PPC Ltd
(Incorporated in the Republic of South Africa)
(Company registration number: 1892/000667/06)
JSE ISIN: ZAE000170049
JSE code: PPC
ZSE code: PPC
(PPC or the company or the group)

Short-form announcement
Annual and summarised consolidated financial statements for the year ended 31 March 2024

Matias Cardarelli, CEO, said:
"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."

SNAPSHOT OF PERFORMANCE FROM 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 19,0 cents (FY23: loss of 20,0 cents)
- EPS of 6,0 cents (FY23: loss of 21,0 cents)

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.

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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.

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

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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).

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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.

SOUTH AFRICA 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 ton. 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 AND 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.

Chairman	Chief executive officer	Chief financial officer
PJ Moleketi	SM Cardarelli	B Berlin

24 June 2024
Sandton

SHORT-FORM ANNOUNCEMENT

This short-form announcement of the audited consolidated annual financial statements for the year ended 31 March 2024 (2024 AFS) is extracted from the financial information in the 2024 AFS and the Summarised 2024 AFS and does not contain full or complete details. This short-form announcement is the responsibility of the board of directors of PPC.
The information in this short form announcement has been extracted from audited information but is not itself audited.

Any investment decisions by investors and/ shareholders should be based on a consideration of the 2024 AFS and Summarised 2024 AFS, as a whole, as published on SENS and the issuer's website as follows:

Summarised 2024 AFS
PPC's website: https://www.ppc.africa/investors-relations/reports?t=final-resultsreports&y=2024 and

2024 AFS
JSE's website: https://senspdf.jse.co.za/documents/2024/jse/isse/PPC/FY2024.pdf

AUDIT OPINION

The 2024 AFS were audited by PwC, who expressed an unmodified audit opinion in terms of the International Standards on Auditing. A copy of the auditor's report on the 2024 AFS is available on the following link:
https://www.ppc.africa/investors-relations/reports/?t=final-results-reports.

The auditor's report does not necessarily report on all of the information contained in this announcement, including the outlook. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from PPC's website or registered office.

Copies of the 2024 AFS, the Summarised AFS and the auditors unmodified audit opinion thereon are also available for inspection at the company's registered office (by appointment) and may be requested from the Company Secretary Kevin Ross at (Kevin.Ross@ppc.co.za) at no charge, during office hours. (A live and recorded video webcast of the results presentation will be held today at 10:00 am and can be accessed via this link:
https://www.corpcam.com/PPC24062024)

Registered office: First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld, Johannesburg, 2196, South Africa
(PO Box 787416, Sandton, 2146, South Africa)

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

Company secretary: KR Ross

Sponsor: Questco Corporate Advisory (Pty) Ltd

www.ppc.africa

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,

Mr Kevin Ross
kevin.ross@ppc.co.za
+27(11) 386 9585

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

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Chief executive officer

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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

	Stated capital	Other reserves[a] Foreign currency translation reserve	Financial assets at fair value through other comprehensive income	Other reserves[b] 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

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)

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.*

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

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.*

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.

	March 2024 Rm	March 2023 Rm
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

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.

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
Johannesburg, 2196, South Africa
(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
First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld
Johannesburg, 2196, South Africa
(PO Box 787416, Sandton, 2146, South Africa)

SPONSOR

Questco Corporate Advisory (Pty) Ltd
Ground Floor, Block C, Investment Place, 10th Road
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.

PPC Ltd
First Floor
5 Parks Boulevard
Oxford Parks
Dunkeld
Johannesburg

Audited annual financial statements 2024

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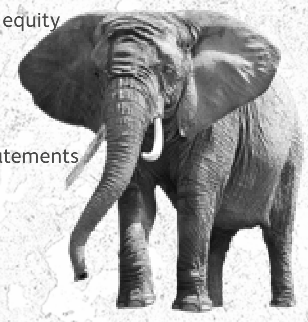
FINANCIAL STATEMENTS



FEEDBACK

We encourage feedback on our integrated reporting suite.

Kindly direct feedback to the group company secretary

Mr Kevin Ross
kevin.ross@ppc.co.za
+27(11) 386 9585

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

APPROVAL OF THE FINANCIAL STATEMENTS

for the year ended 31 March 2024

The directors of PPC Ltd (the company) and PPC Ltd and its subsidiaries (the group) are responsible for the preparation of the annual financial statements that fairly present the state of affairs of the company and group as at the end of the financial year and of the profit or loss and cash flows for that year in accordance with International Financial Reporting Standards (IFRS®) Accounting Standards and per the requirements of the Companies Act 71 of 2008 (Companies Act). The directors of the company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information.

The board of directors (the board) is responsible for the systems of internal control, including controls over the security of the group and company website and electronic distribution of annual reports and other financial information. These are designed to provide reasonable but not absolute assurance as to the reliability of the annual financial statements and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements and loss. The systems are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties.

The internal audit function is led by the group internal audit executive and comprises internal employees and external resources where required. It serves management and the board by performing, amongst other things, an independent evaluation of the adequacy and effectiveness of risk management, internal controls and financial reporting mechanisms.

The group continues to address control weaknesses identified. However, the group's improved system of internal controls, supplemented where necessary by compensating procedures, continues to provide a reasonable basis for the preparation of reliable annual financial statements in all material aspects.

The annual financial statements have been prepared in accordance with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act and are based on appropriate accounting policies, supported by reasonable judgements. These accounting policies have been applied consistently compared to the prior year.

The annual financial statements have been compiled under the supervision of B Berlin CA(SA) (chief financial officer) and have been audited in terms of section 29(1) of the Companies Act.

The board is of the opinion that the company and the group have adequate resources to continue in operation for the foreseeable future based on forecasts and available cash resources and accordingly, the annual financial statements have been prepared on a going concern basis (refer to note 1.4 and, in the case of the company, note 1.4)

It is the responsibility of the external auditor to express an opinion on the company and group annual financial statements. For their unmodified report to the shareholders of the company and group, refer to the independent auditor's report.

The annual financial statements of the company and the group for the year ended 31 March 2024 as set out on pages 07 to 116 were approved by the board at its meeting held on 21 June 2024 and are signed on its behalf by:

PJ Moleketi	**M Cardarelli**	**B Berlin**
Chairman	**Chief executive officer**	**Chief financial officer**

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER (FINANCIAL DIRECTOR) RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, hereby confirm that:

(a) The annual financial statements set out on pages 07 to 116, fairly present in all material respects the financial position, financial performance and cash flows of PPC Ltd and its consolidated subsidiaries in terms of International Financial Reporting Standards (IFRS);

(b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and separate annual financial statements false or misleading;

(c) Internal financial controls have been put in place to ensure that material information relating to PPC Ltd and its consolidated subsidiaries have been provided to effectively prepare the consolidated and separate annual financial statements of PPC Ltd.

(d) The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls. Where we are not satisfied, we have disclosed to the audit, risk and compliance committee (ARCC) and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies.

(e) We are not aware of any fraud involving directors.

M Cardarelli
Chief executive officer

B Berlin
Chief financial officer

The directors confirm that remedial actions in respect of the deficiencies reported to the audit' risk and compliance committee and the auditor, as referred to above, commenced in the 2022 financial year and are ongoing. Refer to the report by the audit, risk and compliance committee on page 14 for further details.

CERTIFICATE BY COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that PPC Ltd has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that such returns are true, correct and up to date.

K Ross
Company secretary

21 June 2024

PREPARER OF THE FINANCIAL STATEMENTS

These financial statements have been prepared under the supervision of the chief financial officer, B Berlin CA(SA).

B Berlin
Chief financial officer

21 June 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PPC Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of PPC Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

WHAT WE HAVE AUDITED

PPC Limited's consolidated and separate financial statements set out on pages 17 to 113 comprise:

- the consolidated and company statements of financial position as at 31 March 2024;
- the consolidated and company statements of profit or loss for the year then ended;
- the consolidated and company statements of other comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

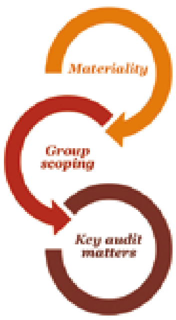
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards).*

OUR AUDIT APPROACH

Overview



Overall group materiality

- Overall group materiality: R75.4 million, which represents 0.75% of consolidated revenue from contracts with customers.

Group audit scope

- The Group conducts its operations through eighteen components. We performed full scope audits over four components due to their financial significance, risk associated with the component and to obtain sufficient coverage across the Group.
- We performed the audit of specified account balances over two of the components due to the risk and financial impact associated with these components.
- We performed analytical procedures on components not in scope for audit or specified procedures.

Key audit matters

- Sale of CIMERWA Plc

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	*R75.4 million*
How we determined it	*0.75% of consolidated revenue from contracts with customers*
Rationale for the materiality benchmark applied	*We chose consolidated revenue from contracts with customers as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users for evaluating the Group's performance in an environment of volatility in profits and reflects the Group's core operational activities.* *We chose 0.75% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using revenue as a benchmark in calculating materiality.*

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our scoping assessment included consideration of the financial significance of the Group's eighteen components as well as the sufficiency of work planned to be performed over material consolidated financial statement line items. We identified four components that were considered to be financially significant based on the risk associated with the components and their contribution to total consolidated revenue and total consolidated assets. Full scope audits were performed on these four components. In addition to the full scope audits we performed the audit of specified account balances over two components, based on their financial significance, the risk associated with the component and to obtain coverage across the Group. Analytical review procedures were performed over all remaining components not in scope, to assess whether any risks exist that would require additional audit procedures.

Where the work was performed by component auditors, we determined the level of involvement necessary in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

We assessed the competence, knowledge and experience of the component auditors and evaluated the procedures performed on the significant audit areas to assess the adequacy thereof in pursuit of our audit opinion on the consolidated financial statements. Throughout the audit, various discussions were held with the component auditors and we inspected component auditors' working papers relating to areas of significant risks in the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

INDEPENDENT AUDITOR'S REPORT continued

Key audit matter	How our audit addressed the key audit matter
Sale of CIMERWA Plc ("CIMERWA") The Group disposed of its 51% shareholding in CIMERWA, a foreign subsidiary for a total cash consideration of R809 million. The effective date of the disposal was 25 January 2024, resulting in the Group losing control and no longer consolidating CIMERWA. The transaction was accounted for in accordance with IFRS 5, Non-current assets held for sale and Discontinued Operations. The Group recognised a profit for the year from discontinued operations of R422 million in the consolidated statement of profit or loss for the year ended 31 March 2024. The transaction resulted in capital gains tax which was paid to the Rwandan tax authority. We considered the sale of CIMERWA to be a matter of most significance to the current year audit due to this being a significant transaction that is outside the Group's normal business, and which resulted in judgements with respect to: • The contractual and regulatory compliance matters relating to the sale; • The complexities in the classification, measurement and presentation of CIMERWA as a discontinued operation; and • The tax treatment in terms of the applicable legislation relating to the sale of the shares. Refer to the following notes to the Group financial statements for details: Note 8: Assets classified as held for sale and disposal groups and Note 20: Disposal of Subsidiaries	Our audit addressed this key audit matter as follows: • We reviewed the "sale of shares" agreement for the terms and conditions relating to the disposal. We confirmed that the conditions precedent, as set out in the agreement, have been fulfilled as at 25 January 2024 rendering the transaction effective. • We inspected contracts, resolutions and other regulatory correspondence; to confirm the validity of the disposal in terms of the applicable laws and regulations. No matters for further consideration were noted. • We evaluated management's classification and measurement of CIMERWA in terms of IFRS 5 *Non-current assets held for sale and Discontinued Operations*; to ensure the appropriate accounting treatment for the sale. • We recalculated the accounting entries, including the profit on sale, derecognition of respective assets, liabilities, non-controlling interest and the recycling of the foreign currency translation reserve associated with the loss of control. This was performed to assess, if the accounting entries were appropriate. No material misstatements were noted. • Using our tax expertise, we assessed the capital gains tax calculation on the sale, to ensure compliance with relevant tax rules. No material differences or matters for further consideration were noted. • We reviewed the disclosures related to this transaction as included in the annual financial statements to confirm that they are appropriate in terms of IFRS Accounting Standards requirements.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "PPC Audited annual financial statements 2024", which includes the Directors' Report, the Audit ,Risk and Compliance Committee Report and the Certificate by Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "PPC Integrated Report 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT continued

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of PPC Limited for two years.

PricewaterhouseCoopers Inc.

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

22 June 2024

DIRECTORS' REPORT

for the year ended 31 March 2024

The PPC board of directors has pleasure in presenting its report on the financial statements of the company and group for the year ended 31 March 2024.

NATURE OF THE BUSINESS

PPC Ltd, its subsidiaries and equity-accounted investments operate in Africa as producers of cement, aggregates, readymix and fly ash.

The principal activities of the group remain unchanged from the previous reporting period.

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

PPC accounted for CIMERWA as a discontinued operation until 25 January 2024 when the sale of its 51% shareholding in CIMERWA for US$42,5 million was finalised.

Group performance

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:

(i) 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.

(ii) Withholding taxes paid on dividends and management fees received mainly from Zimbabwe and Botswana further increased the effective rate by 10,2%.

(iii) 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 (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 the 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 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 ton. 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.

MATERIALS BUSINESS

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.

DIVIDENDS

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 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
- a distribution of an amount up to the gross dividend received by PPC from Zimbabwe.

Based on the above, an ordinary dividend of 13,7 cents per share has been declared, resulting in a gross cash outlay of R213 million (FY23: share repurchase of R200 million). This is calculated as follows:

- no dividend from the SA and Botswana group; plus
- a dividend of 13,7 cents per share based on the R203 million of gross dividends received from Zimbabwe.

Taking into account the dividends received by the subsidiary that repurchased the PPC Ltd shares in the current financial year, the net cash outlay 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 has resolved to retain the R783 million in the group until such time an approval is received, whereupon a special dividend to shareholders will be considered.

STRATEGIC PLAN AND 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 control. 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.

FINANCIAL RESULTS

Accounting results policies

The annual financial statements have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Companies Act 71 of 2008. The principal accounting policies have been applied consistently with the previous year.

The company and consolidated annual financial statements include balances, transactions and other items where the application of judgement is necessary. To the extent that significant judgement was applied, the areas of judgement are noted and the appropriate disclosure is reflected in the respective notes to the consolidated and company annual financial statements.

Further details on the judgements, key inputs and sensitivity disclosures can be found in note 1 to the consolidated annual financial statements.

Impairments testing

PPC performs impairment assessments annually. In accordance with IAS 36 – *Impairment of assets*, goodwill is assessed irrespective of whether there is any indication of impairment.

Individual material assets included in property, plant and equipment were considered for impairment. During the year, certain assets that are no longer in use with carrying amounts were identified. These assets were impaired and derecognised from the asset register.

PPC performs impairment calculations annually or whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. All of PPC's cash-generating units (CGUs) are assessed for indicators or conditions that may suggest an impairment or a reversal of previous impairments recognised.

During the current financial year, management reassessed the appropriateness of the aggregation of assets for the group's previously identified CGUs and concluded that no change was needed.

Refer to note 21 for further detail on impairments. The board concluded that the following impairments were appropriate:

Impairments	Rm 2024
Impairments of CGUs during the current financial year	
PPC Aggregates SA	**70**
Impairment of individual assets	
PPC Cement SA (Inland business unit)	**197**
Net impairment loss	**267**

SIGNIFICANT ACCOUNTING MATTERS

Sale of 51% shareholding in CIMERWA

On 25 January 2024, PPC sold its 51% shareholding in CIMERWA for US$42,5 million (R809 million), which resulted in a loss of control. Subsequent to the loss of control, PPC derecognised net assets (R1 282 million), non-controlling interest (R658 million), and reclassified the accumulated FCTR to a debit in the statement of profit or loss (R12 million). Consequently, PPC recognised a profit of R197 million on sale of CIMERWA.

Refer to note 20 for more details.

EVENTS AFTER REPORTING DATE

Refer to note 33 in the consolidated financial statements for events after the reporting date.

FINANCIAL REPORTING PROCESS

Under the oversight of the audit, risk and compliance committee (ARCC), PPC has continued with a number of initiatives during FY24 to further improve its internal financial controls and reporting process. These are elaborated on in the ARCC report.

The ARCC's overall assessment of the group's internal controls over financial reporting is that such controls have been further embedded during FY24 and where some deficiencies still exist, adequate compensating measures have been taken where appropriate to provide reasonable assurance that the annual financial statements fairly present in all material respects the financial position, performance and cash flows of the group and company in accordance with the accounting standards.

The chief executive officer and chief financial officer (CFO) have disclosed to the ARCC and the auditors a comprehensive list of the deficiencies in design and operational effectiveness of the internal financial controls, together with a description of the actions required to be taken to remediate these deficiencies. The committee is satisfied that the rectification actions will improve the effectiveness of the internal financial controls, particularly at the business-unit level.

The ARCC reviewed the expertise of the CFO for the year ended 31 March 2024 under whose supervision the FY24 annual financial statements have been prepared, and was satisfied that she had the qualifications and experience to discharge her duties.

MATERIAL RISKS

Substandard cement quality in the South African market

Cement is the primary material used in concrete, which is, in turn, used to build infrastructure. As such, substandard quality cement is potentially dangerous to the users of that infrastructure. Substandard products also undermine the public's confidence in the use of cement.

The market has seen may new entrants, especially in the blending area, which has elevated this risk.

To remain sustainable, the local cement industry must be protected from the unfair competition it is exposed to by substandard products, whether blended locally or imported.

Overcapacity in South Africa

Overcapacity and a fragmented cement market in a muted demand context restricts earnings and the ability to reflect cost inflation into cement market prices. Increasingly, it is imperative to protect the local manufacturing industry and create a level playing field in relation to imports and dumping practices.

Management is determined to defend the cement industry and its strategic position within the broader economic context of South Africa through regular and consistent dialogues with the relevant government bodies.

Low demand in South Africa due to slow economic growth

Significant commercial infrastructure projects have not materialised, and the subdued South African economy has also affected consumer demand.

The lack of infrastructure spends and development by government, within the local economy, has placed strain on the market and has required businesses to mothball assets or reduce the rate of production to manage costs.

PPC has positioned itself to ensure that it has the capacity to provide products to address the infrastructure backlogs as and when projects start.

Climate change and the need to reduce the group's environmental impact

During cement production, the processing of raw materials releases dust, noise and carbon dioxide (CO_2) emissions.

PPC is aligned and committed to reducing its CO_2 emissions by using energy more efficiently, reducing the clinker factor in the cement portfolio and replacing fossil fuels with alternative fuels and raw materials, wherever possible.

Talent management and development

The risk of lack of knowledge and skills across all functions and levels in the group remains a key risk given the need to further improve operational performance and use IT systems more effectively. The risk is further exacerbated by the significant competition for and mobility of highly skilled labour within the industry.

In FY25, a key focus will be on standardising business processes and providing users with more SAP training.

Unreliable power and Transnet Freight Rail (TFR)

PPC's operations in both South Africa and Zimbabwe are affected by power outages and power surges/dips. The surges in power create the need for more regular maintenance and retaining additional spares due to potential equipment failure. Power surges pose challenges to quality and strength variation of products, which in turn reduces operational efficiencies.

During FY2024 downtime caused by external power dips/outages amounted to five days in South Africa and 17 days in Zimbabwe.

Efforts are ongoing to increase the usage of solar/wind power in both countries.

In addition, the TFR services have been declining and have become unreliable, driving inefficiencies in our logistics that translates into higher costs.

Credibility to external stakeholders

PPC strives to be considered credible in the eyes of its stakeholders and does this by ensuring its trustworthiness and superior quality products.

By delivering on its agreements with its stakeholders and meeting their expectations timeously, PPC will create value and meet its strategic objectives.

