MEDIA RELEASE

PPC DELIVERS SOLID EARNINGS GROWTH AND MARGIN EXPANSION IN ITS CONSOLIDATION YEAR

"PPC has delivered a strong performance demonstrating that the gains of the 'Awaken the Giant' turnaround are structural and sustainable. EBITDA grew by 24%, and the margin expanded to 22,2%, with stronger results across both South Africa and Zimbabwe despite very different market conditions"

Matias Cardarelli, PPC CEO

Consolidated group highlights - six months ended 30 September 2026:

- **EBITDA increased by 23,7% to R1 216 million (H1 FY26: R983 million)**
- **EBITDA margin increased by 3,9 percentage points to 22,2% (H1 FY26: 18,3%)**
- **Trading profit increased by 31,7% to R906 million (H1 FY26: R688 million)**
- **Net cash inflow before financing activities[1] of R521 million (H1 FY26: R661 million)**
- **EPS and HEPS increased by 28% to 32 cents (H1 FY26: EPS and HEPS 25 cents)**
- **Execution of the RK3 project remains on time and on budget with R2 212 million spent to date**
- **Return on invested capital (ROIC)[1] increased to 20.0% (H1 FY26: 13,7%)**

[1] Excluding the impact of RK3

Johannesburg, 16 November 2026: PPC, the leading Southern African supplier of cement and related products, has delivered a sound performance for the six months ended 30 September 2026 (the current period) compared to the six months ended 30 September 2025 (the prior period).

As set out in the group's results for the year ended 31 March 2026 (FY26), it was anticipated that FY27 would largely be a year in which the substantial gains delivered in FY25 and FY26 are consolidated, while the group completes the construction of its new integrated cement plant in the Western Cape (RK3). Encouragingly, performance in the first half of FY27 has been better than expected, with EBITDA increasing by 23,7% to R1 216 million (H1 FY26: R983 million), and EBITDA margins expanding by 3,9 percentage points to 22,2% (H1 FY26: 18,3%).

For the current period, earnings per share (EPS) and headline earnings per share (HEPS) increased by 28% to 32 cents (H1 FY26: EPS and HEPS - 25 cents).

PPC CEO, Matias Cardarelli, said, “We remain firmly focused on executing the turnaround, growing profitability and cash flow while maintaining disciplined capital allocation. We have continued to demonstrate high-quality earnings, supported by structural operational improvements, ensuring a clear focus on value creation and growing shareholder returns”.

Group revenue increased by 1,7% to R5 473 million (H1 FY26: R5 382 million). Growth of 7,3% in Zimbabwe revenue was partly offset by a 2,0% decline in SA and Botswana cement revenue, where lower sales volumes were largely recovered through improved price and product mix, including the passing on of a diesel cost surcharge.

Cardarelli added, “In Zimbabwe, strong market growth combined with an improved operating performance drove an outstanding US dollar EBITDA growth of 56%. In South Africa, despite a challenging market context, commercial and operational discipline protected results”.

Group cost of sales was well managed, increasing by only 0,5% to R4 301 million (H1 FY26: R4 279 million).

The group's net cash inflow before financing activities and the impact of RK3 project was R521 million (H1 FY26: R661 million).

Capital expenditure for the group totalled R1 428 million (H1 FY26: R225 million), of which R1 282 million related to RK3 (H1 FY26: R10 million) bringing the total RK3 spend to date to R2 212 million of the total R3.1 billion budgeted.

Cardarelli said, “The delivery of the RK3 project remains on time and on budget, and construction is on track for completion in the final quarter of FY27. It is very pleasing, especially as the project progresses through an increasingly construction-intensive phase, that we recently achieved 1.7 million man-hours without a lost-time injury”.

SOUTH AFRICA AND BOTSWANA CEMENT

Although cement sales volumes in South Africa and Botswana declined by 7,9%, SA and Botswana group EBITDA (including materials and group costs) increased by 6,5% to R572 million (H1 FY26: R537 million) and the EBITDA margin expanded by 1,3 percentage points to 16,7% (H1 FY26: 15,4%).

Cardarelli commented, “Against a backdrop of weak demand, certain producers pursued volume growth through aggressive price discounting. We have continued to protect value, maintaining the commercial discipline established under 'Awaken the Giant' and prioritising value-accretive sales”.

