



MEDIA RELEASE

PPC RESULTS SIGNIFICANTLY IMPROVING FOR THE SECOND CONSECUTIVE YEAR

“The benefits from our Awaken the Giant strategic turnaround plan continue to materialise, marking the second consecutive year of delivery. We are ahead of plan, demonstrating disciplined execution while laying the foundations for sustainable, long-term value creation across the Group.”

Matias Cardarelli, PPC Chief Executive

Highlights for the ten months ended 31 January 2026:

- Turnaround momentum continues
- EBITDA margin expanded further to 19,4%
- Group EBITDA increased by 22%
- The focus on quality returns and cash generation remains relentless
- Substantial increase in total dividends declared from PPC Zimbabwe

Johannesburg, 18 March 2026: PPC’s Awaken the Giant turnaround and strategic plan continues to deliver sustained improvements in operating and financial performance. For the ten months ended 31 January 2026, the group’s EBITDA margins improved to 19,4% in the current period from 16,6% in the comparable ten months.

The increase in group revenue for the current period was driven mainly by the increase in PPC’s Zimbabwe operations, while the South Africa & Botswana group revenue remained much the same as the prior period.

This all resulted in a 22% increase in total group EBITDA. The increase in both absolute EBITDA and EBITDA margins is due to effective growth in both South Africa and Zimbabwe.

In South Africa, the structural, cultural and people changes implemented across the organisation have translated into delivery ahead of initial expectations. The changes in logistics, procurement, plant

efficiencies and the re-alignment of the business to maximize contribution margin, continue to deliver further results reinforcing that the right fundamentals drive growth and value.

In Zimbabwe, implementation of the turnaround advanced meaningfully during the current financial year. Record year-to-date cash flow generation reflects the initial benefits of improved execution, supported by strong and sustainable underlying market demand.

PPC CEO, Matias Cardarelli, commented, “Our turnaround plan is deliberately ambitious. It is designed to rebuild PPC’s iconic status by restoring our competitiveness and long-term value creation. The results for the ten months ended 31 January 2026 clearly demonstrate the ongoing and compounding benefits of disciplined execution of this strategy”.

GROUP PERFORMANCE

The focus on quality returns and cash generation remains relentless, reflecting in the underlying performance of the business. Free cash flow in the South African group, being net cash inflow before financing activities, but excluding dividends from Zimbabwe and investment expenditure in the new plant in the Western Cape, amounted to R567 million in the current period. This represents a reduction from R692 million in the comparable period due to a temporary increase of R208 million in inventories, which is due to the timing of planned maintenance shutdowns, some of which will occur in March 2026. The increase in working capital will unwind as planned maintenance activities are completed.

The construction of the best-in-class integrated cement plant in the Western Cape (RK3) is progressing well and remains on schedule, and within budget. RK3 is a core strategic investment that will result in a material increase in competitiveness, returns and reduction of CO₂ emissions. Spend on the project, including realised foreign exchange losses, amounted to some R491 million in the current period.

Despite this strategic investment, at 31 January 2026, the South African group was in a net cash position of R367 million, a significant improvement from R106 million at 31 January 2025.

PPC Zimbabwe delivered a robust step change in its free cash flow generation leading to a substantial increase in total dividends declared and paid of US\$36 million (R595 million) in the current period, compared to the US\$8 million (R142 million) paid in the comparable period. PPC Zimbabwe continues to remain debt-free and held US\$7 million in unencumbered cash at 31 January 2026.

The accounting profit from the sale of a non-core property has been excluded from the group and South Africa group EBITDA. Group EBITDA including this profit increased by 32%.

SOUTH AFRICA & BOTSWANA CEMENT

In the current period, overall sales volumes in South Africa & Botswana remained broadly flat relative to the comparable period. The South African volumes increased by approximately 2%, but this was offset by a decline in Botswana volumes. Importantly, the low growth environment did not constrain performance, as the business continued to prioritise value, margin and quality sales over volume growth.

EBITDA increased by a strong 17% resulting in noteworthy margin expansion to 17,3% in the current period from 14,8% in the comparable period. This is an increase from the margin of 13,7% at the half year.

Further benefits are expected from the key areas of commercial, operations and supply chain, reinforcing the margin-led and sustainable growth trajectory.

ZIMBABWE

Volumes increased by over 22% in the current period supported by sustained strong demand across the industrial and retail sectors. Revenue increased by 19% in rand terms (24% in US\$ terms), while EBITDA grew by 23% in rand terms (28% in US\$ terms). The increase in revenue and EBITDA in rand terms was marginally lower due to the rand strengthening in the current period compared to the comparable period.

After the longer maintenance shut in the first quarter of this financial year, margins have recovered leading to overall increase by 0,9 percentage points, from 26,0% to 26,9%.

OUTLOOK

Following a strong set of results for the ten months ended 31 January 2026, PPC remains well positioned to continue executing on its strategy. Growth in FY26 earnings is on top of the robust improvement achieved in FY25. In accordance with previous guidance, these improvements are expected to be consolidated in FY27, with FY28 anticipated to deliver a further step change as the benefits of the new RK3 plant are fully realised.

Following the strong cash generation in the current period, resulting in record dividends from PPC Zimbabwe, the board will consider a dividend in terms of its distribution policy which, amongst other factors, provides for a flow through to shareholders of any dividends received from PPC Zimbabwe.

Cardarelli concluded, “Our turnaround plan will remain focused on consistency of delivery and a sustainable growth trajectory underpinned by disciplined execution, high quality earnings and cash flow generation”.

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Note to editors

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 and operating 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.

Issued by Aprio on behalf of PPC

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