SUBSIDIARY COMPANIES

Details of the group's subsidiaries can be found in note 34 to the annual financial statements. The only changes in the shareholding of operating subsidiaries during the year was the sale by PPC of its 51% stake in CIMERWA and an increase in its shareholding in PPC Zimbabwe to 88% due to the conclusion of a portion of the indigenisation transaction. PPC South Africa Holdings shareholding decreased by 10% to 90% due to the Employee Share Ownership Trust

PROPERTY, PLANT AND EQUIPMENT

At March 2024, the group's net investment in property, plant and equipment amounted to R5 894 million (2023: R7 331 million), details of which are set out in note 2 to the consolidated annual financial statements.

There has been no change in the nature of the property, plant and equipment or to the policies relating to the use thereof during the year.

Impairment assessments of individual material assets and all CGUs were undertaken during FY24. Details of these impairments have been discussed earlier in this report. Discussion around the methodology applied is included in note 21 to the consolidated annual financial statements.

Details of the group's capital commitments of R206 million (2023: R227 million) can be found in note 26.

STATED CAPITAL

On 31 March 2024, the issued stated capital of the company was 1 553 764 624 (2023: 1 553 764 624) no par value shares.

At year-end, stated capital amounted to R4 352 million (2023: R4 544 million).

In addition to the purchase of the shares held for participants of the long-term employee incentive scheme, a subsidiary of the company completed the R200 million share repurchase programme and the shares repurchased are treated as treasury shares.

Details of authorised, issued and unissued shares at 31 March 2024 are disclosed in notes 12 and 24 to the consolidated annual financial statements.

SHAREHOLDER INFORMATION

The register of members of the company is open for inspection to members and the public, during normal office hours, at the offices of the company's transfer secretaries, Computershare Investor Services (Pty) Ltd or at Corpserve (Pvt) Ltd (Zimbabwe).

Details of the transfer secretaries can be found in the corporate information section on page 116.

Details relating to the beneficial shareholders owning more than 3% of the issued stated capital of the company appear on page 43 of this report.

DIRECTORS' INTEREST IN THE ISSUED SHARES OF THE COMPANY

The aggregate direct beneficial holdings of directors and their immediate families (none of whom holds over 1%) in the issued ordinary shares of the company are detailed below.

	Number of shares as at 31 March 2024	**%**	Number of shares as at 31 March 2023	%
Roland van Wijnen[(a)]	**—**	**0,00**	1 311 715	0,08
Matias Cardarelli	**7 455 255**	**0,48**	—	—
Noluvuyo Mkhondo and Daniel Smith indirect non-beneficial through Value Capital Partners	**246 300 866**	**15,85**	246 300 866	15,85
	253 756 121	**16,33**	247 612 581	15,93

(a) *Resigned with effect from 31 December 2023.*

There has been no change in the directors' interest since year-end.

CORPORATE GOVERNANCE

The group subscribes to the code of good corporate practices and conduct as contained in the King IV Report on Corporate Governance for South Africa (King IV). The PPC board has satisfied itself that the company has complied in all material aspects with the code as well as the JSE Limited (JSE) Listings Requirements.

COMPLIANCE WITH APPLICABLE LAWS

The board hereby confirms that the company is:

- In compliance with the provisions of the Companies Act and laws of establishment, specifically relating to its incorporation
- Operating in conformity with its memorandum of incorporation (MOI)

DIRECTORS

The directors in office at the date of this report are as follows:

Name	Designation	Date of appointment
Phillip Jabulani (Jabu) Moleketi	Non-executive independent chair	March 2018
Matias Cardarelli	Executive director – CEO	December 2023
Brenda Berlin	Executive director – CFO	February 2021
Nonkululeko Gobodo	Non-executive director	February 2017
Bjarne Moltke Hansen	Non-executive director	November 2021
Kunyalala Maphisa	Non-executive director	February 2021
Noluvuyo Mkhondo	Non-executive director	March 2018
Charles Naude	Non-executive director	January 2015
Daniel Luke Smith	Non-executive director	October 2022
Mark Richard Thompson	Non-executive director	May 2019

Ms K Maphisa, Ms N Mkhondo and Mr J Moleketi are required to retire by rotation in terms of the company's MOI at the AGM on 4 September 2024. Abbreviated CVs for each director will be provided in the notice to the AGM.

The PPC board charter provides for a clear balance of power and authority at board of directors' level to ensure that no one director has unfettered powers of decision-making.

In accordance with principle 7 paragraph 10 of King IV, the board approved a policy on directors' diversity, which became effective from 4 December 2019. In accordance with that policy, the PPC reward and talent committee (RTC) reviews and assesses board composition on behalf of the board and recommends the appointment of new directors.

Board committees

Audit, risk and compliance committee (ARCC)

Along with its statutory responsibilities, the ARCC provides independent oversight of the effectiveness of the group's internal audit, finance and assurance functions, risk management, and technology and information governance, in addition to overseeing PPC's compliance with relevant laws and regulations. The committee also assists the board in monitoring PPC's reporting activities, including the annual financial statements, integrated report and other external reporting.

The committee comprises at least three non-executive directors elected by shareholders at the AGM on recommendation from the RTC. All members of the ARCC are independent non-executive directors with the appropriate qualifications. Furthermore, the chairman of the board is not eligible to be a member of the ARCC. The ARCC met six times during the financial year, all of which meetings were scheduled ordinary meetings. The committee comprised the following members throughout the period:

Membership as at 31 March 2024	Meeting attendance	Appointed to committee
Mark Thompson (chair)	6/6	1 May 2019
Nonkululeko Gobodo	6/6	8 February 2017
Noluvuyo Mkhondo	6/6	17 May 2018

Attendees by invitation

CEO
CFO
Chief strategy officer (CSO)
Chief operations officer (COO)
Head of group internal audit
Head of internal control
Chief legal and compliance officer and group company secretary (CLCO)
Head of group treasury, risk and assurance
Chief information officer
Senior financial executives
Representatives from the external auditor

Social, ethics and transformation committee (SETCO)

The role of the SETCO is to assist the board by providing independent oversight and reporting on an organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships while facilitating and supporting the development of transformation objectives. SETCO's activities include fulfilling its statutory duties as set out in section 72(4)(a) of the Companies Act 78 of 2001 (the Act), read with regulation 43 to the Act. The committee comprises at least five directors or prescribed officers, the majority of whom are independent non-executive directors, with the required skills and experience to fulfil their duties pertaining to the company's matters and businesses. The committee met three times during the year and no extraordinary meetings were held.

The committee comprised the following members at year-end:

Membership as at 31 March 2024	Meeting attendance	Appointed to committee
Nonkululeko Gobodo (chair)	3/3	10 November 2017
Matias Cardarelli	1/1	14 March 2024
Bjarne Hansen	3/3	1 November 2021
Kunyalala Maphisa	3/3	1 February 2021
Jabu Moleketi	3/3	13 April 2018

Attendees by invitation
CLCO
CSO
COO
Chief human resources officer (CHRO)

Reward and talent committee (RTC)

In its nominations role, the RTC oversees the appointment of executive and non-executive directors to the board, ensures succession planning at board level, reviews the structure, size and composition of the board and its committees, and evaluates the performance of the board, its committees, its chairman and individual members. In its remuneration role, the RTC ensures PPC remunerates fairly, responsibly and transparently while promoting the achievement of strategic objectives and positive outcomes in the short, medium- and long-term.

The committee comprises at least three non-executive directors, the majority of whom are independent, with the required skills and experience to fulfil their duties. The RTC meets at least three times per year, with additional meetings scheduled as necessary. The RTC met eight times during FY24 of which four were extraordinary meetings. The committee comprised the following members at year-end:

Membership as at 31 March 2024	Meeting attendance	Appointed to committee
Noluvuyo Mkhondo (chair)	8/8	1 October 2021
Jabu Moleketi	8/8	1 October 2021
Charles Naude	8/8	1 October 2021

Attendees by invitation
CEO
CLCO
CHRO
Representatives from external remuneration advisers

The remuneration policy and report will be circulated with the notice of the AGM.

Strategy and investment committee (S&IC)

The S&IC supports the board with recommendations relating to PPC's investment and divestment decisions, including ensuring operational improvement projects to maximise stakeholder value. The committee operates within the strategic guidelines established by the board.

The committee comprises at least three non-executive directors, the majority of whom are independent and have the appropriate expertise and experience to fulfil their duties. The S&IC is mandated to hold three meetings annually, with additional sessions held as required to effectively discharge its duties. During FY24, the S&IC met five times, of which two were extraordinary meetings. The committee comprised the following members at year-end:

Membership as at 31 March 2024	Meeting attendance	Appointed to committee
Charles Naude (chair)	5/5	13 April 2015
Matias Cardarelli	1/1	March 14, 2024
Bjarne Hansen	5/5	1 November 2021
Kunyalala Maphisa	5/5	1 February 2021
Mark Thompson	5/5	1 August 2019
Daniel Smith	5/5	1 October 2022

Attendees by invitation
CFO
COO
CSO
CLCO

SPECIAL RESOLUTIONS

At the AGM held on 6 September 2023, the following special resolutions were approved:

- Granting approval for the company to enter into intercompany loans by way of financial assistance in terms of sections 44 and 45 of the Companies Act with subsidiaries and other related entities within the group
- Authorised the company to pay remuneration to non-executive directors for their services as non-executive directors
- General authority to repurchase own shares or acquisition of the company's shares by a subsidiary company

SPECIAL RESOLUTIONS PASSED BY SUBSIDIARY COMPANIES

No special resolutions were passed by subsidiaries of the company.

COMPANY SECRETARY

The company secretary of PPC Ltd is Kevin Ross. His business and postal addresses appear in the corporate information section. The board has considered and satisfied itself on the competence, qualifications and experience of the company secretary.

ARCC

The directors confirm that the ARCC has addressed specific responsibilities required in terms of section 94(7) of the Companies Act 71 of 2008, as amended. Further details are contained within the report of the ARCC.

AUDITOR

The board approved, on the recommendation of the ARCC, that PricewaterhouseCoopers Inc (PwC) be appointed as the group's auditors for the financial year ended 31 March 2024, in terms of section 90 of the Companies Act, which appointment was approved by shareholders at the AGM held on 6 September 2023.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT

I am pleased to present our report to the shareholders on the activities of the audit, risk and compliance committee (ARCC) for the year ended 31 March 2024.

Mark Thompson
Chairman

OUR TERMS OF REFERENCE

The ARCC has formal terms of reference that were reviewed during the year and approved by the board. It is satisfied that it has dealt with all matters delegated to it in terms of its approved terms of reference for the year ended 31 March 2024 (FY24).

COMPOSITION, MEETING ATTENDANCE AND ASSESSMENT

The committee comprises at least three non-executive directors (NEDs) elected by shareholders on the recommendation of the then nominations committee (subsequently renamed the reward and talent committee). All members of the ARCC are independent NEDs with the appropriate qualifications.

The ARCC met six times during FY24, all of which meetings were scheduled meetings. During FY24 and as of the date of this report, the committee comprised the following independent NEDs:

Committee member	Qualifications	Meeting attendance	Appointed to committee
Mr Thompson (chairman)	CA(SA), BCom, LLB, BAcc	6/6	1 May 2019
N Gobodo	CA(SA)	6/6	8 February 2017
N Mkhondo	CA(SA), BAcc, MBA	6/6	17 May 2018

Mr Mark Thompson was appointed as chairman of the ARCC on 29 August 2019. The CEO, CFO, head of internal audit, senior financial executives, along with representatives from the external auditors, attend committee meetings by invitation. The internal and external auditors have unrestricted access to the committee.

ROLES AND RESPONSIBILITIES

The ARCC is a statutory committee established in terms of section 94 of the Companies Act 71 of 2008, as amended (Companies Act), and is a committee of the board. In addition to its specific statutory responsibilities, the board has assigned additional responsibilities to the committee in terms of the JSE Limited (JSE) Listings Requirements and King IV. In summary, the ARCC's responsibilities include:

- Assisting the board by advising and making submissions on financial reporting
- Overseeing governance, risk management and compliance processes, and internal controls over financial reporting
- Overseeing information technology (IT) and IT governance within the group
- Overseeing the external and internal audit functions

During the year, the committee continued to work closely with the management team to review, overhaul and improve the main governance systems for which it has oversight responsibility, namely the risk management, compliance, combined assurance systems and the group's financial reporting function.

The committee receives and deals appropriately with any concerns or complaints, whether from within or outside PPC or on its own initiative, relating to the accounting practices and internal audit of the company, the content and audit of the company's financial statements, the internal financial controls of the company and any other related matter.

Appointment of an independent external auditor

In executing its statutory duties for the year, the ARCC:

- In terms of the provisions of section 94 of the Companies Act, nominated PricewaterhouseCoopers Inc (PwC) for reappointment as PPC's external auditors for FY24
- Approved PwC's terms of engagement, audit plan and fees for the year
- Ensured that the appointment of PwC complies with the Companies Act and the JSE Listing Requirements
- Satisfied itself with the credentials of both the firm and Mr Nqaba Ndiweni as the designated audit partner, both of whose appointment was approved at PPC's annual general meeting on 6 September 2023
- Satisfied itself that PwC and the designated audit partner are independent of the group, as set out in section 94(8) of the Companies Act

PPC has an approved policy setting out the nature and extent of any non-audit services that may or may not be provided by the group's external auditors. The committee is satisfied that all non-audit related services were carried out in accordance with the non-audit-services policy.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT continued

FINANCIAL STATEMENTS

The committee reviewed the audited annual financial statements (AFS), short-form announcements and accompanying reports to shareholders and other announcements on the group's FY24 results. The committee oversaw the preparation of the AFS in terms of IFRS and other appropriate standards as required by the JSE, taking into account the findings from the JSE's reporting back on proactive monitoring of financial statements, the final findings of the JSE's thematic reviews of compliance and its combined findings reports. This included a review of significant accounting policies, key accounting items (including the significant matters mentioned in the directors' report), areas of significant judgement and material assumptions and estimates made by management. In the committee's view, these were appropriate, and it recommended the AFS for approval by the board.

PPC continued to enhance its comprehensive financial reporting framework during the year and added a further component to the previous 16 components. The now 17 key components have been grouped to ensure that there are key controls over the following five areas:

- A documented set of some 430 controls aimed at providing reasonable assurance as to the integrity of the routinely produced (day-to-day) numbers
- A formalised process to deal with, via formal technical papers, key accounting matters, being matters involving complex accounting, non-business as usual transactions, areas where significant judgement is applied and where new accounting standards/ interpretations are involved
- Procedures to identify and deal with accounting disclosure requirements, particularly where these are not readily apparent from the accounting records – such as going concern issues, covenant compliance, post balance sheet events, related-party transactions and contingent liabilities
- Various controls and review procedures over the consolidation process
- A range of higher-level review procedures designed to give additional comfort as to the material correctness and fair presentation of the AFS in terms of IFRS

During the year, group internal audit (GIA) continued to focus on its testing of the design and operational effectiveness of the controls over the routine (day-to-day) transactions across the group. GIA's final report for FY24 reflected that the majority of the controls were operating effectively. The CFO and the committee were satisfied that other components in the financial reporting framework compensated for those controls that were not fully effective.

At year-end, with the CFO, the committee reviewed the operating effectiveness of the other components of the financial reporting framework and was well satisfied with the progress made on entrenching these across the group.

Based on this work, the committee's overall assessment of the group's internal controls over financial reporting is that:

- A comprehensive, effectively designed control and financial reporting framework has been in place for two years and that, in general, the various components are operating effectively
- Ownership of controls has been embedded in the organisation down to individual sites across the business
- Any identified shortcomings in the design and/or operation of specific controls or processes have either been addressed or plans are in place to address the shortcoming
- No material financial loss, fraud, corruption or error has resulted from a failure in the financial control environment
- Given that the group's control environment can further mature, adequate compensating measures have been taken where appropriate to provide reasonable assurance that the financial reporting of the group fairly presents in all material respects the financial position, performance and cash flows of the group and the company in accordance with the accounting standards

As required by the JSE Listing Requirements (paragraph 3.84(k) thereof), the CEO and CFO have disclosed to the committee and the auditors a comprehensive list of the deficiencies in design and operational effectiveness of the internal financial controls, together with a description of the actions required to be taken to remediate these deficiencies. The committee is satisfied that the rectification actions will improve the effectiveness of the internal financial controls.

CFO and finance function

Ms Brenda Berlin was appointed as CFO on 1 April 2021. The finance function remains stable and continues to improve. The committee is satisfied with the general effectiveness of the function under her direction.

The committee also satisfied itself as to the qualifications and experience of the CFO to discharge her duty to supervise the preparation of the FY24 AFS and to manage the financial affairs of the group.

Other responsibilities

Internal audit

The committee is responsible for overseeing the internal audit function and the appointment and remuneration of the chief audit executive. The committee was satisfied with the performance of the head of group internal audit and the internal audit function.

During the year, the committee:

- Reviewed and approved the group's internal audit plan, along with amendments thereto, the internal audit charter and internal audit budget
- Monitored the progress internal audit made compared to the plan
- Reviewed internal audit's compliance with its charter and was satisfied that the internal audit function has the necessary resources, budget and standing in PPC to discharge its functions
- Ensured that the internal audit function is independent, adequately qualified and experienced, and that its scope of work and access to required information was not restricted
- Reviewed the extent to which the internal audit function has coordinated with other internal and external assurance providers in providing assurance coverage
- Reviewed the internal audit results and significant audit findings together with the relevant management comments and action plans
- Reviewed internal audit's periodic reporting and the overall annual assessment of the effectiveness of the group's governance, risk management and control processes, in accordance with King IV principle 15 recommended practice 59
- An external independent quality review of the internal audit function was undertaken during the year and the committee reviewed the report which identified certain areas for improvement but concluded that generally the function was performing satisfactorily

The internal audit function continues to work effectively and makes good use of technology. During FY24, internal audit continued to focus on the testing of the effectiveness of internal financial controls as well as assisting with the development of new frameworks for key business processes and the roll-out of such frameworks to other sites within PPC's businesses. This enhances standardisation and efficiencies.

AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT continued

The function operates effectively as a group function rather than separate decentralised teams. The roll-out of the new internal audit standards for implementation in January 2025 will be a key focus area. In addition, a risk-based audit plan for FY25 will test the effectiveness of internal controls (including financial controls) as well as the group's risk management, compliance and combined assurance processes. Actions to address the findings of the independent quality review are also in progress and will be aligned to the new internal audit standards where applicable.

Combined assurance

The committee is charged with ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities, which address the significant risks facing PPC, and the effectiveness of its key governance systems.

The combined assurance model assesses effectiveness of assurance across the group's four key risk frameworks, being: business risks, legal and policy compliance risks, financial reporting risks and IT risks.

During FY24, the function enhanced the combined assurance mapping process and conducted combined assurance governance committee meetings across the group. To entrench a control assessment culture, assessment education continued with workshops and training for general managers and department heads.

The committee is satisfied with progress, and automation will be a focus in FY25 to improve the efficiency of assurance collation and assessment. The combined assurance function will also continue to provide support to the business to ensure the control assessment culture remains entrenched.

Tax function

As part of its overall responsibility for financial reporting, the committee also has specific responsibility for the tax function. The tax team is maturing and there has been ongoing investment in institutional knowledge during the year.

The need for external tax specialists is limited to reviews of high-risk areas or complex transactions. An automation project to reduce the risk of errors was deferred but the risk of errors has nonetheless been mitigated by a better internal financial control environment and enhanced knowledge of the business by the team members.

Treasury function

The treasury function is responsible for managing key financial risks, including interest rate fluctuations and foreign exchange rate changes. The function manages and monitors these exposures and recommends appropriate hedging strategies to address them.

Additionally, the team is responsible for liquidity planning, debt maturity and compliance with funding terms.

The function has the necessary skills to operate optimally and in FY24 introduced further automation in the area of foreign exchange management.

The committee is satisfied that the function is performing well.