Revenue declined by only 2,0% to R3 185 million (H1 FY26: R3 249 million), a significantly smaller decline than the reduction in volumes, reflecting the positive impact of product mix and pricing adjustments, including the diesel cost surcharge.

Cost of sales was contained at R2 634 million (H1 FY26: R2 633 million) and administration and other operating costs increased to R300 million (H1 FY26: R252 million). Cash cost per ton pressures during the

first half were primarily driven by higher diesel costs, the increase in carbon tax, the increase in costs during the transition phase in the Western Cape and the timing of planned plant shutdowns.

ZIMBABWE

PPC's operation in Zimbabwe reported a 5,4% increase in sales volumes, supported by robust demand across both the industrial and retail sectors. Revenue increased by 7,3% to R2 042 million (H1 FY26: R1 903 million). EBITDA increased by 44,4% to R644 million (H1 FY26: R446 million) and by 56% in US dollars to US$39 million, while the EBITDA margin expanded by 8,1 percentage points to 31,5% (H1 FY26: 23,4%).

The plant performance improvement plan continues to deliver tangible results. Higher own-clinker production translated directly into improved profitability, while the Colleen Bawn kiln achieved world-class operating performance during the first quarter.

Post 30 September 2026, the agreement that PPC Zimbabwe had concluded for the disposal of the Arlington land for a consideration of US$27 million (including VAT) became unconditional. The full purchase consideration was received, and net cash proceeds amounted to US$21.4 million (after tax and expenses). PPC Zimbabwe declared a gross dividend of US$21.4 million to its shareholders, of which PPC's share was a gross dividend of US$18.8 million (net US$17.9 million).

In November 2026, PPC Zimbabwe declared a further US$15 million dividend to its shareholders.

OUTLOOK

Cardarelli added, “While South African cement trading conditions are expected to remain challenging in the near term, we remain confident in our ability to deliver through the cycle. The pressure on margins will remain as competitors discount cement prices and elevated diesel prices place pressure on both distribution and production costs. We remain confident that the cycle will improve and that, over time, competitive dynamics will become more rational as the market prioritises sustainable returns”.

The anti-dumping application before the International Trade Administration Commission relating to cement imports from Mozambique and Vietnam continues to progress. A favourable outcome would be an important step towards restoring a level playing field and ensuring fair, sustainable competition in the South African cement market.

Cardarelli commented, “An increase of cement being imported, especially from Mozambique, at a time when the environment remains depressed continues to create a distorted market in which local producers who are invested in South Africa are disadvantaged. PPC is calling for more urgent and decisive action by South African policy makers to restore a level playing field between local production and imports, while protecting jobs. In parallel, while discussions with regulators have started, we remain frustrated with the lack of quality control of the cement being produced by some independent blenders”.

While the second half of the financial year is seasonally softer due to the December to January construction slowdown, the compounding impact of improved margins and cement volume growth in Zimbabwe is expected to continue to benefit the second half.

“In Zimbabwe”, said Cardarelli, “we continue to position the business for its next phase of sustainable growth. Alongside progress on the solar project, work is advancing on the proposed new integrated

cement plant, including alignment with Sinoma on the EPC contract, mine prospecting activities and the evaluation of appropriate local financing alternatives".

Cardarelli concluded, "Disciplined execution has ensured that we have been able to protect today's earnings in South Africa and growth them in Zimbabwe, while investing in tomorrow's competitiveness, and maintain the strength of our balance sheet. We have reinforced the foundations of PPC, and an important platform has been created to accelerate into our next phase of growth and value creation from FY28."

The group will continue to apply its strict capital allocation policy and will assess a dividend to shareholders in terms of the stated policy at financial year-end.

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About PPC Ltd

PPC is an iconic material and solutions provider of quality and consistent cement, aggregates, readymix and fly ash, and provides technical support to its customers. PPC's story stretches back over 130 years to where it was first incorporated on the outskirts of Pretoria in 1892. As the first cement plant in South Africa, and now operating outside of these borders, the industry leader has established itself as a resilient organisation by adapting to ever-changing economic, operating and political environments. PPC is proud to be a leading provider of quality building materials and solutions to empower people to experience a better quality of life. Follow PPC on LinkedIn PPC Africa, on X @PPC_Africa, like us on www.facebook.com/PPC.Cement and visit us at www.ppc.africa.

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