ in EBITDA to R63 million
- 19% ▲ in EBIT to R52 million
- 21% ▲ in operating expenses due to high inflationary cost increases
- 28% ▲ in net profit to R38 million

FINANCIAL REVIEW : **SEPCEM**

Declining YoY retail demand impacted revenue growth



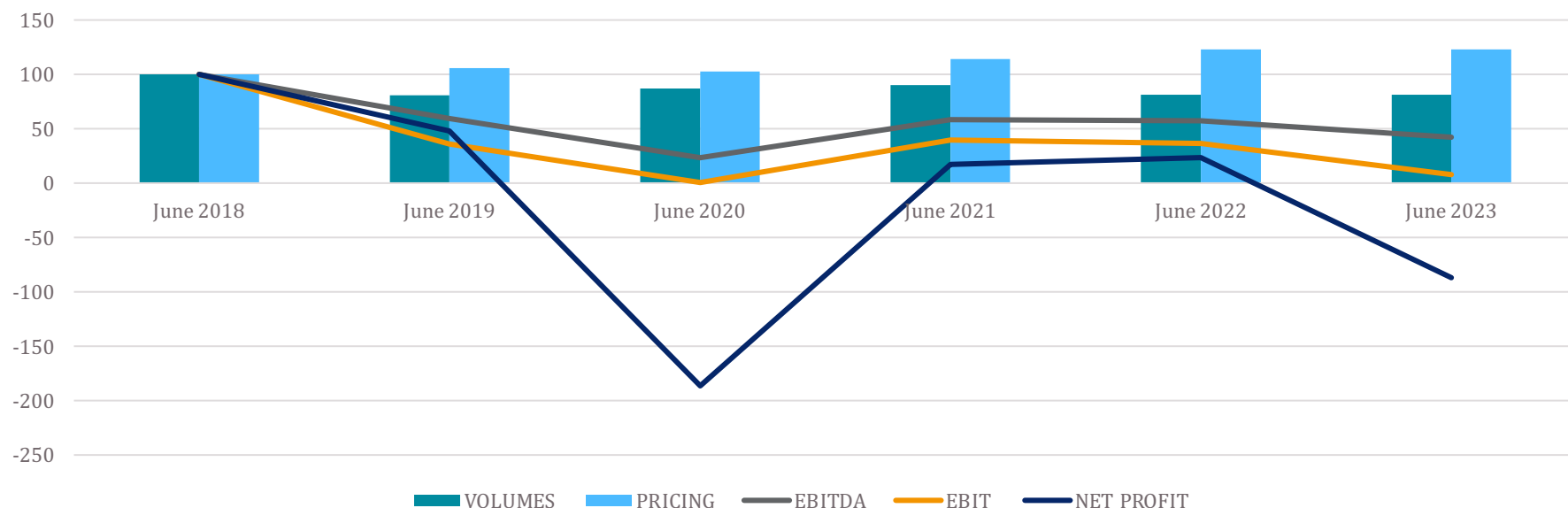
Comparative performance YoY

- Retail demand has been impacted by increasing interest rates and decreasing discretionary incomes resulting in YoY
 - 1% ▲ in sales volumes
 - 7% ▲ in revenue
 - 4% - 6% ▲ increase in pricing
- Sales volumes for the last two years comparable to 2019 levels when demand dropped by 19%.
- Targeted pricing model has partially supported revenue, however still below input cost inflation
- Demand expected to be flat in the medium-term precluding imposition of cement import tariffs or implementation of the planned government infrastructure projects

Unaudited financial results for the six months ended 30 September 2023

FINANCIAL REVIEW : **SEPCEM**

Increased pricing not covering production inflation



Comparative performance YoY

- 27% ▼ in EBITDA to R107 million
- Input cost increases not fully recovered through pricing
- 77% ▼ in EBIT to R14 million