Business risk management

The committee is responsible for overseeing the group's risk governance framework and policy, risk disclosures and reporting procedures.

The business risk management function is charged with the development and implementation of a structured environment for the identification, management and reporting of the business risks and opportunities faced by the group.

The function is stable and structured as the team implements its three-year plan to improve automation, the categorisation of risks, the development of risk indicators and risk analyses.

The committee is satisfied with the progress made in the management of the group's risks and opportunities. The structure of the board and its sub-committee's oversight of risk process is being reviewed in FY25.

Information technology (IT)

The committee exercises ongoing oversight over the group's IT function and IT governance.

The IT function remains stable, and its performance in continuity of systems and security matters is good. There were no security breaches or significant system outages during the year under review.

With the assistance of an external IT specialist, some progress was made in FY24 to document and automate certain business processes and identify areas of improvement to enhance controls and to ensure that the business process is in line with best SAP practice. This has been identified, together with SAP training for business users, as a key area that needs improvement in FY25. The priority in FY25 will be to improve the automation and standardisation of high-risk business processes.

Compliance with laws, regulations and group policies

The committee is also responsible for overseeing the effectiveness of the system that aims to provide reasonable assurance as to the group's compliance with laws, regulations and group policies, as well as the results of management's investigation and follow-up of any fraudulent acts or non-compliance. The committee obtains regular updates from management regarding compliance matters.

Various reports on the effectiveness of the systems, procedures and controls employed by the company to ensure compliance with statutes, regulations and the group policies were considered by the committee.

Compliance management has further improved during FY24 and all compliance obligations and monitoring procedures, which were manually managed during the year, are being uploaded into a new electronic compliance tool for FY25.

The committee is satisfied that all relevant regulatory compliance matters were considered during the preparation of the group's FY24 AFS.

The group's whistleblower programme is well managed, and the roll-out of ethics and compliance training has been successful as measured by comprehension tests after training.

Opinion

The committee is satisfied that it has discharged its legal, regulatory and governance duties and responsibilities and that it has functioned in accordance with its terms of reference.

On behalf of the audit, risk and compliance committee

Mark Thompson
Chairman

21 June 2024

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	3.1	**144**	68
Other intangible assets	5	**68**	85
Financial assets	6.1	**207**	185
Other non-current assets	6.2	**4**	24
Deferred taxation assets	7.3	**42**	27
Current assets		**3 193**	2 759
Inventories	9	**1 355**	1 287
Trade and other receivables	10	**969**	995
Taxation receivable		**12**	53
Cash and cash equivalents	11	**857**	424
Assets held for sale	8	**3**	8
Total assets		**9 555**	10 487
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	12.1	**4 352**	4 544
Other reserves	12.2	**(7 204)**	(6 818)
Retained profit		**8 822**	7 999
Equity attributable to shareholders of PPC Ltd		**5 970**	5 725
Non-controlling interests	12.3	**(73)**	617
Total equity		**5 897**	6 342
Non-current liabilities		**1 637**	2 420
Provisions	13	**164**	187
Deferred taxation liabilities	7.3	**1 131**	1 338
Long-term borrowings	14	**225**	852
Other non-current liabilities	15	**—**	1
Lease liabilities	3.2	**117**	42
Current liabilities		**2 021**	1 725
Provisions	13	**8**	15
Trade and other payables	16	**1 327**	1 288
Lease liabilities	3.2	**37**	28
Short-term borrowings	14	**554**	337
Taxation payable		**95**	57
Total equity and liabilities		**9 555**	10 487

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	17	**10 058**	8 339
Cost of sales		**(8 409)**	(7 231)
Gross profit		**1 649**	1 108
Decrease/(increase) in expected credit losses on financial assets		**5**	(10)
Administration and other operating expenditure		**(1 035)**	(981)
Trading profit before items listed below:	27	**619**	117
Fair value and foreign exchange movements	19	**(30)**	55
Fair value loss on Zimbabwe blocked funds		**—**	(32)
Net monetary loss on hyperinflation in Zimbabwe		**—**	(131)
Impairments	21	**(267)**	(61)
Profit/(loss) before finance costs, investment income and equity-accounted investments		**322**	(52)
Finance costs	22	**(131)**	(123)
Investment income	23	**42**	26
Profit/(loss) before equity-accounted investments		**233**	(149)
Profit from sale of equity-accounted investments	31	**—**	23
Profit/(loss) before taxation		**233**	(126)
Taxation	7	**(145)**	(202)
Profit/(loss) for the year from continuing operations		**88**	(328)
Profit/(loss) for the year from discontinued operations	8.1	**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)	24		
Basic – group		**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 8.*

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 income/(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**	Restated[a] 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 operations[b]	**32**	(2 420)	**—**	—	**—**	—	**—**	—	**32**	(2 420)
(Profit)/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[c]	**—**	—	**—**	(1)	**—**	—	**—**	—	**—**	(1)
Items that will be not reclassified to profit or loss										
Actuarial gains on post-retirement benefits	**—**	—	**—**	—	**—**	5	**—**	—	**—**	5
Other comprehensive income/(loss) 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 8.*
[b] *The currency conversion guide is presented in note 1.5 and 19.2.*
[c] *Revaluation of financial assets has a tax impact of R0,1 million (2023: R0,2 million).*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Stated capital	Other reserves[(a)] Foreign currency translation reserve	Financial assets at fair value through other comprehensive income	Post-retirement benefit	Equity compensation 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[(b)]	**—**	**—**	**—**	**—**	**(446)**	**492**	**46**	**(46)**	**—**
Profit/(loss) for the year	**—**	**—**	**—**	**—**	**—**	**406**	**406**	**104**	**510**
Other comprehensive income/(loss)[(c)]	**—**	**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)	—	—	—	(2 335)	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 plan and black economic empowerment (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 PPC Zimbabwe indigenisation arrangement expired at 31 July 2023 and the shares did not vest, as such the accumulated compensation reserve has been reclassified to retained earnings.*

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

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

	Notes	March 2024 Rm	Restated[(a)] March 2023 Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	25.1	**900**	725
Finance costs paid	22	**(124)**	(111)
Interest received		**32**	14
Taxation paid	7.2	**(185)**	(144)
Cash available from operations		**623**	484
Net operating activities from discontinued operations	8.2	**183**	357
Net cash inflow from operating activities		**806**	841
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in intangible assets	5	**(8)**	(12)
Investment in property, plant and equipment (adjusted for capital expenditure accruals)	2	**(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	8.2	**(50)**	(174)
Net cash outflow from investing activities		**243**	(534)
Net cash inflow before financing activities		**1 049**	307
CASH FLOWS FROM FINANCING ACTIVITIES[(c)]			
Purchase of PPC Ltd shares by a subsidiary		**(199)**	—
Purchase of PPC Ltd shares in terms of the share incentive scheme		**(24)**	(36)
Repayment of borrowings	25.2	**(150)**	(282)
Proceeds from borrowings raised	25.2	**—**	3
Repayment of principal portion of lease liabilities	3.4	**(34)**	(29)
Dividends paid to non-controlling interest		**(70)**	(94)
Net financing activities from discontinued operations	8.2	**(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	8.2	**(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	11	**857**	264
Cash and cash equivalents – discontinued operations		**—**	160
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 8.*
[(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 favourable non-cash changes on borrowings amounted to R15 million (March 2023: R50 million) arising from unrealised foreign exchange differences. Refer to note 1.5 for the relevant currency conversions.*

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 includes executive directors. The group executive committee primarily uses a measure of 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.

			Cement						Materials business			
									Aggregates, ash and readymix		Group services and other[b]	
	Consolidated		SA and Botswana		Zimbabwe		Rwanda		South Africa			
	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	March 2024 Rm	Restated[a] March 2023 Rm
Revenue from contracts with customers												
Gross revenue	10 457	8 632	6 080	5 782	3 346	1 753	—	—	1 031	1 097	—	—
Inter-segment revenue[c]	(399)	(293)	(371)	(273)	—	—	—	—	(28)	(20)	—	—
Total revenue[d]	10 058	8 339	5 709	5 509	3 346	1 753	—	—	1 003	1 077	—	—
Gross revenue	10 058	8 339	6 080	5 782	3 346	1 753			1 031	1 097	(399)	(293)
Cost of sales	(8 409)	(7 231)	(5 114)	(4 976)	(2 729)	(1 478)	—	—	(964)	(1 058)	398	281
Decrease/(increase) in expected credit losses on financial assets	5	(10)	3	(4)	(2)	(12)	—	—	3	5	1	1
Admin and other operating expenses[h]	(1 035)	(981)	(648)	(548)	(136)	(179)	—	—	(62)	(141)	(189)	(113)
Trading profit before items listed below	619	117	321	254	479	84	—	—	8	(97)	(189)	(124)
Fair value and foreign exchange gains movements	(30)	55	(6)	(2)	(41)	35	—	—	(3)	(2)	20	24
Fair value loss on Zimbabwe blocked funds	—	(32)	—	—	—	—	—	—	—	—	—	(32)
Net monetary loss on hyperinflation in Zimbabwe	—	(131)	—	—	—	(131)	—	—	—	—	—	—
(Impairments)/reversal of impairments	(267)	(61)	(197)	(8)	—	—	—	—	(70)	(49)	—	(4)
Profit/(loss) before finance costs, investment income and equity-accounted investments	322	(52)	118	244	438	(12)	—	—	(65)	(148)	(169)	(136)
Finance costs	(131)	(123)	(123)	(112)	(4)	(6)	—	—	(1)	(2)	(3)	(3)
Investment income	42	26	30	12	—	3	—	—	1	—	11	11
Profit/(loss) before equity-accounted earnings	233	(149)	25	144	434	(15)	—	—	(65)	(150)	(161)	(128)
Profit from sale of equity-accounted investments	—	23	—	—	—	—	—	—	—	—	—	23
Profit/(loss) before taxation	233	(126)	25	144	434	(15)	—	—	(65)	(150)	(161)	(105)
Taxation	(145)	(202)	(13)	(4)	(112)	(137)	—	—	6	11	(26)	(72)
Profit/(loss) for the year from continuing operations	88	(328)	12	140	322	(152)	—	—	(59)	(139)	(187)	(177)
Profit/(loss) for the year from discontinued operations	422	(246)	—	—	—	—	225	179	—	—	197	(425)
Profit/(loss) for the year	510	(574)	12	140	322	(152)	225	179	(59)	(139)	10	(602)
Attributable to:												
Shareholders of PPC Ltd – continuing operations	88	(328)	12	140	322	(152)	—	—	(59)	(139)	(187)	(177)
Shareholders of PPC Ltd – discontinued operations	318	(339)	—	—	—	—	121	78	—	—	197	(417)
Non-controlling interests	104	93	—	—	—	—	104	101	—	—	—	(8)
	510	(574)	12	140	322	(152)	225	179	(59)	(139)	10	(602)
Basic EPS – continuing operations cents per share	6	(21)	1	9	21	(10)	—	—	(4)	(9)	(12)	(11)
Basic EPS – discontinued operations cents per share	21	(22)	—	—	—		8	5	—	—	13	(27)
Headline EPS – continuing operations cents per share	19	(20)	11	10	22	(10)	—	—	(1)	(7)	(13)	(13)
Headline EPS – discontinued operations cents per share	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 (%)[f]	N/A	N/A	11,3	11,7	20,2	20,8	—	—	4,2	(5,9)	—	—
EBITDA margin (%)[g]	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 notes 2 and 5)	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	2 397	2 453	889	787	—	531	186	184	186	190
Capital commitments (refer to note 26)	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 8.

(b) Group services and other comprises Group Shared Services (GSS), 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 interest, tax, 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 CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2024

1. BASIS OF PREPARATION

The consolidated financial statements of PPC Ltd group comprise the company and its subsidiaries and the group's interest in associates (together referred to as the group and individually as group entities). The consolidated financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB), and IFRIC® Interpretations issued by the IFRS Interpretations Committee and effective for the group at 31 March 2024 and comply with the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee (APC) and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listings Requirements and the requirements of the Companies Act. The consolidated annual financial statements have been prepared using the historical cost convention except for certain financial instruments which are stated at fair value, and assets held for sale which are measured at fair value less costs to sell.

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

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 group adopted the following standards during the year:

Standard, amendment or interpretation	Impact on the financial statements
IFRS 17 – *Insurance contracts*	No significant impact on the group financial statements
Disclosure of accounting policies – amendments to IAS 1 and *IFRS Practice Statement* 2	No significant impact on the group financial statements
Definition of accounting estimates – amendments to IAS 8	No significant impact on the group financial statements
OECD Pillar Two rules	No significant impact on the group financial statements
Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12	No significant impact on the group financial statements

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

1.1 BASIS OF CONSOLIDATION

The group consolidates all of its subsidiaries. Refer to subsidiaries and non-controlling interests (note 34) for details about the group subsidiaries.

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

All subsidiaries have the same financial year-end as the company. PPC Ltd sold its 51% effective stake in CIMERWA on 25 January 2024 and for the purpose of preparing these consolidated financial statements, an external audit has been performed on the financial results of this entity for the period 1 April 2023 to 25 January 2024.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of financial position, respectively. Non-controlling interest comprehensive income or loss is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights, except where management exercises judgement to recognise an investment in an associate when the shareholding is less than 20% or greater than 50%. Investments in associates are accounted for using the equity method of accounting (refer to note 31), after initially being recognised at cost.

1.2 ACCOUNTING POLICIES

All accounting policies applied in the preparation of these financial statements are in compliance with IFRS.

1. BASIS OF PREPARATION continued

1.3 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.

The following are the critical judgements and sources of estimation uncertainty that management has made in the process of applying the group accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Significant judgements made by management

Property, plant and equipment (note 2)
Costs to be capitalised to a project (including exploration evaluation)
Impairment assessments
Nil book value assets

Impairments (note 21)
Cash generating unit (CGU) determination

Investment in Zimbabwe blocked funds (note 6)
Recoverability and valuation of the asset

Change in functional currency
PPC Zimbabwe has changed its functional currency from ZWL to US$

Deferred taxation assets (note 7)
Recoverability of the deferred taxation assets arising from taxation losses

Sources of estimation uncertainty

Property, plant and equipment (note 2)
Decommissioning provisions
Useful lives and residual values

Provisions (note 13)
Calculation of the decommissioning and rehabilitation obligations

Financial assets and other non-current assets (note 6)
Recoverability and valuation of financial assets

Other current liabilities (note 15)
Put option liability valuation

Trade and other receivables (note 10)
Expected credit losses on trade and other receivables

Inventories (note 9)
Provision for obsolete inventory

Other intangible assets (note 5)
Useful lives

Share-based payments (note 18)
Fair value of cash and equity-settled instruments

Equity-accounted investments (note 31)
Valuation of PPC Barnet DRC as an equity-accounted investment

1.4 GOING CONCERN

Based on a 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 for the foreseeable future.

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

1. BASIS OF PREPARATION continued

1.5 FOREIGN CURRENCY CONVERSION GUIDE

Functional and presentation currency

Items included in the financial reports of each entity in the group are measured using the entity's functional currency. The consolidated financial statements are presented in South African rands, which is the presentation currency of the group. An entity may have a monetary item that is receivable from a foreign operation. An item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, a part of the entity's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income and accumulated in the foreign currency translation reserve.

Translation of foreign operations

The statement of profit or loss and other comprehensive income, cash flows and financial position of group entities, which are not accounted for as entities operating in hyperinflationary economies and that have a functional currency different from the presentation currency of the group, are translated into the presentation currency as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on acquisition, are translated at rates of exchange ruling at the reporting date
- Specific transactions in equity are translated at rates of exchange ruling at the transaction dates
- Income and expenditure and cash flow items are translated at average exchange rates for the period
- Foreign exchange translation differences are recognised as other comprehensive income and accumulated in the foreign currency translation reserve, except to the extent the difference is allocated to non-controlling interests

The statement of profit or loss and other comprehensive income, cash flows and financial position of the group entities that have functional currencies different from the presentation currency of the group are translated into the presentation currency of its immediate parent at rates of exchange ruling at the reporting date.

Exchange rates used to translate foreign operations relative to the South African rand.

	Average rate		Closing rate	
	2024	2023	**2024**	2023
Botswana pula	**1,387**	1,337	**1,370**	1,358
US dollar	**18,739**	17,069	**18,838**	17,800
Rwandan franc	**0,015**	0,016	**0,015**	0,016
Mozambican metical	**0,296**	0,268	**0,297**	0,282
Zimbabwean dollar	**0,001**	0,019	**0,001**	0,019

PPC Zimbabwe change in functional currency

Effective 1 April 2023, PPC Zimbabwe changed its functional currency from ZWL to US$ in accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates".

The change in functional currency followed a marked and sustained increase in the usage of the US$ by the company and economy at large. A functional currency assessment carried out by management concluded that all primary indicators as given by IAS 21, were reflective of a US$ functional currency. Factors considered by management included the higher US$ proportion of sales and costs combined with US$ based legislation and competitive forces.

The change in functional currency also resulted in the company ceasing hyperinflation reporting from 1 April 2023, as the new functional currency (US$) was not hyperinflationary.

As a result of the change, all assets, and liabilities previously denominated in ZWL were re-denominated into US$ by applying the opening exchange rate on the hyperinflated ZWL opening balance sheet.

The change in functional currency was applied prospectively from 1 April 2023, and all financial information is presented in US$. All foreign currency transactions (including ZWL) were translated to US$ based on the official exchange rates on the date of the foreign currency transaction.

1.6 IAS 29 – FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES

Functional and presentation currency

On 11 October 2019, the Public Accountants and Auditors Board of Zimbabwe classified Zimbabwe as a hyperinflationary economy in accordance with the provisions of IAS 29 – *Financial Reporting in Hyperinflationary Economies*, applicable to entities operating in Zimbabwe with financial periods ended on or after 1 July 2019.

The PPC group concurred with this classification and applied hyperinflationary accounting for the financial years ended 31 March 2020, 2021, 2022 and 2023.

Application of hyperinflationary accounting

Hyperinflationary accounting required transactions and balances to be stated in terms of the measuring unit current at the end of the reporting period in order to account for the effect of loss of purchasing power during the period. The group used the ZWL consumer price index (ZWL CPI) as the general price index to restate amounts as ZWL CPI provided an official observable indication of the change in the price of goods and services.

The Reserve Bank of Zimbabwe (RBZ) and Zimbabwe Statistics (ZIMSTAT) ceased publishing the ZWL CPI in January 2023. In terms of IAS 29, where a general price index is not available, reporting entities may use an estimate based, for example, on the movements in the exchange rate between the functional currency and a stable foreign currency. Management exercised its judgement to use the ZWL dollar depreciation against the United States dollar in February 2023 and March 2023 as a proxy for the ZWL CPI for these months. The Institute of Chartered Accountants of Zimbabwe issued guidance recommending the use of the total consumption poverty line (TCPL). Management acknowledged the recommendation and continued to monitor and understand the data underpinning the TCPL in order to support the validity of the actual proxy used being the ZWL depreciation against the US dollar in February and March 2023.

2. PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recognised at cost, and subsequently measured at cost less accumulated depreciation and impairments.

The methods of depreciation, useful lives and residual values are reviewed annually. The following methods and rates were used during the year:

	Method	Rate
Land	Not depreciated	
Capital work in progress	Not depreciated	
Buildings	Straight line	Up to 30 years, limited to life of mine where appropriate
Mineral rights[(a)]	Straight line	Up to 30 years, limited to life of mine where appropriate
Plant	Straight line	Up to 30 years, limited to life of mine where appropriate
Vehicles	Straight line	Up to 10 years
Furniture and equipment	Straight line	Up to 6 years
Leasehold improvements	Straight line	Depreciated over the lease period or a shorter period if appropriate
Decommissioning asset	Straight line	Up to 30 years, limited to life of mine where appropriate
Capitalised leased plant	Straight line	Depreciated over the lease period or a shorter period if appropriate

(a) *Mineral rights include capitalised exploration and evaluation costs.*

Judgements made by management and sources of estimation uncertainty

Cost capitalisation

Significant judgement is required in identifying costs to be capitalised to a project during the construction, testing and ramp-up phases. Judgement is further required to identify indirect costs that may be capitalised. The group recognises proceeds and costs of items produced before recognition of an item of property, plant and equipment in profit or loss.

