

PPC Ltd

(Incorporated in the Republic of South Africa)

(Company registration number 1892/000667/06)

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("PPC" or "the company" or "the group")

OPERATING UPDATE FOR THE FIVE MONTHS ENDED 31 AUGUST 2026

The PPC group comprises the South Africa ("SA") and Botswana group, which includes cement, materials and group services, and the Zimbabwean cement business.

The 'Awaken the Giant' strategic plan continues to be embedded across the organisation. As set out in the group's results for the year ended 31 March 2026 (FY26), the 2027 financial year (FY27) is a year in which the substantial gains delivered in the 2025 and 2026 financial years are consolidated, while the group completes the construction of its new integrated cement plant in the Western Cape ("RK3"). With RK3 and the next phase of the Awaken the Giant turnaround, the group is positioning itself for a meaningful acceleration in growth, profitability and value creation, supporting a further step change in performance from the 2028 financial year (FY28) onwards.

GROUP PERFORMANCE

For the five months ended 31 August 2026 ("the current period"), compared with the five months ended 31 August 2025 ("the comparable period"), group revenue increased by 1%. Positive revenue growth in Zimbabwe of 5% was offset by a 2% decline in SA and Botswana cement revenue, which reflects lower sales volumes partly recovered through improved price and product mix.

Group EBITDA increased by 40% and group EBITDA margin strengthened by 6,2 percentage points to 22,1% from 15,9% in the comparable period. Despite operating in two very different market environments, the results underscore the strength of PPC's earnings base. The SA and Botswana group is delivering growth and margin expansion in a challenging environment, while Zimbabwe delivered an outstanding performance in the current period.

SOUTH AFRICA AND BOTSWANA CEMENT

In the current period, SA and Botswana cement sales volumes were 8% lower than the comparable period. However, revenue declined by just 2%, a significantly smaller decline than the reduction in volumes reflecting the positive impact of the sales mix and pricing adjustments, including the diesel cost surcharge.

Importantly, EBITDA, including group services, grew by 3,3% over the comparable period and EBITDA margin expanded 0,8 percentage points to 16,7%. This sound profitability performance highlights PPC's ability to continue driving earnings growth and margin improvement even in an inflationary and low demand environment, negatively impacted by disruptive competitor pricing dropping.

Statistics South Africa reported on 8 September 2026 that real GDP contracted by 0,2% quarter on quarter in the second calendar quarter of 2026, while gross fixed capital formation declined by a further 0,2%, following a contraction of 1,0% in the preceding quarter. Against a backdrop of weak

demand, certain producers pursued volume growth through aggressive price discounting. This behaviour does not create additional demand for cement nor sustained market share; it simply destroys value and undermines profitability.

PPC continues choosing to protect value and preserve sustainability, maintaining the commercial discipline established under 'Awaken the Giant', prioritising value accretive sales and margin growth. While not PPC's strategy, the group's superior asset base, technological advantages, footprint and strong balance sheet, make it best positioned to respond on price, should it be required.

The SA and Botswana group recorded a net cash outflow before financing activities of R1 137 million in the current period (comparable period: outflow of R221 million), reflecting the substantial capital investment underway in RK3. The new plant construction is on track for completion in the final quarter of FY27 and we remain confident that the project will be delivered within the board-approved budget of R3.1 billion.

ZIMBABWE CEMENT

Cement sales volumes in Zimbabwe continue to expand and increased by 3% in the current period, supported by robust demand across both the industrial and retail sectors.

The plant performance improvement plan ("PPIP") continues to deliver tangible results. Higher own-clinker production is translating directly into improved profitability, while the Collen Bawn kiln achieved world-class operating performance during the first quarter of FY27.

PPC Zimbabwe delivered another strong performance with EBITDA margin expanding to 34,2% from 19,1% in the comparable period. While the comparable period was impacted by an extended planned maintenance shutdown at Collen Bawn, the current results also reflect the structural benefits of improved plant reliability, higher clinker self-sufficiency and disciplined operational execution. The planned maintenance shut down is currently underway and will moderate the margins to be reported for the first half of FY27. Profitability is expected to remain ahead of the prior year, underscoring the significant progress achieved through the turnaround and the strength of the Zimbabwe business.

Cash generation remained strong, supporting increased shareholder returns. PPC Zimbabwe declared dividends of US\$15 million during the current period compared to US\$12 million in the comparable period. A further \$10million was declared after the end of August 2026. PPC Zimbabwe remains debt-free.

OUTLOOK

PPC continues to demonstrate high-quality earnings, supported by structural operational improvements, disciplined commercial execution, and a clear focus on value creation and growing shareholder returns.

PPC does not anticipate a near-term improvement in the South African cement trading conditions, while some competitors continue discounting cement prices, even while elevated diesel prices continue to place pressure on both distribution and production costs. PPC will remain disciplined and focused on what it can control - competing on quality, service reliability and continuing to strengthen operational performance.

The current anti-dumping application before the International Trade Administration Commission related to cement imports from Mozambique and Vietnam has progressed and a favorable outcome would represent an important step towards restoring fair competition in the market. Creating a level playing field between local producers and importers is essential to supporting continued investment, employment and industrial capacity in South Africa.

In Zimbabwe, EBITDA reported at the half-year will be moderated by the planned Colleen Bawn plant shut down, while the compounding impact of improved margins with cement volume growth are expected to continue to benefit the results in the second half of the year. Progress continues to be made on the proposed development of the new integrated plant in Zimbabwe, including ongoing engagement with Sinoma on the EPC contract, mine prospecting activities and the assessment of acceptable financing alternatives.

The group's expectations for FY27 remain unchanged from those set out with the FY26 annual results. FY27 is a year of consolidation of the improvements achieved in FY25 and FY26, with the next meaningful step change in financial performance anticipated in FY28 following the commissioning of RK3.

Full details of the group's performance will be provided in the group's summarised unaudited consolidated financial statements for the six months ending 30 September 2026, which are expected to be released on or about 16 November 2026.

The financial information contained in this announcement is the responsibility of the board and has not been reviewed or reported on by the group's independent external auditor.

Rosebank
28 September 2026

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