2

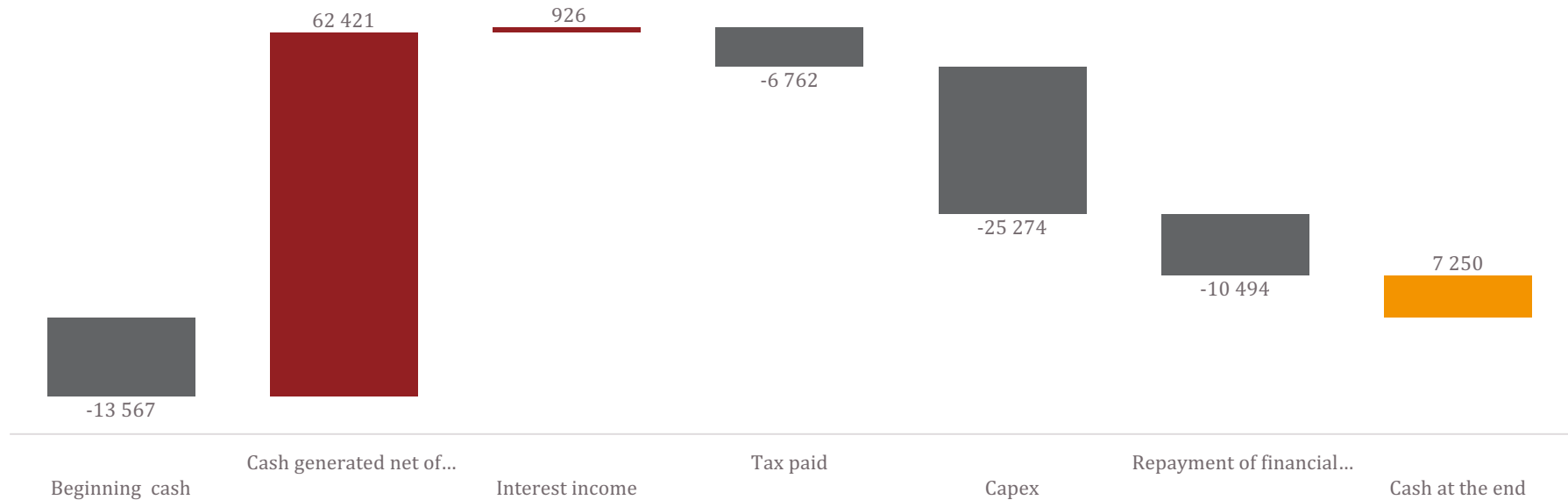
DEBT MANAGEMENT



DEBT MANAGEMENT:

Significant cash generated by Metier

SepHold CASHFLOW - SEPTEMBER 2023



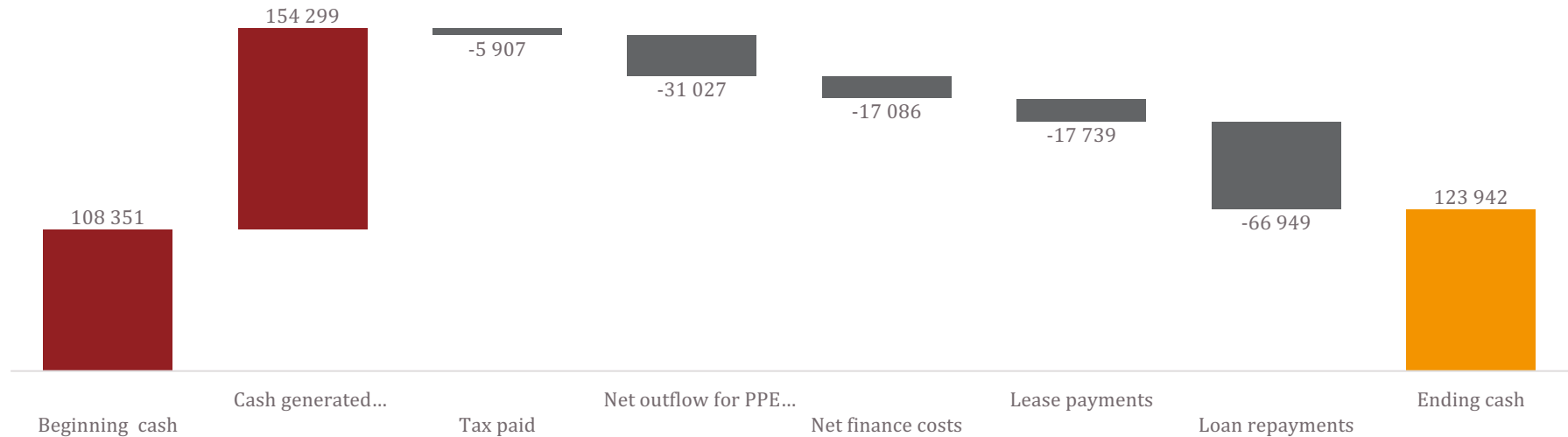
As reported in the FY 2023 integrated annual report, Métier repaid its term loan early during FY 2023 and negotiated a new overdraft facility.

Métier has an asset finance facility of R120 million (50% utilised) and its overdraft facility of R80 million is unused.