The cost of an item of property, plant and equipment is recognised as an asset if it meets the following requirements:
- It is probable that future economic benefits associated with the item will flow to the entity
- The cost of the item can be measured reliably

The cost of an item of property, plant and equipment comprises:
- Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that year

Exploration and evaluation costs

The group capitalises all exploration and evaluation costs that meet the capitalisation criteria. In evaluating if costs incurred meet the criteria to be capitalised, sources of information are used depending on the level of exploration undertaken and the technical feasibility and commercial viability of extracting the mineral resource.

While the criteria for determining capitalisation are based on the probability of future economic benefits, the information that management uses to make that determination depends on the level of exploration. Examples of costs the group capitalises include, but are not limited to, topographical, geological, geochemical and geophysical studies, exploratory drilling and sampling.

Decommissioning assets and provisions

The cost of property, plant and equipment may also include the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset. Estimating the future costs of these obligations is complex as most of the obligations will only be fulfilled in the future. Furthermore, the resulting provisions and assets are influenced by changing technologies and regulations, life of mine, political, environmental, safety, business and statutory considerations across the various jurisdictions in which PPC operates.

Useful lives and residual values and nil book value assets

In line with the requirements of IAS 16 – *Property, Plant and Equipment*, it is PPC group's policy that the useful lives of assets be reviewed annually. Any changes in useful lives are accounted for prospectively as a change in estimate in terms of IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*. Useful lives of property, plant and equipment are based on management estimates and take into account historical trends, obsolescence and maintenance strategies.

The current year assessment resulted in an adjustment of useful lives of certain assets to reflect the pattern of consumption of the future economic benefits embodied in the assets. The impact of the change in applying the adjusted useful lives for the year ended 31 March 2024 is a decrease in the depreciation expense of R52 million

2. PROPERTY, PLANT AND EQUIPMENT continued

	Freehold land and buildings Rm	Mineral rights[(a)] Rm	Decommissioning 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 21)	(49)	—	—	(218)	(267)
Other movements[(b)]	3	—	2	49	54
Other additions[(c)]	52	—	—	3	55
Disposal of subsidiary	(75)	(23)	(2)	(1 100)	(1 200)
Transfer to non-current assets held for sale (refer to note 8)	—	—	—	(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

	Cost Rm	Accumulated depreciation Rm	Net carrying value Rm
Translation differences comprise:			
Botswana	1	—	1
Zimbabwe	216	(101)	115
Total	217	(101)	116

[(a)] *Mineral rights include capitalised exploration and evaluation costs. Management considers mineral rights as a separate class of property, plant and equipment.*
[(b)] *Included in other movements are critical spares reclassified from inventory to PPE amounts.*
[(c)] *Included in other additions are replacement assets received by the Material's business to the value of R55 million. The replacement assets were received as a result of the initial purchase agreement for the mine, which included an obligation for the seller to rehabilitate a portion of contaminated land. The seller discharged the obligation in the current year, which also resulted in a new conveyor belt and offloading station being installed.*

2. PROPERTY, PLANT AND EQUIPMENT continued

	Freehold and leasehold land and buildings Rm	Mineral rights Rm	Decommis-sioning 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 21)	(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

	Cost Rm	Accumulated depreciation Rm	Net carrying value Rm
Translation differences comprise:			
Botswana	4	(3)	1
Rwanda	256	(104)	152
Zimbabwe	(4 972)	1 893	(3 079)
Total	(4 712)	1 786	(2 926)

	March 2024 Rm	March 2023 Rm
Carrying amount of assets pledged as security:		
PPC Cement SA	**2 747**	2 970
CIMERWA	**—**	1 160
Total	**2 747**	4 130

Judgements made by management and sources of estimation uncertainty

The value-in-use amounts were determined using the discount rates and assumptions detailed in note 21.

Impairments have been recognised in the current year, refer to note 21 for the details.

	March 2024 Rm	March 2023 Rm
Cash flow from investment in property, plant and equipment		
Acquisition of property, plant and equipment	**403**	373
Movement in capital expenditure payables (refer to note 16)	**(3)**	(5)
	400	368

3. LEASES

In the capacity of a lessee

This note provides information about leases where the group is a lessee only as it is not a lessor to any third party.

3.1 RIGHT-OF-USE ASSETS

The group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (which is equal to the lease liability (refer to note 3.2) adjusted for previously recognised prepaid or accrued lease payments relating to that lease) and increased with initial direct costs incurred and the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset. After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are assessed for impairment in accordance with the requirements of IAS 36 – *Impairment of Assets*. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Depreciation is calculated using the straight-line method over the estimated useful lives of the right-of-use asset or the lease term. The predominant estimated useful lives are as follows:

Description	Term in years
Property and plant	2 – 5
Vehicles	2 – 3
Land[(a)]	2 – 5
Buildings	2 – 5

(a) *The Highveld lease is an exception as it has a remaining lease period of 24 years.*

The lease term determined by the group comprises:

- Non-cancellable period of lease contracts
- Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option
- Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option

3. LEASES continued

3.1 RIGHT-OF-USE ASSETS continued

	Property and plant Rm	Vehicles Rm	Land Rm	Buildings Rm	Total Rm
March 2024					
Cost	**78**	**71**	**32**	**39**	**220**
Accumulated depreciation and impairments	**(29)**	**(20)**	**(17)**	**(10)**	**(76)**
	49	**51**	**15**	**29**	**144**
Movements during the year					
Net carrying value at the beginning of the year	**30**	**12**	**4**	**22**	**68**
Additions	**34**	**50**	**16**	**20**	**120**
Depreciation	**(14)**	**(9)**	**(5)**	**(12)**	**(40)**
Derecognition	**—**	**(3)**	**—**	**—**	**(3)**
Other movements	**(1)**	**1**	**—**	**—**	**—**
Disposal of subsidiary	**—**	**—**	**—**	**(1)**	**(1)**
Net carrying value at the end of the year	**49**	**51**	**15**	**29**	**144**

	Property and plant Rm	Vehicles Rm	Land Rm	Buildings Rm	Total Rm
March 2023					
Cost	48	31	13	51	143
Accumulated depreciation and impairments	(18)	(19)	(9)	(29)	(75)
	30	12	4	22	68
Movements during the year					
Net carrying value at the beginning of the year	25	15	8	21	69
Additions	14	5	5	13	37
Depreciation	(10)	(7)	(5)	(13)	(35)
Derecognition	—	(2)	(3)	(1)	(6)
Other movements[(a)]	1	1	(1)	5	6
Translation differences	—	—	—	(3)	(3)
Net carrying value at the end of the year	30	12	4	22	68

(a) *Includes the impact of hyperinflation of nil (2023: R2 million loss).*

The group's leases consist mainly of leasing of buildings, property and plant, and vehicles. In certain lease agreements of machinery, equipment and vehicles, variable lease payments are included based on operating hours used, kilometres travelled or output. These leases provide greater flexibility in terms of usage, such as for certain types of trucks and vehicles where operating levels depend on production capacity and demand and are recognised as expenses when incurred.

3. LEASES continued

3.2 LEASE LIABILITIES

The lease liability is initially measured at the present value of the remaining lease payments on the commencement date, discounted using the incremental borrowing rate. The lease liability is subsequently increased by the finance cost on the lease liability and decreased by lease payments made. The lease liability is remeasured when there is a change in the future lease payments arising from a change in an index or rate. The group has elected to split lease and non-lease components for leases per class.

The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the lessee.

Discount rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the group entity that is the counterparty to the lease contract, at inception of the lease. This incremental borrowing rate was derived from the external third-party borrowing rate of the particular group entity.

	March 2024 Rm	March 2023 Rm
Net carrying value at the beginning of the year	**70**	59
New leases capitalised during the year	**118**	37
Modification of existing leases – gain	**2**	2
Disposals	**(2)**	(2)
Lease payments made during the year	**(46)**	(35)
Finance costs	**12**	6
Translation differences	**—**	3
Net carrying value at the end of the year	**154**	70
Non-current lease liabilities	**117**	42
Current lease liabilities	**37**	28
	154	70
Maturity analysis – undiscounted contractual cash flows		
Less than one year	**48**	35
One to five years	**130**	47
More than five years	**13**	1
	191	83
Breakdown of lease payments made during the year		
Fixed payments	**36**	27
Variable payments	**9**	8
Total payments	**45**	35
3.3 AMOUNTS RECOGNISED IN STATEMENT OF PROFIT OR LOSS		
Depreciation on right-of-use asset	**40**	35
Interest expense on lease liabilities	**12**	6
Expenses relating to short-term leases[(a)]	**1**	13
Modification of existing leases – gain	**2**	2
Net effect	**55**	56

[(a)] *These expenses relate to rental expenses that do not meet the IFRS 16 recognition criteria.*

3.4 AMOUNTS RECOGNISED IN STATEMENTS OF CASH FLOW

The total cash outflow for leases accounted for in terms of IFRS 16 in 2024 was R45 million (2023: R35 million), including R12 million (2023: R6 million) for finance costs and principal payments of R34 million (2023: R29 million). Included in cash flows from operating activities is R1 million (2023: R13 million) relating to short-term lease payments, payments for leases of low-value assets, and variable lease payments are not included in the measurement of the lease liability.

4. GOODWILL

	March 2024 Rm	March 2023 Rm
Cost	**96**	204
Accumulated impairments	**(96)**	(204)
	—	—
Movements of goodwill		
Net carrying value at the beginning of the year	**—**	37
Impairment (refer to note 21)	**—**	(42)
Translation differences	**—**	5
Net carrying value at end of the year	**—**	—

Judgements made by management and sources of estimation uncertainty

Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill is allocated. The recoverable amounts of the CGUs are assessed by determining the value in use of the CGU. These assessments use cash flow projections based on the most recent financial budgets approved by the board for the next five years. Cash flows beyond the five-year period are extrapolated using the growth rates as noted in note 21.

The movement in the goodwill amount in the current year compared to the prior year is the due to the derecognition of CIMERWA.

5. OTHER INTANGIBLE ASSETS

	Enterprise resource planning (ERP) development and other software Rm	Brand, trademarks and customer relationships Rm	Total Rm
2024			
Cost	**315**	**443**	**758**
Accumulated amortisation and impairments	**(247)**	**(443)**	**(690)**
	68	**—**	**68**
Movements during the year			
Net carrying value at the beginning of the year	**85**	**—**	**85**
Additions	**8**	**—**	**8**
Disposals	**(1)**	**—**	**(1)**
Amortisation	**(16)**	**—**	**(16)**
Disposal of subsidiaries	**(8)**	**—**	**(8)**
Net carrying value at the end of the year	**68**	**—**	**68**
2023			
Cost	413	528	941
Accumulated amortisation and impairments	(328)	(528)	(856)
	85	—	85
Movements during the year			
Net carrying value at the beginning of the year	97	16	113
Additions	18	—	18
Disposals	(2)		(2)
Amortisation	(22)	(7)	(29)
Impairments (refer to note 21)	(5)	(14)	(19)
Hyperinflation impact	4	—	4
Other movements	2	—	2
Translation differences	(7)	5	(2)
Net carrying value at the end of the year	85	—	85

Useful lives	Method	Rate
Enterprise resource planning development and other software	Straight line	2 to 10 years
Brand and trademarks	Straight line	2 to 15 years
Customer relationships	Straight line	2 to 5 years

Judgements made by management and sources of estimation uncertainty

Brand, trademarks and customer relationships

The group conducted an impairment assessment on all brands, trademarks and customer relationships as part of its annual impairment assessment in the prior year. Refer to note 21.

The group does not have any indefinite useful life intangible assets, other than goodwill, which was fully impaired in the prior financial year (refer to note 4).

6. OTHER NON-CURRENT ASSETS

		Notes	March 2024 Rm	March 2023 Rm
6.1	**FINANCIAL ASSETS**			
	Non-current financial assets at fair value through profit or loss			
	Unlisted collective investment	6.1.1	**153**	144
	Cell captive investment	6.1.2	**46**	33
	Total non-current financial assets at fair value through profit or loss		**199**	177
	Non-current financial assets at fair value through other comprehensive income			
	Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	**2**	2
	Mutual Risk Group (MRG) investment	6.1.4	**6**	6
	Total non-current financial assets at fair value through other comprehensive income		**8**	8
	Total financial assets		**207**	185
6.2	**OTHER NON-CURRENT ASSETS**			
	Zimbabwe blocked funds	6.2.1	**—**	—
	Interest rate swap[(a)]		**1**	—
	Loan receivable[(b)]		**—**	24
	Readymix trucks receivable	6.2.2	**3**	—
	Total other non-current assets		**4**	24

[(a)] *Refer to note 15 for the interest rate swap details. In the prior year, the interest rate swap was in a liability position.*
[(b)] *The loan receivable from PPC Barnet has been reclassified to current assets in the current year.*

Judgements made by management and sources of estimation uncertainty

Due to the longer-term nature of the non-current assets, judgement is required in determining the recoverability and valuation of the various non-current assets held by the group.

6.1.1 *Unlisted collective investment*

This comprises an investment by the PPC Environmental Trust in an Old Mutual equity portfolio, with the fair value being calculated using the ruling prices on 31 March 2024. During the year, there were no funds reinvested into the unit trusts. The current funds are held to fund PPC's South African environmental obligations. Cash held by the PPC Environmental Trust is restricted cash. The portfolio is not obligated to pay out any mandatory dividends to holders. Refer to note 11.

The financial asset is classified at fair value through profit or loss.

6.1.2 *Cell captive investment*

PPC invested in preference shares in Centriq Insurance Company Ltd, a licensed cell captive insurer. The preference shares are governed by a preference share agreement (also called a subscription agreement), which confers certain rights and obligations on the shareholder and the insurer. Some of the main features include the fact that the shareholder (cell owner) gets the right to share in the profits of a specified book of insurance policies. If there are losses on the book, the cell owner has the obligation to recapitalise the cell. Capitalisation and re-capitalisation of the cell is by way of a cash injection into the insurer, who allocates the capital to the cell.

The group has determined that it does not have control over its insurance cell captive, as cell captive structures in South Africa do not satisfy the consolidation criteria of IFRS 10 – *Consolidated Financial Statements*, due to the fact that a breach of the cell's ring-fenced nature is legally and practically possible, even though it is highly unlikely. The cell captive has therefore not been consolidated. The cell captive is not within the scope of IFRS 17 – *Insurance Contracts*, as it is a first party cell captive, with no third-party insurance risks.

The investment is initially measured at cost and subsequently at fair value, with changes recognised in profit or loss. The valuation of the cell captive is determined using the net asset value at each reporting date.

6.1.3 *Investment in Old Mutual shares on the Zimbabwe Stock Exchange*

This investment relates to the investment in 200 000 Old Mutual shares on the Zimbabwe Stock Exchange. The market value as at 31 March 2024 is R2 million (2023: R2 million). As a result of the uncertainty around the expatriation of funds from Zimbabwe, the investment has been classified as non-current.

6. OTHER NON-CURRENT ASSETS continued

6.1.4 *Investment in MRG*

Previously, PPC had standalone insurance cover through a broker. During the prior year, PPC entered into a new insurance structure through acquiring a 6,75% shareholding in two entities within the MRG. This arrangement allows the group to participate with other independent companies in a mutual fund that forms the basis of the insurance agreement. The equity investment is not held for trading and the group has irrevocably elected at initial recognition to recognise it at fair value through other comprehensive income. The investment is strategic and the group considers this classification to be more relevant. The valuation of the investment is determined using the net asset value at each reporting date, determined from the management accounts received from the investee.

6.2.1 *Zimbabwe blocked funds*

No formal confirmation has been received from the RBZ regarding repayment of this amount and as such the investment is classified as non-current. The investment is a statutory receivable and, as no repayment terms have been agreed, it is not a financial asset as defined. It is, however, PPC Ltd's policy to value the Zimbabwe blocked funds as if it was a financial asset, and therefore it is valued at fair value through profit or loss.

Hyperinflation, the challenging general economic environment and the unavailability of foreign currency in Zimbabwe were considered in the determination of an appropriate fair value adjustment to be applied to the blocked funds. Management assessed that there is a high level of credit risk associated with the RBZ, resulting in the application of a fair value credit risk adjustment of 100% (2023: 100%), which resulted in a cumulative fair value adjustment of R422 million as at 31 March 2024 (2023: R399 million).

The net fair value loss on the Zimbabwe blocked funds of Rnil (2023: R32 million) comprises an increase of the intrinsic value of R23 million (2023: R75 million) and a credit risk fair value loss of R23 million (2023: R107 million).

6.2.2 *Readymix trucks receivables*

During the prior year, a decision was taken in the materials business to sell a fleet of trucks to employees who were drivers and retrenched, and thereby implement the 'lorry-owned-driver' business model. During September 2023, the sale of trucks was concluded between PPC and the new owners. The payments commenced September 2023 and end in August 2025.

7. TAXATION

7.1 INCOME TAX ACCOUNTING POLICY

Current tax

Income tax expense comprises current tax, deferred tax and withholding tax. Income tax expense or credit for the period is tax which is payable on the current period's taxable income based on the income tax rate in each jurisdiction. The tax payable is adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and other group entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation.

Provisions, where appropriate, are established on the basis of amounts expected to be paid to the tax authorities. Income tax for the current and prior periods is recognised as a liability to the extent that it is unpaid. If the amount already paid in respect of current and prior periods exceeds the total amount due for those periods, the excess is recognised as an asset and is reversed when it reduces future tax payments.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

In the current year, PPC amended its disclosure of temporary differences due to the IAS 12 amendment on deferred tax related to assets and liabilities arising from a single transaction. The amendment impacted the treatment of lease agreements entered into, which resulted in the recognition of a deferred tax asset and a deferred tax liability on the initial recognition of the lease.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available in future periods against which deductible temporary differences and losses can be utilised. The recognition of deferred tax assets is assessed at subsidiary level, taking into account the applicable legal provisions of that jurisdiction.

Current and deferred tax is recognised in profit or loss.

7. TAXATION continued

7.1 INCOME TAX ACCOUNTING POLICY CONTINUED

Withholding tax

Withholding tax is payable at a rate of 5% to 15% on amounts paid to the group entities by certain foreign subsidiaries as dividends, interest and management fees.

	March 2024 Rm	Restated[a] March 2023 Rm
South African normal taxation		
Current taxation	114	39
Current year	122	53
Prior years[b]	(8)	(14)
Deferred taxation	(116)	(5)
Current year	(129)	33
Prior years[b]	13	(38)
Foreign normal taxation		
Current taxation	153	74
Current year	153	74
Deferred taxation	(54)	72
Current year	(54)	74
Prior years	—	(2)
Change in tax rate	17	—
Withholding taxation	31	22
Taxation charge	145	202

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*
[b] *Relates to PPC Cement SA due to an over provision of current tax in prior years.*

	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[c]	(20)	(49)
Withholding taxation	(13)	(24)
Fair value adjustments on financial instruments not taxable	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

[c] *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 expenditures.*

7. TAXATION continued

		March 2024 Rm	March 2023 Rm
7.2	**TAXATION PAID**		
	Net amounts payable/(receivable) at the beginning of the year	(32)	18
	Charge per income statement (excluding deferred taxation)	298	135
	Impact of foreign rate differences and other non-cash flow movements	2	(41)
	Net amounts payable at the end of the year	(83)	32
		185	144
7.3	**DEFERRED TAXATION**		
	Net liability at the beginning of the year comprises:	1 311	1 628
	Deferred taxation asset	27	26
	Deferred taxation liability	1 338	1 654
	Income statement charge	(183)	120
	Prior year taxation adjustment	13	(48)
	Deferred taxation impact of FCTR on the loan with PPC International Holdings	9	30
	Change in tax rate	17	—
	Effect of hyperinflation accounting on deferred taxation	—	216
	Disposal of subsidiary	(103)	—
	Translation differences	25	(635)
	Net liability at the end of the year comprises:	1 089	1 311
	Deferred taxation asset	42	27
	Deferred taxation liability	1 131	1 338
	Analysis of deferred taxation		
	Property, plant and equipment	1 145	1 325
	Intangible assets	7	13
	Right-of-use assets	38	18
	Financial assets	(3)	(5)
	Non-current receivables	145	140
	Trade receivables and prepayments	(7)	2
	Provisions	(206)	(169)
	Finance lease liabilities	(41)	(18)
	Reserves	22	13
	Taxation losses	(11)	(8)
		1 089	1 311

Judgements made by management and sources of estimation uncertainty

Current tax

The group is subject to direct and indirect taxation in a number of jurisdictions. There may be transactions and calculations for which the ultimate tax determination has an element of uncertainty in the ordinary course of business. The group recognises tax liabilities for anticipated tax issues by making use of estimates and by considering whether additional taxes will be payable. Where the final tax determination is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liabilities in the year in which such determination is made. There are currently no matters that have resulted in an uncertain tax position for the group, save for the matter noted in note 32.

Deferred tax

In terms of the deferred tax assets recognised, the group has made estimates in assessing whether future taxable profits will be available. Future taxable profits are determined based on forecasts, budgets and business plans for individual subsidiaries within the group and the probable reversal of taxable temporary differences in future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves.

The corporate tax rate will increase from 24,7% to 25,7% in Zimbabwe and this change will become effective during FY25. The change in tax rate has resulted in the deferred tax for FY24 being recognised at 25,7%.

	March 2024 Rm	March 2023 Rm
Analysis of the group's deferred tax assets arising from taxation losses		
PPC Aggregate Quarries	11	8

7. TAXATION continued

7.3 DEFERRED TAXATION CONTINUED

Recoverability of PPC Aggregate Quarries deferred tax asset

The PPC Aggregate Quarries deferred tax asset recoverability was based on applicable South African tax laws and approved business plans. PPC Aggregate Quarries has a tax loss of R61 million (2023: R30 million). It is unlikely that the full deferred tax temporary difference from the tax loss will unwind in the foreseeable future, which results in uncertainty over the utilisation of the deferred tax asset arising from the tax loss. Therefore, the deferred tax asset of R5 million has been derecognised in the current year.

Other deferred tax assets not recognised

Deferred tax assets have not been recognised for the tax losses in PPC Ltd of R174 million (2023: R177 million), PPC Group Services of R101 million (2023: R115 million), Pronto Building Materials of R381 million (2023: R352 million) and 3Q Mahuma Concrete of R298 million (2023: R287 million) due to the unlikelihood of these entities being able to generate sufficient taxable income within the foreseeable future.

Uncertain tax positions

The group is involved in direct and indirect tax matters specific to the respective jurisdictions in which the group operates. These matters may not necessarily be resolved in a manner that is favourable to the group. The group currently does not have any tax disputes with tax authorities that would result in an unfavourable outcome, and therefore no provision has been recognised.

8. 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 two 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 (Rwanda)

Management concluded that the effective date for the disposal was 25 January 2024 and CIMERWA was de-consolidated with effect from that date. Refer to note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

8. ASSETS CLASSIFIED AS HELD FOR SALE AND DISPOSAL GROUPS continued

		Notes	31 March 2024 Rm	Restated[a] March 2023 Rm
8.1	**DISCONTINUED OPERATIONS[b]**			
	Revenue		**1 318**	1 639
	Cost of sales		**(929)**	(1 161)
	Gross profit		**389**	478
	Expected credit losses on financial assets		**—**	(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		**—**	(86)
	Profit/(loss) before finance costs, investment income		**305**	277
	Finance costs		**(22)**	(71)
	Investment income		**2**	1
	Profit/(loss) before taxation		**285**	207
	Taxation		**(60)**	(24)
	Profit/(loss) 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)
	Profit/(loss) per share (cents)			
	Basic – discontinued operations		**21**	(22)
	Diluted – discontinued operations		**21**	(22)
8.2	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.*

9. INVENTORIES

Inventories are initially recognised at cost, determined using a weighted average cost formula. Subsequently, inventories are stated at the lower of cost and net realisable value.

	March 2024 Rm	March 2023 Rm
Raw materials	**137**	166
Work in progress	**367**	237
Finished goods	**496**	454
Consumable stores	**615**	681
Inventory obsolescence	**(260)**	(251)
	1 355	1 287

Judgements made by management and sources of estimation uncertainty

The provision for obsolete inventory, which is specific to consumables, is calculated on an item-by-item basis with regards to specific circumstances and history of usage, and the methodology is consistent with the prior year. Included in consumable inventory are consumables, spare parts and refractories.

Critical spares are major spare parts, the unavailability of which would result in substantial loss of sales, increased cost of production, or serious adverse environmental consequences. These spares are used only in connection with specific critical plant and equipment as opposed to general use (eg general bearings and tyres), and the spare parts are expected to be used for a period of more than 12 months. Notwithstanding the aforesaid, it is group policy to account for all critical spares in excess of R250 000 in property, plant and equipment.

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

The cost of inventories recognised as an expense in cost of sales during the year was R6 528 million (2023: R5 579 million).

In the current year, PPC Cement SA had inventory of R786 million (2023: R764 million) that was pledged as security (refer to note 14 for further details on pledged inventory).

10. TRADE AND OTHER RECEIVABLES

Trade receivables comprise receivables that are due from customers, which arise from transactions for the sale of goods in the ordinary course of business. Trade receivables and other financial receivables are primarily accounted for at amortised cost. Receivables for prepayments and VAT are stated at their nominal values.

	March 2024 Rm	March 2023 Rm
Trade receivables	**768**	849
Loss allowance (refer to note 28)	**(75)**	(91)
Net trade receivables	**693**	758
Other financial receivables[(a)]	**85**	53
Trade and other financial receivables	**778**	811
Prepayments	**124**	130
VAT receivable	**67**	54
	969	995

[(a)] *Included in other financial receivables is insurance prepayments, management fee receivables and rental from Zimbabwe village 2 houses.*

Trade and other financial receivables are due for settlement within the next 12 months and are therefore all classified as current. Trade and other financial receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowances. Details regarding the group's exposure to credit risk and the calculation of expected credit losses and the change in estimate recognised are provided in note 28.

Except for the trade receivables of PPC Cement SA of R640 million (2023: R641 million), no receivables have been pledged as security. Refer to note 14.

Due to the short-term nature of current trade and other financial receivables measured at amortised cost, their carrying amount is considered to be the same as their fair value.

11. CASH AND CASH EQUIVALENTS

Currency analysis	March 2024 Rm	March 2023 Rm
Botswana pula	**27**	25
Mozambican metical	**1**	1
ZWL dollar	**7**	30
Rwandan franc	**—**	48
South African rand	**773**	140
Ethiopian birr	**15**	13
United States dollar	**34**	167
Balance at the end of the year	**857**	424

Judgements made by management and sources of estimation uncertainty

Cash and cash equivalents are recognised net of expected credit losses. During the current year, in line with the requirements of IFRS 9 – *Financial Instruments*, cash and cash equivalents were assessed for expected credit losses by analysing the credit rating of each financial institution where PPC Ltd and its subsidiaries have invested cash. This resulted in an expected credit loss (ECL) of R5 million (2023: R12 million) being recognised in the current year, which relates to cash deposits held in Zimbabwe banks. Refer to note 28 for detailed assessment.

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value. Amounts denominated in foreign currencies have been translated at ruling exchange rates at year-end (refer to note 1.5.).

	March 2024 Rm	March 2023 Rm
Included in cash and cash equivalents is restricted cash:		
PPC Environmental Trust	**11**	10
PPC International Holdings	**15**	13
Consolidated BEE SPVs	**4**	2
	30	25

Cash and cash equivalents held by the PPC Environmental Trust can only be utilised for environmental obligations in South Africa and are therefore not freely available as per trust regulations.

The proceeds from the sale by PPC International Holdings of its investment in Habesha have been mandatorily placed in an Ethiopian birr account. The regulators have not yet allowed for the funds to be repatriated to South Africa, resulting in the restriction of this cash.

The company is in the process of winding up the BEE SPVs and Trusts. As part of the process, the PPC Ltd shares held by these entities were sold on the open market for cash in the 2022 financial year. The proceeds are to be used solely for the beneficiaries.

12. STATED CAPITAL AND RESERVES

		31 March 2024 Shares	31 March 2023 Shares
12.1	**STATED CAPITAL**		
	Authorised ordinary shares	**10 000 000 000**	10 000 000 000
	Refer to note 24 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

Stated capital is broken down as follows:

	Rm	Rm
Issued shares	**5 395**	5 395
Treasury shares	**(1 043)**	(851)
Stated capital	**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

		Rm	Rm
12.2	**OTHER RESERVES**		
	Foreign currency translation reserve	**(7 325)**	(7 388)
	Post-retirement benefit	**5**	5
	Equity compensation reserve	**120**	569
	Financial assets at fair value through other comprehensive income	**(4)**	(4)
		(7 204)	(6 818)

		Rm	Rm
12.3	**NON-CONTROLLING INTEREST**		
	Non-controlling interest reconciliation		
	Balance at the beginning of the year	**617**	22
	Profit for the year attributable to non-controlling interests	**104**	93
	Zimbabwe Indigenisation IFRS 2	**(46)**	—
	Disposal of subsidiary	**(659)**	579
	Dividends declared	**(70)**	(94)
	Foreign currency translation reserve	**(19)**	17
	Balance at the end of the year	**(73)**	617

Non-controlling interests represents the value of the remaining ownership in the subsidiary investments that are not wholly owned by the group. Non-controlling interests are measured at their proportionate share of the entity's net assets.

Refer to note 34 for details of the non-controlling interests within the group.

13. PROVISIONS

		March 2024 Rm	March 2023 Rm
13.1	**DECOMMISSIONING AND REHABILITATION**	152	176
13.2	**POST-RETIREMENT HEALTHCARE BENEFITS**	18	15
13.3	**LEGAL PROVISION**	2	2
13.4	**RESTRUCTURING COSTS**	—	9
		172	202

	Decommissioning and rehabilitation Rm	Post-retirement healthcare benefits Rm	Provision for legal fees Rm	Restructuring costs Rm	Total Rm
Movement in the short- and long-term provisions					
2024					
Balance at the beginning of the year	176	15	2	9	202
Amounts added	1	—	1	—	2
Amounts utilised	(29)	—	(1)	(9)	(39)
Other movements	(2)	3	—	—	1
Time value of money adjustments	7	—	—	—	7
Disposal of subsidiaries	(3)	—	—	—	(3)
Translation differences	2	—	—	—	2
Balance at the end of the year	152	18	2	—	172
To be incurred:					
Within one year – included in current liabilities	4	2	2	—	8
More than one year – included in non-current liabilities	148	16	—	—	164
Between two to five years	6	6	—	—	12
More than five years	142	10	—	—	152
	152	18	2	—	172

	Decommissioning and rehabilitation Rm	Post-retirement healthcare benefits Rm	Provision for legal fee Rm	Restructuring costs Rm	Total Rm
2023					
Balance at the beginning of the year	202	21	—	—	223
Amounts added	1	—	2	9	12
Amounts reversed/utilised	(17)	—	—	—	(17)
Other movements	27	(4)	—	—	23
Time value of money adjustments	8	—	—	—	8
Translation differences	(45)	(2)	—	—	(47)
Balance at the end of the year	176	15	2	9	202
To be incurred:					
Within one year – included in current liabilities	3	1	2	9	15
More than one year – included in non-current liabilities	173	14	—	—	187
Between two and five years	6	7	—	—	13
More than five years	167	7	—	—	174
	176	15	2	9	202

13. PROVISIONS continued

Judgements made by management and sources of estimation uncertainty

13.1 DECOMMISSIONING AND REHABILITATION OBLIGATIONS

Estimating these obligations is complex as most of the obligations will only be fulfilled sometime in the future and the provisions are influenced by changing regulations and technologies, life of mine, and political, environmental, safety, business and statutory considerations across the various jurisdictions in which PPC operates. Group companies are required to restore mining and processing sites at the end of their productive lives to an acceptable condition consistent with local regulations and in line with group policy.

In accordance with local legislation, PPC Ltd has set up an environmental trust in South Africa to administer the local funding requirements of its decommissioning and rehabilitation obligations. The investments in the trust are carried at fair value through profit or loss and amount to R153 million (2023: R144 million) at year-end (refer to note 6).

There are no requirements for environmental trusts or guarantees at this time for companies operating in Zimbabwe.

The estimation of the costs to remediate the mining sites and affected processing sites as well as the determination of the other key inputs above have been based, where possible, on external independent third-party information. The determination of the risk-free discount rates have been based, where available, on long-dated government risk-free bond rates or such other rate that can be reasonably applied for the purposes of determining the present value of the future estimated cash flows. The discount rates for operations in Zimbabwe were determined with reference to the most appropriate government bond in the country, factoring in the life of mine or plant. The South African operations' discount rates were determined using a yield curve using the government bonds with various maturity dates to extrapolate along the yield curve in order to obtain an internally generated discount rate. The South African curve used yielded a rate between 8% and 12%.

	March 2024 Rm	March 2023 Rm
Breakdown of decommissioning and rehabilitation obligations per entity		
PPC Cement SA	**94**	115
3Q Mahuma	**10**	9
PPC Aggregates SA	**5**	8
CIMERWA	**—**	3
PPC Zimbabwe	**43**	41
	152	176

	Inflation rates		**Risk-free discount rate**	
	2024 %	2023 %	**2024 %**	2023 %
The key inputs used for calculating the provision				
South Africa	**5**	5	**8 – 12**	8 – 11
Rwanda	**n/a**	7	**n/a**	12
Zimbabwe	**3**	2	**13**	12
Life of mine limited to a maximum of 30 years				

13. PROVISIONS continued

Judgements made by management and sources of estimation uncertainty continued

13.1 DECOMMISSIONING AND REHABILITATION OBLIGATIONS CONTINUED

Sensitivity analysis

The carrying value of the closure provisions is sensitive to the estimates and assumptions used in its measurement. If the discount rate and inflation rate had been higher or lower than management's estimate, the group would have (increased) or decreased the current provision as follows:

	2024 2% higher	2024 2% lower	2023 2% higher	2023 2% lower
Discount rates				
South Africa	24	(37)	34	(54)
Rwanda	—	—	1	(1)
Zimbabwe	14	(21)	13	(21)

	2024 1% higher	2024 1% lower	2023 1% higher	2023 1% lower
Inflation rates				
South Africa	(18)	14	(23)	46
Rwanda	—	—	—	—
Zimbabwe	(10)	8	(8)	7

13.2 POST-RETIREMENT HEALTHCARE BENEFITS

The PPC group has defined benefit plans for qualifying former employees in respect of post-employment healthcare benefits. The defined benefit plans post-employment healthcare benefits are administered by Corner House Pensioners, Cement and Concrete Institute Pensioners and PPC Zimbabwe Ltd, all funds that are legally separated from the PPC group.

Historically, qualifying employees were granted certain post-retirement healthcare benefits. The obligation for the employer to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners remain entitled to this benefit, the cost of which has been fully provided.

Included in the provision are the following:

Post-retirement healthcare benefits	Valuation method	Actuarial valuation date	March 2024 Rm	March 2023 Rm
Cement and Concrete Institute employees	Projected unit credit	February 2024	7	7
Corner House Pension Fund	Projected unit credit	February 2024	11	8
Porthold post-retirement Medical Fund	Projected unit credit	March 2024[(a)]	—	—
			18	15

(a) *The liabilities are revalued every three years.*

Cement and Concrete Institute employees

The provision relates to post-employment healthcare benefits in respect of former employees of the Cement and Concrete Institute.

Corner House Pension Fund

The provision relates to post-employment healthcare benefits in respect of certain Corner House Pension Fund continuation members.

Porthold post-retirement Medical Fund

The provision relates to healthcare benefits for both active and retired employees who joined the medical aid scheme on or after 1 October 2001.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

13. PROVISIONS continued

13.2 POST-RETIREMENT HEALTHCARE BENEFITS continued

Defined benefit plans

The PPC group post-employment subsidy policy states that the company subsidises the total medical scheme contributions at either 80% or 100%, and dependants of eligible continuation members receive a subsidy before and after the death of the principal member.

The defined benefit plans require contributions from PPC group and typically expose the company to actuarial risks such as inflation, future changes in legislation, longevity, future changes in the tax environment, enforcement of eligibility criteria and rules, and administration risk. The risk relating to post-employment healthcare benefits to be paid to the dependants of plan members are not insured by an external insurance company.

The movement in the post-retirement medical benefit fund is a loss of R3 million (2023: R6 million gain) for the year; the closing balance at 31 March 2024 amounted to R18 million (2023: R15 million).

South Africa (Cement and Concrete Institute employees and Corner House Pension Fund employees)

The most recent actuarial valuations of the plan assets and the present value of the defined benefit liability were carried out on 29 February 2024 by Alexander Forbes Health (Pty) Ltd of the Actuarial Society of South Africa.

The actuarial valuation method used to determine the present value of the defined benefit liability, and the related current service cost and past service cost, is the projected unit credit method prescribed by IAS 19 – *Employee Benefits*. Future benefits valued are projected using specific actuarial assumptions and the liability for in-service members is accrued over the expected working lifetime.

In order to undertake the valuation, it is necessary to make a number of assumptions. The most significant assumptions used for the previous and current valuations are outlined below.

Discount rate	11,70% (2023: 11,20%)
Healthcare cost inflation	7,40% (2023: 7,20%)

Post-retirement mortality assumption PA(90) ultimate rated down two years + 1,0% pa.

Zimbabwe (Porthold post-retirement Medical Fund)

PPC Zimbabwe provides post-retirement medical benefits for qualifying employees. The cost of these benefits is actuarially valued every three years. The latest valuation being for the period ended 31 March 2024 and the result of which has been brought to account in these financial statements.

The following key parameters were used in the valuation:

Discount rate	15,84%
General inflation	7,69%
Health cost inflation	9,19%
Net gap (discount rate versus health cost inflation)	6,09%

Defined contribution plans

The total cost charged to the income statement of R102 million (2023: R94 million) represents contributions paid to these schemes by the group at rates specified in the rules of the schemes. At 31 March 2024, all contributions due in respect of the current reporting period had been paid over to the schemes.

13.3 LEGAL PROVISION

The provision relates to a labour dispute with two former PPC Zimbabwe employees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

14. BORROWINGS

South Africa long-term funding	Available March 2024 Rm	Utilised March 2024 Rm	Utilised March 2023 Rm	Interest base	Interest margin (basis points)	Interest payment frequency	Final maturity	Security
Facility A – bullet term loan[a]	—	**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[b]	—	**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[c]	—	—	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[d]	**540**	**4**	6					
Total short-term borrowings	**540**	**4**	6					
Total borrowings	**1 040**	**779**	1 189					

[a] *The bullet term loan has been reclassified to short-term borrowings during the current year.*
[b] *This facility is a term loan with the capital repayable in biannual instalments (of R75 million each) commencing in March 2023 and ending in September 2026.*
[c] *The CIMERWA subsidiary in Rwanda was sold during the current year, refer to note 20.*
[d] *The R4 million relates to accrued finance costs.*

14. BORROWINGS continued

	March 2024 Rm	March 2023 Rm
Broken down as follows:		
Long-term portion of long-term funding		
South Africa	225	775
Rwanda[c]	—	77
	225	852
Short-term portion of long-term funding		
South Africa	550	149
Rwanda[c]	—	182
	550	331
Short-term facilities and bank overdrafts	4	6
	779	1 189
Maturity analysis of total borrowings:		
One year	554	337
Two years	150	628
Three years	75	150
Four years	—	74
	779	1 189
Carrying amount of assets encumbered		
Property, plant and equipment (refer to note 2)	2 747	4 130
Inventories (refer to note 9)	786	764
Trade receivables (refer to note 10)	640	641

PPC has a security pool arrangement with FirstRand Bank Ltd (acting through its Rand Merchant Bank division, RMB) and Nedbank Ltd (acting through its Nedbank Corporate and Investment Banking Division, Nedbank) (collectively the SA Lenders). As is the practice in South Africa, PPC established a special purpose company (the shareholding of which is held 100% by a special purpose owner trust) to hold and enforce security for the benefit of the SA Lenders.