FINANCIAL REVIEW : **SEPCEM**

Focus on repayment of the bank debt

SepCem CF - JUNE 2022



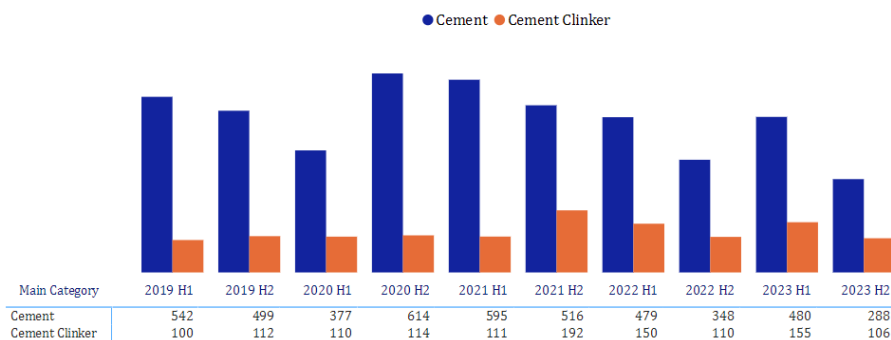
- Cash generated from operations increased by R32 million to R154 million
- Total bank debt repayment of R89 million during the interim period
 - Approximately R67 million repayment of capital and R22 million interest
- DCP shareholder loan balance at R721 million

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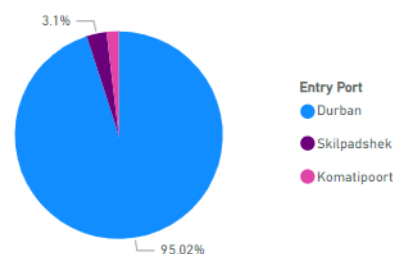
**SEPCEM
OPERATIONAL
UPDATE**



Cement import volumes Tonnes



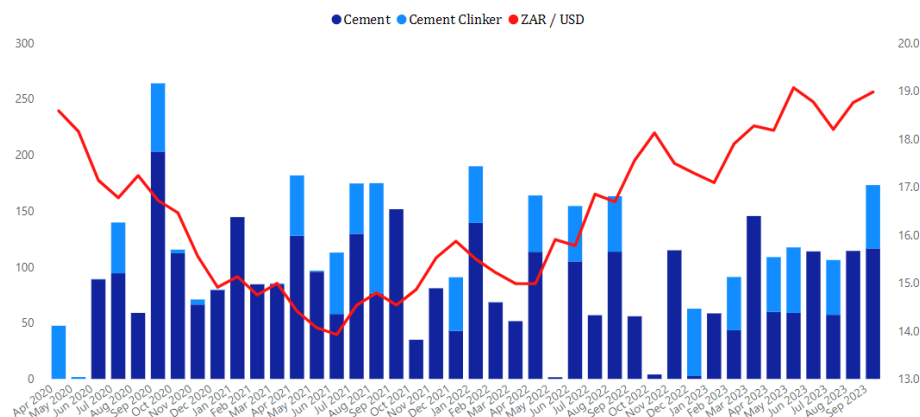
Import Tons by Port of Entry



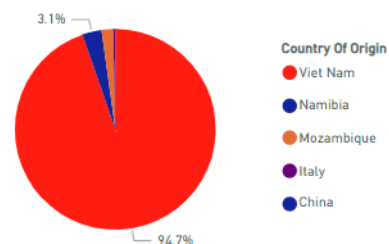
■ YTD Sep 23 - total imports at 768 kt, up 8.9% on SPLY.

■ 95.02 % of imports for September through Durban harbour.

■ FOB price in September ex Vietnam USD44.32 at an average FX rate of 18.98, giving a ZAR FOB of R841.17



Import Tons by County of Origin



■ Average retail price in Jul for Alpine Cement (32,5 Imported) in the greater Durban area was R1494.08 per ton ex VAT.

OPERATIONAL UPDATE : **SEPCEM**

Post-period performance for the 9 – months ended 30 September 2023

Sales revenue : R2,08 billion

YTD Q3 2022 : R1,83 billion



14%

EBITDA : R208 million

YTD Q3 2022 : R192 million



8%

EBIT : R73 million

YTD Q3 2022 : R64 million



14%

SEPCEM NET DEBT POSITION

The debt at 30 September comprises;

- **Nedbank loan** at ZARM 301
 - ZARM 403 as at 31 Dec 2022
- **DCP bridging loan** at ZARM 749
 - ZARM 685 as at 31 Dec 2022
- **Leases** at ZARM 19
 - ZARM 33 as at 31 Dec 2022
- **Total :** ZARM 1,069
 - ZARM 1,121 as at 31 Dec 2022
- **Cash on hand** ZARM 220
 - **Net debt** ZARM 849

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OUTLOOK



OUTLOOK

Group's action plan

Métier



- Maintain focus on product and customer segmentation
- Proactive adjustment of the business model to align with the prevailing trading environment
- Further focus on sales efforts in the Western Cape and expand operational footprint.

SepCem



- Increased the use of alternative fuels
- Right-size the business model to align with the prevailing trading environment
- Increased use of technology to enhance route to market and supply chain optimisation
- Enhance customer targeting through business intelligence tools

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HOLDINGS LTD