The Debt Guarantor established for PPC and its subsidiaries' South African refinancing with the SA Lenders is Maitlantic 6060 (RF) (Pty) Ltd (the special purpose vehicle (SPV). The SPV is ring-fenced, the effect of this is that its MOI only permits it to enter into the relevant finance documents associated with the South African PPC refinancing with the SA Lenders.

The shares in the SPV are held by a special purpose owner trust established in terms of a trust deed, which has been registered with the Master of the High Court. The trust and the SPV are administered by a reputable corporate fiduciary service provider called Maitland Group South Africa Ltd.

PPC registered bonds over immovable property, including certain property, plant and equipment, inventories and trade receivables, in favour of the SPV.

The SPV has issued guarantees in favour of the SA Lenders (collectively the Debt Guarantor Guarantees). In terms of the Debt Guarantor Guarantees, the SPV guarantees the liabilities and obligations of PPC Cement SA (Pty) Ltd, PPC Ltd, PPC South Africa Holdings (Pty) Ltd, Pronto Holdings (Pty) Ltd, Pronto Building Materials (Pty) Ltd (collectively the Obligors) that are owing from time to time by the Obligors to the SA Lenders under the relevant finance documents.

The obligations of the SPV under the Debt Guarantor Guarantees is limited to what the SPV recovers from the Obligors and PPC Botswana (Pty) Ltd (PPC Botswana). This is achieved in terms of a counter indemnity agreement that the SPV entered into with the Obligors and PPC Botswana.

PPC does not have any power over either the SPV or the trust and as such these entities are not consolidated. PPC is not exposed to any risk from either entity or any variable return from either entity. Refer to note 35.

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank (SARB) has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred rate to replace JIBAR in cash and derivative instruments. Subsequent to year-end on 6 May 2024, the Market Practitioners Group (MPG) published an update on the JIBAR transition plan which outlines the roadmap for increasing the use of ZARONIA in financial markets and transitioning away from JIBAR. The publication highlights that JIBAR is expected to be discontinued before the end of 2026 and the MPG has indicated that although JIBAR will continue to be published for the foreseeable future, market participants are strongly encouraged to consider the implications of the JIBAR transition plan for their business operations and strategy, and plan to minimise the amount of JIBAR-related exposure over the transition period. The group is in the process of assessing the impact on the various financial instruments held by the group.

15. OTHER NON-CURRENT LIABILITIES

	March 2024 Rm	March 2023 Rm
Included in other non-current liabilities:		
Interest rate swap liability[a]	—	1
Balance at the end of the year	—	1

[a] *The interest rate swap is an asset in the current year.*

Judgements made by management and sources of estimation uncertainty

Interest rate swap liability

On 15 September 2022, PPC Cement SA (Pty) Ltd entered into interest rate swaps with RMB and Nedbank in order to manage interest rate movement risk, reduce the earnings volatility and improve the certainty of interest cash flows.

The two interest rate swaps are for 50% of the South African debt with the following key terms:

	Interest rate swap 1	**Interest rate swap 2**
Originating date	15 September 2022	15 September 2022
Maturity date	15 September 2025	17 December 2024
Notional principal	R300 000 000	R200 000 000
Fixed rate (yield)	8,040%	8,050%

Put option liability

In 2015, PPC Ltd entered into a put option agreement with the International Finance Corporation (IFC) in terms of which the latter can put its investment or part thereof in PPC Barnet DRC Holdings to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement. The agreement provides for the determination of the option price by way of a formula as follows:

(EBITDA x earnings multiple) – net financial debt

As a result of the level of net financial debt in the DRC, the value of the option is nil in terms of the formula.

16. TRADE AND OTHER PAYABLES

	March 2024 Rm	March 2023 Rm
Capital expenditure payables	**8**	5
Other financial payables	**49**	47
Carbon tax accrual[a]	**71**	68
Trade payables and accruals[b]	**887**	946
Trade and other financial payables	**1 015**	1 066
Income received in advance	**1**	6
Payroll accruals	**303**	193
VAT payable	**8**	23
	1 327	1 288

[a] *Carbon tax accrual is based on greenhouse gas (GHG) emissions in terms of the Carbon Tax Act 15 of 2019 (the Carbon Tax Act).*
[b] *Trade payables and accruals comprise outstanding trade purchases and other costs. PPC group's average payment terms are 30 days from the statement date. The group has financial risk management policies to ensure that all trade payables are paid within the payment terms, which results in insignificant interest charges.*

Other payables, payroll accruals and VAT obligations are payable within a 30 to 60-day period. Refer to note 28.

17. 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.

Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation. For contracts that contain multiple performance obligations, the transaction price is allocated to each performance obligation based on relative standalone selling prices. Revenue recognised is based on the amount that depicts the consideration to which the group expects to be entitled in exchange for transferring the goods and services promised to the customer.

The group has the following revenue streams, which are 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[(b)]	**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 8.*
(b) *The revenue from South Africa includes cementitious goods, aggregates, readymix, ash.*

Sale of cementitious products

The group manufactures and sells a range of cementitious products that include the sale of cement, readymix, clinker and aggregates. Revenue from the sale of cementitious goods is recognised when delivery has taken place and control of the goods has been transferred to the customer. The customer obtains control of the goods when the significant risks and rewards of products sold are transferred according to the specific delivery terms that have been formally agreed with the customer. This occurs upon delivery, when the bill of lading is signed by the customer as evidence that they have obtained physical possession and accepted the products delivered.

Cementitious products are often sold with retrospective volume rebates based on aggregate sales over a specified period. Revenue from these sales is recognised based on the selling price specified in the contract, net of the estimated volume rebates. Accumulated experience is used to estimate and provide for the rebates using the most likely amount method. In this regard, revenue is recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume rebates payable to customers in relation to sales made until the end of the reporting period. As part of the assessment of whether the estimated volume rebate should be constrained, it was noted that there were no significant reversals from the refund liability that were recognised in the current year. Management will continue to reassess its ability to reasonably estimate the expected volume rebates.

A receivable is recognised when the goods are delivered. This is the point in time that the consideration becomes unconditional as only the passage of time is required before the payment is due. No significant financing element is deemed present as the sales are made with credit terms largely ranging between 30 and 60 days which is consistent with market practice.

Generally, cementitious products are not returned as a customer will only accept these products once they have passed a stringent quality check at delivery. No warranty provision or right of return contract liabilities have therefore been recognised by the group in this regard.

18. SHARE-BASED PAYMENTS

Judgements made by management and sources of estimation uncertainty

Fair value used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The group is required to calculate the fair value of the equity-settled instruments granted to employees in terms of the long-term incentive plan (LTIP).

These fair values are calculated by applying a valuation model, which is in itself judgemental, and considers certain inherently uncertain assumptions such as dividend yield, share price volatility, performance conditions and staff turnover.

18.1 RETENTION AWARDS

In terms of IFRS 2 – *Share-based Payment*, the fair value of each share awarded, which will be expensed over the vesting period in return for services rendered, is based on the average market price of acquiring the share and is not remeasured subsequently. The service and performance conditions are taken into account in the number of instruments that are expected to vest. Subsequent revisions are made for changes in estimated attrition and probability of satisfaction of performance conditions.

In terms of a director's fixed-term service agreement entered into on 14 September 2023, as subsequently amended, the director was entitled to a sign on award of 7 455 255 shares. There are no performance conditions linked to the award. The award vests in three equal instalments on the first, second and third anniversary of the commencement of employment date, being 1 October 2023.

	Sign on award
Date of grant	01/10/2023
Number of shares granted to:	
A director	7 455 255
Average purchase price of shares acquired (R)	3,70
Estimated fair value per share at grant date (R)	3,07

18. SHARE-BASED PAYMENTS continued

18.2 LONG-TERM INCENTIVE PLAN

The LTIP 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. In order to recognise contributions made by selected employees and provide an incentive for their continued performance and relationship with the group, the LTIP provides them with the opportunity of receiving a long-term incentive and to ensure that the company attracts and retains the core competencies required for formulating and implementing the company's business strategies.

On 1 April each year, a LTIP participant is allocated an incentive value being the participant's total guaranteed package multiplied by a relevant allocation percentage. Performance conditions are set annually for the performance period. At the end of the performance period (being a period of one year), the remuneration and talent committee will assess whether the performance conditions have been met and adjust the incentive value accordingly. PPC Ltd will then provide the cash to the Central Securities Depository Participant (CSDP) to enable the CSDP to purchase PPC shares on the market to the value of the adjusted incentive value. The number of shares awarded to each participant can therefore only be determined at that time. The shares are held by an escrow agent until the release date. The employer companies will reimburse PPC Ltd for the cost of the shares. During the vesting period (three years post-performance conditions being met), the employee is entitled to dividends and voting rights but may not dispose of the shares until the vesting conditions have been met and the shares have been released. Should any shares be forfeited in terms of the rules, PPC will instruct the escrow agent to sell the shares and return the cash to the employer company. The vesting condition is that the employee has to remain in the employ of the employer for a further three years after the performance conditions have been met.

The performance conditions include both market (being total shareholder return) and non-market-related conditions (being board approved budgeted return on invested capital).

LTIP award	**Actual number of awards as at 31 March 2024 – 2022 scheme[(a)]**	**Actual number of awards as at 31 March 2023 – 2022 scheme[(a)]**	Actual number of awards as at 31 March 2024 – 2021 scheme[(b)]	Actual number of awards as at 31 March 2023 – 2021 scheme[(b)]
Number of shares	**10 155 278**	**15 962 857**	8 116 615	12 858 630
Price per share	**3,51**	**3,51**	3,93	3,93

[(a)] *In July 2022, the performance conditions were measured and determined to be exceeded, resulting in 14 530 185 shares being awarded at an average price of R3,51 per share. These shares will become unconditional on 1 April 2025.*

[(b)] *In July 2021, 14 632 975 shares were awarded at an average price of R3,93 per share. Between the award date and 31 March 2024, 855 936 shares were forfeited in terms of the rules of the scheme. The remaining 12 858 630 shares became unconditional on 1 April 2024.*

At both 31 March 2023 and 31 March 2024, the performance conditions were not met and therefore no shares were awarded for the 2023 and 2024 schemes respectively.

	2024 Rm	2023 Rm
The carrying amount of the LTIP in equity compensation reserve at year-end	**64**	79

19. FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

Judgements made by management

Valuation of financial instruments

The valuation of financial instruments is based on the market position at the reporting date and other assumptions such as volatility, intrinsic value, time value and interest rates. The value of the derivative instrument fluctuates and the actual amounts realised may differ materially from their value at the reporting date.

19.1 FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

Movements in the fair value and foreign exchange gains/losses are recognised in the statement of profit or loss and comprise the following:

	March 2024 Rm	Restated[(a)] March 2023 Rm
Movements in the fair value and foreign exchange gains are recognised in the statement of profit or loss and comprise the following:		
Fair value gain on cell captive investment	**13**	14
Fair value gain/(loss) on remeasurement of interest rate swap liability (refer to note 15)	**2**	(1)
Foreign exchange movements on translation of foreign currency denominated monetary items[(b)]	**(45)**	42
	(30)	55

(a) *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*
(b) *Gain/(loss) on translation of foreign currency denominated monetary items.*

19.2 TRANSLATION OF FOREIGN OPERATIONS

Movements in the translation of foreign operations are recognised in the statement of comprehensive income. The group's foreign currency translation reserve arises from the following foreign subsidiaries and associates:

	March 2024 Rm	March 2023 Rm
PPC Zimbabwe[(a)]	**110**	(2 521)
CIMERWA[(b)]	**(70)**	136
PPC International Holdings	**(8)**	(37)
PPC Botswana	**—**	2
	32	(2 420)

(a) *In the current year, PPC Zimbabwe's hyperinflation accounting was discontinued, which has a material impact on the movement in the foreign currency translation reserve.*
(b) *CIMERWA was disposed of in the current year and therefore the movements are up to 25 January 2024 being the disposal date.*

Details on fair value hierarchies are disclosed in note 28.

Details on foreign exchange rates can be found in note 1.5.

20. DISPOSAL OF SUBSIDIARIES

CIMERWA

The group has considered the following in accounting for its investment in CIMERWA during the current year:
The Group's power to direct the relevant activities;
The Group's exposure to variable returns;
The Group's ability to use its power over CIMERWA to affect the amount of CIMERWA returns;
The effective date of the loss of control;
The derecognition of CIMERWA assets, liabilities and non-controlling interest; and
The recycling of the foreign currency translation reserve.

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 8.

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

PPC Barnet DRC

In the prior year the group lost control of PPC Barnet and accounted for it as an associate. Refer to note 31. The loss was calculated as follows:

	29 April 2022 Rm
Consideration receivable	—
Carrying amount of net assets	(261)
Loss on restructure	(261)
Non-controlling interest	579
Loss before reclassification of foreign currency translation reserve	318
Reclassification of foreign currency translation reserve	111
Loss on restructure (loss of control)	429
Deferred tax impact	29
Loss on sale of subsidiaries	400

21. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS

	March 2024 Rm	Restated[(a)] March 2023 Rm
Impairment of intangible assets (refer to note 5)	—	(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	**(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 8.*

Impairment of property, plant and equipment, goodwill and other intangible assets
IAS 36 – *Impairment of Assets* states that an entity shall assess assets for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When an impairment indicator exists, the recoverable amount of an asset is calculated and compared to the carrying value.

IAS 36 requires that assets are grouped at the lowest levels for which the assets generate independent cash inflows (cash-generating units). This results in assets either being tested individually for impairment or tested at a CGU level.

An impairment loss is first allocated to any goodwill allocated to the CGUs, followed by an allocation to the carrying amounts of the remaining assets.

The group has identified the following CGUs within its subsidiaries:

Inland business unit

Coastal business unit

Port Elizabeth plant

PPC Botswana Cement

PPC Aggregates SA

Readymix – Gauteng region

Readymix – East region

Readymix – West region

Readymix – Nelspruit

Readymix – Projects

Ulula Ash

PPC Zimbabwe

21. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS continued

Judgements made by management and sources of estimation uncertainty

The future cash flows expected to be generated by the CGUs are forecast, taking into account market conditions and the expected useful lives of the assets. These matters require judgement. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current carrying value and, if lower, the assets are written down to the present value calculated.

The recoverable amounts of the CGUs are determined using the higher of fair value less cost of disposal and value-in-use assessments. These calculations use cash flow projections based on the most recent financial budgets approved by management and the board for the next five years. These financial budgets are the quantification of board-approved strategies derived from the strategic planning process followed across the group. The process ensures that significant risks and sensitivities are appropriately considered and factored into the strategic plans.

Impairment losses recognised in prior periods are assessed for any indications that the loss has decreased or no longer exists. Impairment losses are reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Discount rates

Management estimates discount rates for each CGU, adjusted for risks associated with the geographical markets in which the CGUs operate. Additionally, management considers the impact of sales volumes both from a market and customer variation point of view, production efficiencies and the impact of fluctuations in overheads when determining the cash flow projections used in value-in-use calculations.

Impairments and impairment reversals	2024 Rm	Reasons for impairments and impairment reversals
Impairments of CGUs during the current financial year		
PPC Aggregates SA	70	A CGU impairment was recognised in the Aggregates business as a result of low construction and road projects in the region where the quarries operate. Consequently, this results in lower EBITDA forecasts. The CGU impairment worsened as a result of an increased carrying value of the CGU due to the recognition of the conveyor structure and new offloading station recognised as property, plant and equipment, and received for no consideration.
Impairment of individual assets		
PPC Cement SA (Inland business unit) Plant and machinery Buildings	56	Due to the general operating environment PPC was experiencing, Jupiter site was formally mothballed in May 2023 and an impairment was recognised on the plant, machinery and buildings. There are no plans to operate the site in the foreseeable future and at 31 March 2024 all the assets were fully impaired.
PPC Cement SA (Inland business unit) Plant and machinery	125	A decision was made to mothball Slurry kiln no.8 (SK8) and Dwaalboom kiln no.1 (DK1) but have them ready to use as swing kilns if the need arises. The motivation to mothball these kilns was driven by: • lower market volumes; • cost optimisation due to running newer more energy efficient kilns. These kilns have not operated during FY2024 and these have been excluded from the FY2025 – FY2029 budgets, due to the muted volume growth outlook.
PPC Cement SA (Inland business unit) Plant and machinery	16	The Beestekraal quarry has been idle from 2019 and has not been included in the budget period to operate. Beestekraal's main assets comprise capitalised overburden stripping. This was previously not impaired as the intention was to resume mining activities. However, a firm decision has been made in the year not to resume mining and hence the need to impair.
Net impairment loss	267	

21. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS continued

Impairment indicators continued

Impairments and impairment reversals	2023 Rm	Reasons for impairments and impairment reversals
Impairments of CGUs during the prior financial year		
3Q Mahuma Concrete (Readymix east region)	9	The shrinkage of commercial and industrial projects in the relevant economic region had a negative impact on actual prior year financial results, resulting in lower budgeted volumes in the Readymix east region.
3Q Mahuma Concrete (Readymix west region)	9	An impairment of R9 million was recognised on the Readymix west region mainly, due to sluggish markets and a lack of construction projects in the commercial and industrial sector.
3Q Mahuma Concrete (Readymix Nelspruit region)	24	An impairment was recognised on the Readymix Nelspruit region, mainly due to a downturn in the markets due to a lack of construction projects.
Impairment of individual assets		
PPC Group Shared Services	5	Computer software was impaired in the current year as there was no longer a plan to use this software.
PPC Aggregates SA	6	One plant in Leazonia in the CGU has been mothballed, pending market demand.
PPC Cement SA (Coastal business unit)	3	Coastal impaired building, plant, machinery and equipment, and furniture and fittings because the assets are no longer in use at its Montague gardens depot. The building impairment of R2 million relates to the railway infrastructure that is no longer in use.
PPC Cement SA (Inland business unit)	6	PPC Cement SA has impaired a kiln line for a plant which was no longer in use and has now been demolished.
Impairment reversals of individual assets		
PPC Group Shared Services[(a)]	(1)	During FY22, IT equipment was impaired because there was no future economic value. However, during the current year a reimbursement was received for certain laptops.
Net impairment loss	61	

Key assumptions used for value in use calculations[(a)]:

	Terminal growth rate		Discount rate	
	31 March 2024 %	31 March 2023 %	**31 March 2024 %**	31 March 2023 %
Inland business unit	**5**	5	**15**	15
Coastal business unit	**5**	5	**15**	15
Port Elizabeth plant	**5**	5	**21**	15
PPC Aggregates SA	**5**	5	**20**	19
Readymix – Gauteng region	**5**	5	**22**	19
Readymix – East region	**5**	5	**22**	19
Readymix – West region	**5**	5	**22**	19
Readymix – Nelspruit	**5**	5	**22**	19
Readymix – Projects	**5**	5	**22**	19
PPC Botswana Cement	**4**	4	**16**	16
Ulula Ash	**5**	5	**20**	19
PPC Zimbabwe (US$)	**5**	5	**19**	19
CIMERWA	**—**	—	**18**	18

[(a)] *During the current year, the discount and terminal growth rates have been disaggregated to CGU level for enhanced disclosures. In the prior year, the rates were shown at standalone company level.*

21. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS continued

In preparing the financial statements, management has considered whether a reasonable possible change in the key assumptions on which management has based its determination of the recoverable amounts of the CGUs would result in the units' carrying amounts to exceed their recoverable amounts. If the discount rate, growth rate or cash flows increase or decrease by 2,5%, 1% or 5%, respectively, the impairment charge will (increase) or decrease and the headroom will increase or (decrease) as follows:

				Impact on impairment and headroom				
CGU	**Segment**	Recoverable amount Rm	(Impairment)/ headroom	**Discount rate increase 2,5%**	Discount rate decrease 2,5%	**Growth rate increase 1%**	Growth rate decrease 1%	**Overall cash flows increase/ decrease by 5%**
31 March 2024 Rm								
Inland business unit	SA and Botswana – Cement	3 386	117	**(666)**	1 068	**246**	(205)	**169**
Coastal business unit	SA and Botswana – Cement	1 132	150	**(228)**	364	**84**	(70)	**57**
Port Elizabeth plant	SA and Botswana – Cement	78	42	**(29)**	23	**5**	(4)	**4**
PPC Botswana Cement	SA and Botswana – Cement	223	213	**(42)**	64	**15**	(12)	**11**
PPC Aggregates SA	South Africa – Aggregates, Ash and Readymix	86	(70)	**(15)**	21	**21**	11	**5**
Readymix – Gauteng Region	South Africa – Aggregates, Ash and Readymix	131	18	**(19)**	26	**5**	(5)	**7**
Readymix – East Region	South Africa – Aggregates, Ash and Readymix	26	12	**(4)**	5	**1**	(1)	**1**
Readymix – West Region	South Africa – Aggregates, Ash and Readymix	58	52	**(8)**	10	**2**	(2)	**3**
Readymix – Nelspruit	South Africa – Aggregates, Ash and Readymix	19	15	**(3)**	4	**1**	(1)	**1**
Readymix – Projects	South Africa – Aggregates, Ash and Readymix	11	9	**(1)**	2	**1**	—	**1**
Ulula Ash	South Africa – Aggregates, Ash and Readymix	201	192	**(25)**	33	**44**	24	**10**
PPC Zimbabwe	Zimbabwe – Cement	3 907	1 524	**(642)**	935	**205**	(177)	**195**

21. IMPAIRMENTS AND REVERSALS OF IMPAIRMENTS continued

	Segment	Recoverable amount	(Impairment)/ headroom	Impact on impairment and headroom: Discount rate increase 2,5%	Discount rate decrease 2,5%	Growth rate increase 1%	Growth rate decrease 1%	Overall cash flows increase/ decrease by 5%
31 March 2023 Rm								
Inland business unit	SA and Botswana – Cement	5 464	1 981	**(1 146)**	1 892	**442**	(364)	**273**
Coastal business unit	SA and Botswana – Cement	2 270	1 320	**(486)**	806	**190**	(156)	**113**
Port Elizabeth plant	SA and Botswana – Cement	63	18	**(10)**	15	**3**	(3)	**3**
PPC Botswana Cement	SA and Botswana – Cement	139	132	**(24)**	37	**8**	(7)	**7**
PPC Aggregates SA	South Africa – Aggregates, Ash and Readymix	172	56	**(30)**	43	**10**	(8)	**9**
Readymix – Gauteng Region	South Africa – Aggregates, Ash and Readymix	192	73	**(34)**	49	**11**	(9)	**10**
Readymix – East Region	South Africa – Aggregates, Ash and Readymix	12	(9)	**(4)**	6	**1**	(1)	**1**
Readymix – West Region	South Africa – Aggregates, Ash and Readymix	3	(9)	**(1)**	1	**—**	—	**—**
Readymix – Nelspruit	South Africa – Aggregates, Ash and Readymix	(1)	(24)	**—**	1	**—**	—	**—**
Readymix – Projects	South Africa – Aggregates, Ash and Readymix	18	16	**(3)**	4	**1**	(1)	**1**
Ulula Ash	South Africa – Aggregates, Ash and Readymix	293	285	**(48)**	68	**15**	(13)	**15**
PPC Zimbabwe	Zimbabwe – Cement	2 760	1 373	**(399)**	574	**122**	(105)	**138**
CIMERWA[(a)]	Rwanda – Cement	1 442	(84)	**(147)**	178	**—**	—	**72**

[(a)] *The carrying value of the CGU included goodwill and assets recognised at group amounts to R1 526 million, resulting in an impairment loss of R84 million, of which R42 million was allocated to goodwill. There was no impairment loss recognised on the Rwanda assets.*

Events after the reporting period

There were no events after the reporting period that, should they have been taken into account, would have had a material impact on the impairments/impairment reversals accounted for in the current financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

22. FINANCE COSTS

	March 2024 Rm	Restated[(a)] March 2023 Rm
Bank and other short-term borrowings	14	19
Interest expense on lease liabilities	12	6
Long-term loans	99	88
Finance costs before time value of money adjustments and interest on penalties	125	113
Time value of money adjustments on rehabilitation and decommissioning provisions	6	10
	131	123
Southern Africa	127	116
Zimbabwe	4	7

	March 2024 Rm	Restated[(a)] March 2023 Rm
Finance costs as per income statement charge	131	123
Time value of money adjustments on rehabilitation and decommissioning provisions	(6)	(10)
Post-retirement benefit	(1)	(2)
Finance costs paid	124	111

(a) *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*

23. INVESTMENT INCOME

	March 2024 Rm	Restated[(a)] March 2023 Rm
Dividends on collective investment scheme	2	8
Interest income on cash and cash equivalents	40	18
	42	26

(a) *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*

24. EARNINGS AND HEADLINE EARNINGS PER SHARE

24.1 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 EPS	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 EPS	1 499 548 068	1 525 141 121

24. EARNINGS AND HEADLINE EARNINGS PER SHARE continued

24.2 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 (LTIP)	
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 PPC 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 via the Zimbabwe Stock Exchange.	986 237
	54 216 556

24.3 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)

24.4 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 8.*

24. EARNINGS AND HEADLINE EARNINGS PER SHARE continued

24.5 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 21)	**—**	—	**—**	(1)	**—**	(1)
Impairment of property, plant and equipment, intangible assets and right-of-use assets (refer to note 21)	**—**	44	**267**	62	**267**	106
Impairment of goodwill (refer to note 21)	**—**	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 investments	**—**	—	**—**	(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

24.6 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 8.*

25. STATEMENT OF CASH FLOWS

25.1 CASH GENERATED FROM OPERATIONS

	Notes	March 2024 Rm	Restated[(a)] March 2023 Rm
Cash generated from operations			
Profit/(loss) before taxation		233	(126)
Adjustments for:			
Non-cash flow adjustment on the rehabilitation provision included in cost of sales		(30)	(32)
Amortisation and depreciation	2, 3, 5	623	778
Modification of existing leases	3	(2)	(2)
Loss on sale of property, plant and equipment		9	6
Profit on sale of equity-accounted investments		—	(23)
IFRS 2 charges		28	27
Fair value and foreign exchange movements	19.1	30	(55)
Fair value loss on Zimbabwe blocked funds	6	—	32
Net monetary loss on hyperinflation in Zimbabwe		—	131
Impairments	21	267	61
Finance costs	22	131	123
Dividends earned	23	(2)	(8)
Interest income	23	(40)	(18)
Other non-cash flow items[(b)]		(64)	11
Operating cash flows before movements in working capital		1 183	905
Movements in inventories		(319)	(258)
Movements in trade and other receivables		(37)	(118)
Movements in trade and other payables		73	196
Cash generated from operations		900	725

(a) *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*
(b) *Other non-cash flow items included a non-cash replacement of assets (R55 million) refer to note 2 and restructuring costs (R9 million).*

25.2 RECONCILIATION OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES RELATED TO BORROWINGS

	March 2024 Rm	March 2023 Rm
Balance at the beginning of the year	1 189	1 586
Current	337	436
Non-current	852	1 150
Cash flows	(150)	(443)
Repayment of borrowings	(150)	(446)
Proceeds from borrowings raised	—	3
Accrued finance costs	110	154
Finance costs paid[(a)]	(111)	(154)
Disposal of subsidiary	(244)	—
Other movements	(15)	46
Capitalised transactions costs written off	—	(4)
Effects of changes in foreign exchange rates	(15)	50
Balance at the end of the year	779	1 189
Comprising:		
Current	554	337
Non-current	225	852

(a) *Included in net cash flow from operating activities.*

25. STATEMENT OF CASH FLOWS continued

25.3 RECONCILIATION OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES RELATED TO LEASE LIABILITIES

	March 2023 Rm	March 2023 Rm
Balance at the beginning of the year	**70**	59
Current	**28**	21
Non-current	**42**	38
Cash flows	**(34)**	(29)
Repayment of lease liabilities	**(34)**	(29)
Accrued finance costs	**12**	6
Finance costs paid[(a)]	**(12)**	(6)
Other movements	**118**	40
Additions	**118**	37
Disposals	**(2)**	(2)
Modification of existing leases	**2**	2
Effects of changes in foreign exchange rates	**—**	3
Balance at the end of the year	**154**	70
Comprising:		
Current	**37**	28
Non-current	**117**	42

[(a)] *Included in net cash flow from operating activities.*

26. 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

27. TRADING PROFIT

	March 2024 Rm	Restated[a] March 2023 Rm
Trading profit includes:		
Amortisation	16	28
Included in cost of sales	5	5
Included in operating costs	11	23
Auditors' remuneration	37	44
Audit fees – PwC	35	37
Audit fees – Deloitte	—	5
Other services – PwC	2	2
Depreciation	607	750
Included in cost of sales	543	689
Included in operating costs	64	61
Distribution costs included in cost of sales	1 551	1 379
Loss on sale of property, plant and equipment and intangible assets	9	6
Lease commitments not reflected in measurement of lease liabilities[b]	1	4
Carbon tax	58	61
Staff costs before capitalisation to plant and equipment	1 600	1 380
Southern Africa	1 249	1 096
Zimbabwe	351	284
Including:		
Equity-settled share incentive scheme charge	28	27
Employees' remuneration	1 445	1 247
Staff restructuring costs	25	12
Retirement benefit contributions (refer to note 13)	102	94
	1 600	1 380

[a] *The 2023 comparative figures have been re-presented to disclose discontinued operations separately. Refer to note 8.*
[b] *This consists of all rental expenses that do not meet the IFRS 16 recognition criteria.*

28. FINANCIAL RISK MANAGEMENT

IFRS 9 – *Financial Instruments*

IFRS 9 – *Financial Instruments* provides guidance on the classification, measurement and recognition of financial assets and financial liabilities. The standard establishes three measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Classification of financial assets into these categories is dependent on the entity's business model (which depicts its objectives with respect to the management of financial assets as a whole) and the characteristics of the contractual cash flows of the specific financial asset.

The group's application of IFRS 9 – *Financial Instruments* and the group's exposure to financial risks and how these risks could affect the group's future financial performance are described below.

Financial assets – classification and measurement

IFRS 9 – *Financial Instruments* requires all financial assets to be initially recognised at fair value, including directly attributable transaction costs for all financial assets not measured at fair value through profit or loss. Transaction costs for financial assets carried at fair value through profit or loss are expensed in profit or loss.

The group subsequently measures financial assets depending on whether these instruments are debt or equity instruments (from an issuer's perspective).

Debt instruments

Subsequent measurement of financial assets that are considered to be debt instruments from an issuer's perspective, based on (i) the group's business model within which the financial assets are managed, and (ii) the contractual cash flow characteristics of the financial assets (whether the cash flows represent solely payment of principal and interest). Financial assets are measured at amortised cost if they are held within a business model whose objective it is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest (hold to collect).

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and those contractual cash flows comprise solely payments of principal and interest (hold to collect and sell). Movements in the carrying amount of these financial assets should be taken through other comprehensive income, except for interest revenue and foreign exchange gains or losses, which are recognised in profit or loss. Where the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

28. FINANCIAL RISK MANAGEMENT continued

Financial assets – classification and measurement continued

Equity instruments

The group subsequently measures all financial assets, that are considered to be equity instruments from an issuer's perspective, at fair value. Where the group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as investment income when the group's right to receive payments is established.

Financial liabilities – classification and measurement

The group recognises instruments where it has a contractual obligation to (i) deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the group as financial liabilities. Financial liabilities are recognised once the group becomes a party to the contractual rights and obligations in the underlying contracts.

Under IFRS 9 – *Financial Instruments* requirements, the group measures financial liabilities at either fair value or amortised cost. The group recognises all financial liabilities at amortised cost, unless the group is required to measure the financial liabilities at fair value or has opted to measure the liability at fair value.

All financial liabilities are initially measured at fair value, minus (in the case of financial liabilities not recognised at fair value through profit or loss) transaction costs that are directly attributable to the issuance of the financial instrument.

Financial liabilities that are subsequently measured at amortised cost are measured at the amount recognised on initial recognition minus principal prepayments, plus the cumulative amortisation using the effective interest method. The movements in financial liabilities that are subsequently measured at fair value are recognised in profit or loss, with changes in the fair value of these financial liabilities that are attributable to the group's own credit risk recognised in other comprehensive income. Where these financial liabilities are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss. However, it may be reclassified within equity.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to pay them in full without material delay has been assumed, or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Derecognition of financial liabilities

Financial liabilities are derecognised when their related obligations are discharged, cancelled or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as other income or finance costs.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial instruments – impairment

IFRS 9 – *Financial Instruments* requires impairments to be determined based on an ECL model for financial assets carried at amortised cost or fair value through other comprehensive income. PPC group recognises an allowance for either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk. PPC group measures the ECLs in a manner which reflects a probability-weighted outcome, the time value of money and the entity's best available forward looking information. The preceding probability-weighted outcome considers the possibility that a credit loss will occur and the possibility that no credit loss will occur, no matter how low the probability of credit loss occurrence might be. The ECL model applies to financial assets measured at amortised cost and fair value through other comprehensive income, lease receivables and certain loan commitments as well as financial guarantee contracts.

For trade receivables, the group applies the simplified approach permitted by IFRS 9 – *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Refer to credit risk management below for further details.

The group's financial instruments consist mainly of borrowings from financial institutions, deposits with banks, local money market instruments, and accounts receivable and payable.

28. FINANCIAL RISK MANAGEMENT continued

Capital risk management

The group manages its capital to ensure that entities in the group will continue as a going concern, while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the group consists of debt (note 14), cash and cash equivalents (note 11), and equity attributable to PPC Ltd shareholders, comprising stated capital (note 12), reserves and retained profit.

The ARCC and strategy and investment committee reviews the capital structure on an annual basis. As part of this review, the cost of capital and the risks associated with each class of capital are considered. Based on recommendations of the committees, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase shares currently issued, issue new shares, raise new debt, raise new debt to replace existing debt with different characteristics and/or sell assets to reduce debt in order to maintain the optimal capital structure. The group has complied with the financial covenants of its borrowing facilities during the current and prior years.

The financial covenants relating to the South African facilities are set out in the table below:

Covenant	Required
Interest cover	**>3.0x**
SA and Botswana group gross debt to EBITDA	**<2.00x**
Group gross debt to EBITDA	**<2.5x**

For purposes of the financial covenants, the gearing ratio for the SA and Botswana group is calculated as gross debt divided by SA and Botswana group EBITDA, which includes dividends received from Zimbabwe. The gearing ratio for the SA and Botswana group at 31 March 2024 is 1,2 times (2023: 1,2 times).

The SA and Botswana target ratio from gross debt and net debt to EBITDA is 1,3 – 1,5 times.

The group's cash and cash equivalents and debt at statement of financial position date were as follows:

	2024 Rm	2023 Rm
Cash and cash equivalents	**857**	424
Lease liabilities	**(154)**	(70)
Borrowings	**(779)**	(1 189)
Total equity	**5 897**	6 342
Total capital – continuing operations	**5 821**	5 507
Total capital	**5 821**	5 507

Treasury risk management

Senior financial executives meet on a regular basis to analyse currency and interest rate exposure and to re-evaluate treasury management strategies against latest economic forecasts. The group's central treasury operation provides South African entities with access to local markets and provides local subsidiaries with the benefit of bulk financing and depositing.

Foreign currency management

Trade and capital commitments

The group is exposed to exchange rate fluctuations as it undertakes transactions denominated in foreign currencies in the normal course of business. Exchange rate exposures are managed within approved policy parameters utilising forward exchange contracts. Where possible, entities in the group forward cover all material foreign currency commitments unless there is a natural hedge.

28. FINANCIAL RISK MANAGEMENT continued

The group's financial instrument exposure to currency risk stated in millions is summarised below:

	Notes	Botswana pula	US dollar	Zimbabwean dollar	Rwandan franc	Mozambican metical	Ethiopian birr
2024							
Financial assets							
Trade and other financial receivables	10	**25**	**3**	**—**	**—**	**18**	**—**
Cash and cash equivalents	11	**19**	**2**	**7 642**	**—**	**4**	**44**
Total financial assets		**44**	**5**	**7 642**	**—**	**22**	**44**
Financial liabilities							
Lease liabilities	3.2	**2**	**—**	**—**	**—**	**—**	**—**
Trade and other financial payables	16	**34**	**21**	**—**	**—**	**—**	**—**
Total financial liabilities		**36**	**21**	**—**	**—**	**—**	**—**
Net exposure		**8**	**(16)**	**7 642**	**—**	**22**	**44**
2023							
Financial assets							
Trade and other financial receivables	10	22	—	3 058	3 583	18	—
Cash and cash equivalents	11	18	9	1 541	2 955	4	41
Total financial assets		40	9	4 599	6 538	22	41
Financial liabilities							
Long-term borrowings	14	—	—	—	4 809	—	—
Short-term borrowings	14	—	—	—	11 280	—	—
Lease liabilities	3.2	1	—	257	63	—	—
Trade and other financial payables	16	37	—	15 048	10 545	—	—
Total financial liabilities	13	38	—	15 305	26 697	—	—
Net exposure		2	9	(10 706)	(20 159)	22	41

28. FINANCIAL RISK MANAGEMENT continued

Sensitivity analysis on net exposure

A movement in exchange rates of 5%, with all other variables held constant against the significant foreign currencies below, would have the following impact:

	Closing rate	Impact on total comprehensive income and shareholders' equity 5% increase	5% decrease
Significant foreign currency exposure			
2024			
Botswana pula	1,37	**(1)**	1
US dollar	18,84	**15**	(15)
Mozambican metical[(a)]	0,30	**—**	—
Ethiopian birr	0,33	**(1)**	1
(Decrease)/increase in total comprehensive income		**13**	(13)
2023			
Botswana pula	1,36	**—**	—
US dollar	17,80	**8**	(8)
ZWL dollar	0,02	**(10)**	10
Rwandan franc	0,02	**(16)**	16
Mozambican metical[(a)]	0,28	**—**	—
Ethiopian birr	0,33	**1**	(1)
(Decrease)/increase in total comprehensive income		**(17)**	17

(a) *The amount is less than one million.*

Interest rate management

The group is exposed to interest rate risk arising from fluctuations in financing costs on loans which are at variable interest rates, and interest received on cash and cash equivalents. As part of the process of maintaining a balance between the group's fixed and variable rate borrowings, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are structured according to expected movements in interest rates. The profile of total borrowings is as follows:

Description	Years of repayment	2024 Rm	2023 Rm
Secured			
Long-term loans denominated in foreign currencies (refer to note 14)	2024 – 2025	**—**	259
Long-term loans (refer to note 14)	2026 – 2027	**775**	924
		775	1 183
Unsecured			
Short-term loans and bank overdrafts (refer to note 14)	2025	**4**	6
Unsecured, short-term loans bearing interest at market rates		**4**	6

Sensitivity analysis – floating interest rate instruments

All other variables held constant, the amounts below are calculated based on the assumption that the daily average weighted rate cost of funding or interest income received is higher or lower by 100 basis points throughout the year and such rate is applied to the borrowing and cash balances at year-end.

Floating interest rate instruments	Weighted average interest rates	Change in interest rate basis points	Impact on total comprehensive income and shareholders' equity Increase Rm	Decrease Rm
ZAR loans	11,3%	100	**(2)**	2
Group interest rate sensitivity			**(2)**	2

The fair value of the swaps at 31 March 2024 is R1 million asset (2023: R1 million liability).

28. FINANCIAL RISK MANAGEMENT continued

Fair values of financial assets and liabilities

The classification of financial assets and liabilities are set out below.

	Notes	Total carrying amount Rm	Fair value Rm	Amortised cost Rm
2024				
Financial assets				
The financial assets carried at fair value are classified into three categories as reflected below:				
At amortised cost		**1 638**	**—**	**1 638**
Trade and other financial receivables	10	**778**	**—**	**778**
Cash and cash equivalents	11	**857**	**—**	**857**
Readymix trucks receivable	6.2	**3**	**—**	**3**
At fair value through other comprehensive income		**8**	**8**	**—**
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	**2**	**2**	**—**
MRG investment	6.1.4	**6**	**6**	**—**
At fair value through profit or loss		**200**	**200**	**—**
Unlisted collective investment (held for trading)	6.1.1	**153**	**153**	**—**
Cell captive investment	6.1.2	**46**	**46**	**—**
Interest rate swap asset	6.2	**1**	**1**	**—**
Financial liabilities				
At amortised cost		**1 948**	**—**	**1 948**
Long-term borrowings	14	**225**	**—**	**225**
Short-term borrowings	14	**554**	**—**	**554**
Lease liabilities	3.2	**154**	**—**	**154**
Trade and other financial payables	16	**1 015**	**—**	**1 015**
2023				
Financial assets				
At amortised cost		1 259	—	1 259
Trade and other financial receivables	10	811	—	811
Cash and cash equivalents	11	424	—	424
Loan receivable	6.2.2	24	—	24
At fair value through other comprehensive income		8	8	—
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	2	2	—
MRG investment	6.1.4	6	6	—
At fair value through profit or loss		177	177	—
Unlisted collective investment (held for trading)	6.1.1	144	144	—
Cell captive investment	6.1.3	33	33	—
Financial liabilities				
At amortised cost		2 325	—	2 325
Long-term borrowings	14	852	—	852
Short-term borrowings	14	337	—	337
Finance lease liabilities	3.2	70	—	70
Trade and other financial payables	16	1 066	—	1 066
At fair value through profit or loss		1	1	—
Interest rate swap liability	15	1	1	—

28. FINANCIAL RISK MANAGEMENT continued

Credit risk management

Credit risk is the risk of financial loss to the group if a counterparty to a financial instrument fails to meet its contractual obligations. The potential exposure to credit risk is represented by the carrying amounts of trade and other receivables, cash and cash equivalents and short-term cash investments.

Credit risk policy: Investments, cash and cash equivalents and derivatives

The group's policy is to strictly limit exposure to individual counterparties by reference to published short-term and long-term credit ratings from recognised credit rating agencies. The group invests in high-quality investments with reputable service providers.

The group's exposure and the credit ratings of its counterparties are continuously monitored. The policy requires diversification of credit exposures among these financial institutions and defines acceptable daily settlement limits. Individual limits for counterparties whose ratings fall within the credit rating guidelines of the group's policy are approved by the CFO, and for counterparties with ratings outside of the policy guidelines, the limits must be approved by the ARCC.

Security held

For some receivables, the group may obtain security in the form of guarantees, deeds of undertaking or letters of credit, which may be called upon if the counterparty is in default under the terms of the agreement.

Summary of the assumptions underpinning the group's ECL model for cash and cash equivalents is as follows:

Under the general approach, at each reporting date, the group recognises a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognised in profit or loss as an impairment gain or loss. Given the maturity profile of the group's bank deposits and current accounts that are classified as financial assets measured at amortised cost, of three months or less, the 12-month and lifetime ECLs are not expected to be materially different. Based on these facts, the general approach has been deemed most appropriate for calculating the ECL.

Significant assumptions considered within the ECL model:

- The model only considers positive cash balances with banking institutions, ie gross of overdrafts
- The model also excludes petty cash as this is assumed to be petty cash on hand
- Short-term bank deposits have a maturity of three months or less
- Implied Moody's credit ratings are a suitable proxy for Moody's ratings. Due to the fact that not all banking institutions have Moody's ratings, we estimated implied Moody's ratings
- Banking institutions with same implied Moody's credit rating belong to a homogenous credit risk grouping, ie have the same probability of default etc
- Moody's one-year default rates are a suitable proxy for short-term deposit default rates

Using the probability of default approach, the ECLs are a probability-weighted estimate of the present value of estimated cash shortfalls – ie the weighted average of credit losses, with the respective risks of default occurring used as the weights. For this purpose, the following parameters must be estimated:

- Probability of default (PD) – estimate of the likelihood of default over a given time horizon
- Loss given default (LGD) – estimate of the percentage loss arising in case a default occurs at a given time
- Exposure at default (EAD) – estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities and accrued interest from missed payments
- Discount rate (r) – rate used to discount an expected loss to a present value at the reporting date

For the group, the exposure at default is assumed to be 100% of all the positive balances outstanding at year-end as short-term deposits have similar characteristics to loans that are not backed by collateral. The effect of discounting the ECLs is not expected to have a material impact on the ECLs given the short-term maturity profile of the cash and cash equivalent balances.

The group has limited historical information of the probability of default for the respective banking institutions in which it holds bank deposits. Therefore, it is reasonable to use external credit information from one of the three major rating agencies to estimate the probability of default. The group also compares the banking institution's credit rating to that of the sovereign rating (creditworthiness of a country) and uses the lower of the two, ie if we have a bank that has Aa credit rating, but its country (that is last resort guarantor) has Ba credit rating, it is common practice to use default rates for Ba credit rating as opposed to the Aa credit rating.

28. FINANCIAL RISK MANAGEMENT continued

Summary of the assumptions underpinning the group's ECL model for cash and cash equivalents is as follows: continued

The group has limited historical information of the portion of the outstanding balance that would not be recoverable in the case of a default at a given time. In estimating the LGD, the group makes reference to regulatory guidance provided to insurers by the Prudential Authority. The Financial Soundness Standards (FSIs) are designed to ensure that insurers can meet policyholder obligations by holding own funds of sufficient quality and quantity to absorb significant unforeseen losses arising from the risks associated with an insurer's activities.

"Pari-passu" is a Latin phrase meaning "equal footing" that describes situations where two or more assets, securities, creditors, or obligations are equally managed without preference. The cash and cash equivalents would rank in the same priority as other unsecured debts owed by banks to all creditors, should the financial institutions enter into bankruptcy proceedings (ie the group would be treated like other unsecured creditors with regards to all debts owed by the bank on bankruptcy). The trustee would repay the group the same fractional amount as other creditors at the same time. Therefore, it is reasonable for the group to use LGD rates of 45% and above in estimating ECLs.

ECLs must reflect an unbiased and probability-weighted estimate of credit losses over the expected life of the financial instrument (ie the weighted average of credit losses with the respective risks of a default occurring as the weights).

The standard makes it clear that when measuring ECLs, in order to derive an unbiased and probability-weighted amount, an entity needs to evaluate a range of possible outcomes. The group does not need to identify every possible scenario, it just needs to take into account the possibility that a credit loss could occur, no matter how low that probability is.

A practical method that can be used to determine a range of possible outcomes is scenario analysis. Scenario analysis is a process of analysing future events by considering alternative possible outcomes. Thus, scenario analysis, which is one of the main forms of projection, will not only show the most likely ECL, but it will present several alternative ECLs. For the group, the scenario analysis will mainly comprise flexing two main variables in the ECL model for a range of values. The first variable that the group varied is the LGD. As discussed above, the group can use LGD values between 45% and 100% in performing the scenario analysis.

The second variable that the group varied is the PD. The reports supplied by the ratings agencies contain a range of historical PDs that can be used to vary the PD variable.

Due to significant judgement and specialised statistical knowledge required to estimate the probability of each outcome occurring, it is apparent that trying to estimate the probability of each outcome in the scenario analysis would require exhaustive search for information and this is not the objective that is intended in the standard. The guidance from the standard requires that the group use information available for financial reporting purposes, which is considered to be available without undue cost or effort. Assuming that each outcome has an equal chance of occurrence would satisfy the need to determine a probability-weighted ECL.

Historical information should be used as a starting point from which adjustments are made to estimate ECLs on the basis of reasonable and supportable information that incorporates both current and forward looking information.

In considering whether historical credit losses should be adjusted, the group considered various items, including:
- The historical data which has been used, capture ECLs that are through-the-cycle (ie estimates based on historical credit loss events and experience over the entire economic cycle)
- The period of time over which its historical data has been captured and the corresponding economic conditions represented in that history

Credit risk policy: Trade and other receivables

Trade receivables comprise a large, widespread customer base and credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the granting of credit is controlled by application and account limits and the group only deals with creditworthy customers supported by appropriate collateral. The group annually re-evaluates counterparty limits and the financial reliability of its customers.

	2024 Rm	2023 Rm
Net trade receivables comprise	**693**	758
Trade receivables that are neither past due nor impaired	**658**	716
Trade receivables that are past due but not impaired	**35**	42
Loss allowance		
Balance at the beginning of the year	**91**	79
Disposal of CIMERWA	**(16)**	—
ECL through profit or loss[(a)]	**—**	11
Translation differences	**—**	1
Balance at the end of the year	**75**	91

[(a)] *This amount is less than R1 million.*

28. FINANCIAL RISK MANAGEMENT continued

Credit risk policy: Trade and other receivables continued

	31 March 2024 ECL Rm	**31 March 2024 ECL %**	31 March 2023 ECL Rm	31 March 2023 ECL %
The ageing of the ECL at the reporting date				
Current due	**1**	**0,2**	5	2,4
1 – 30 days	**5**	**8,5**	7	1,6
31 – 60 days	**10**	**62,8**	9	6,9
61 – 120 days	**4**	**64,9**	14	45,1
120 – 150 days	**20**	**67,0**	3	73,5
Greater than 150 days	**35**	**100,0**	53	97,9
Total loss allowance	**75**		91	

Summary of the assumptions underpinning the group's ECL model for trade and other receivables

For trade receivables that do not contain a significant financing component, the loss allowance should be measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL. As a practical expedient, a provision matrix may be used to estimate ECL for these financial instruments.

The group monitors the ageing of its receivables using the following buckets:

- Current
- 1 – 30 days
- 31 – 60 days
- 61 – 90 days
- 91 – 120 days
- 121 – 150 days
- 150 days and more

The ageing of PPC's receivables represents the overdue profile, meaning that payment terms are considered. For example, on an account with 60 days' payment terms, the current bucket will contain invoices that are one to 60 days old, but they are still not overdue. PPC generally considers payments received 60 days after the invoice as normal credit terms, which are applicable to lower risk customers.

An assessment of the different portfolios determined that the default points were longer than the 60 days for normal credit terms for certain debtor's portfolios because the points where PPC's exposure is considered to enter non-performing status differed per portfolio, as a result of credit characteristics. Overall, the range of default points is between 90 – 150 days. The debtors which have been handed over to the legal department for collection, are immediately considered to be in default.

When the debt collection agent and/or legal attorney are unable to recover an overdue debt, a recommendation, in line with the board approved delegation of authority, will be made to write the amount off as irrecoverable.

28. FINANCIAL RISK MANAGEMENT continued

Significant assumptions considered within the ECL model

1. The population of receivables within each portfolio is homogenous, ie the customers are of similar size and industry, the nature or invoices are similar, etc
2. The receivables do not contain significant financing components (eg they do not bear interest)
3. The model assumes that the amount of receivables are significantly unrecoverable, meaning if the invoices are not paid, the loss is 84% (2023: 100%). However, the model allows for custom LGD for a specific customer/entity/portfolio. Judgement and evidence have been established in determining the LGD of 84%
4. The negative balances are netted off against older invoices, resulting in the ECL being determined on the debtor's balance as per the age analysis.

The change in the LGD assumptions and the treatment of the negative balances results in a change in estimate of R11 million in the current year. This resulted in the change from 100% to 84%.

Calculating the ECL using a provision matrix

ECL formula: ECL = EAD x LGD x PD, where:

- EAD = Exposure at default – positive amount of current receivables in a particular bucket
- LGD = Loss given default – percentage unrecoverable loss given the default occurs
- PD = Probability of default

The group's point of default is determined on a CGU level, considering applicable payment terms.

Adjusting for forward looking estimates

The adjustment for forward looking information is represented by a factor by which historical PD is multiplied to obtain final PD. The final PD should not exceed 100%. IFRS 9 – *Financial Instruments* does not explicitly provide detailed context on how to calculate adjustments for forward looking information.

The group utilised the same methodology to determine the ECL on trade receivables in all jurisdictions.

	Notes	**2024** **Rm**	2023 Rm
Trade and other receivables	10	**853**	902
Cash and cash equivalents	11	**861**	436
Loan receivable		**—**	24
Readymix trucks receivable	6.2.2	**3**	—
Maximum credit risk exposure		**1 717**	1 362

The analysis per credit rating level is assessed below. These ratings were obtained from Standard and Poor's and Moody's and these relate only to cash and cash equivalents.

During the current year, the loan receivable from PPC Barnet was reclassified to short term and the expected credit loss on the balance was considered to be insignificant due to the consistent payments made during the current year. Due to the long-term nature of the Readymix truck receivables, judgement is required in determining the recoverability and valuation of the loan. The receivable is assessed for impairment in terms of IFRS 9 – *Financial Instruments* which is based on the premise of providing for ECLs. In determining the ECL, management considered the credit risk and probability of default associated with the borrower as well as the cash flow forecast. Based on the assessment performed and the cash flow forecast, the borrower is expected to generate sufficient cash flow in the foreseeable future in order to settle the amounts due to the group, as such no ECL was recognised on the receivable.

28. FINANCIAL RISK MANAGEMENT continued

Adjusting for forward looking estimates continued

		2024		2023	
Country	Counterparty	Credit ratings	Rating definitions	Credit ratings	Rating definitions
South Africa	First National Bank/Rand Merchant Bank	Baa3	Lower medium	Ba2	Non-investment
	Standard Bank	Ba2	Non-investment	Ba2	Non-investment
	Nedbank	Baa3	Lower medium	Ba2	Non-investment
Botswana	First National Bank	Baa2	Lower medium	Ba2	Non-investment
	Barclays	Baa3	Lower medium	Ba1	Non-investment
	Stanbic	Ba2	Non-investment	Ba3	Non-investment
Zimbabwe	Standard Chartered	A3	Investment	N/A	N/A
	Stanbic	Ba2	Non-investment	Ba3	Non-investment
	MBCA	Ba1	Non-investment	N/A	N/A
	CBZ	A3	Investment	N/A	N/A
	Ecobank	B3/NP	Higher speculative	N/A	N/A
	ZB BANK	Baa1	Lower medium	N/A	N/A
Rwanda[(a)]	Kenya Commercial Bank (KCB)	N/A	N/A	B2/NP	Highly speculative
	PTA Bank[(b)]	N/A	N/A	N/A	N/A
	East African Development Bank[(a)]	N/A	N/A	N/A	N/A
Ethiopia	Awash International Bank	Caa2	Highly speculative	Caa2	Highly speculative

[(a)] *The CIMERWA subsidiary was sold during the year.*
[(b)] *Credit ratings are not available for these institutions.*

ECL on cash and cash equivalents

	2024 Rm	2023 Rm
Zimbabwe	1	6
Ethiopia[(a)]	1	2
Rwanda	—	3
South Africa[(b)]	2	1
	4	12

[(a)] *This exposure is as a result of the proceeds from the sale of the investment in Habesha, which are in an Ethiopian birr account.*
[(b)] *This exposure is as a result of a foreign-denominated bank account.*

28. FINANCIAL RISK MANAGEMENT continued

Liquidity risk management

Liquidity risk is the risk of the group being unable to meet its payment obligations when they fall due. The group manages liquidity risk centrally by maintaining an appropriate balance between long-term and short-term debt, ensuring borrowing facilities are adequate to meet its liquidity requirements at all times and by monitoring forecast and actual cash flows.

The group had committed borrowing facilities of R1,8 billion and utilised 42,7% (2023: 53,3%) of these facilities at 31 March 2024. At year-end, R1,0 billion of borrowing facilities remain unutilised.

Banking facilities are only entered into with leading financial institutions.

The following table details the group's remaining contractual maturity for its financial liabilities. The table has been prepared based on undiscounted cash flows at the earliest date on which the group can be required to pay. The amounts exclude interest accrued to the payment date.

	<1 year Rm	1 – 5 years Rm	>5 years Rm	Total Rm
2024				
Total borrowings	**623**	**252**	**—**	**875**
Trade and other financial payables	**1 317**	**—**	**—**	**1 317**
Lease liability	**48**	**130**	**13**	**191**
	1 988	**382**	**13**	**2 383**
2023				
Total borrowings	338	853	—	1 191
Trade and other financial payables	1 259	—	—	1 259
Lease liability	35	47	1	83
	1 632	900	1	2 533

Refer to note 14 for borrowings details.

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. Further details are disclosed in note 6.1.2.

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.

The fair value is determined as a level 3 on the fair value hierarchy because of the unobservable inputs used, mainly as a result of the judgements made with respect to the credit risk of counterparties.

28. FINANCIAL RISK MANAGEMENT continued

Fair value hierarchy disclosures

		Carrying amount (by measurement basis)				
			Fair value	Fair value	Fair value	
	Notes	Amortised cost Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2024						
Financial assets						
At amortised cost						
Trade and other financial receivables	10	**778**	**—**	**—**	**—**	**778**
Cash and cash equivalents	11	**857**	**—**	**—**	**—**	**857**
Readymix trucks receivable	6.2.2	**—**	**—**	**—**	**3**	**3**
At fair value through other comprehensive income						
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	**—**	**—**	**2**	**—**	**2**
MRG investment	6.1.4	**—**	**—**	**—**	**6**	**6**
At fair value through profit or loss						
Unlisted collective investments at fair value	6.1.1	**—**	**—**	**153**	**—**	**153**
Cell captive investment	6.1.2	**—**	**—**	**—**	**46**	**46**
Interest rate swap asset		**—**	**—**	**1**	**—**	**1**
Financial liabilities						
At amortised cost						
Long-term borrowings	14	**225**	**—**	**—**	**—**	**225**
Short-term borrowings	14	**554**	**—**	**—**	**—**	**554**
Lease liabilities	3.2	**154**	**—**	**—**	**—**	**154**
Trade and other financial payables	16	**1 317**	**—**	**—**	**—**	**1 317**
2023						
Financial assets						
At amortised cost						
Trade and other financial receivables	10	811	—	—	—	811
Cash and cash equivalents	11	424	—	—	—	424
Loan receivable		—	—	—	24	24
At fair value through other comprehensive income						
Investment in Old Mutual shares on the Zimbabwe Stock Exchange	6.1.3	—	—	2	—	2
MRG investment	6.1.4	—	—	—	6	6
At fair value through profit or loss						
Unlisted collective investments at fair value (held for trading)	6.1.1	—	—	144	—	144
Cell captive investment	6.1.2	—	—	—	33	33
Financial liabilities						
At amortised cost						
Long-term borrowings	14	852	—	—	—	852
Short-term borrowings	14	337	—	—	—	337
Finance lease liabilities	3.2	70	—	—	—	70
Trade and other financial payables	16	1 066	—	—	—	1 066
At fair value through profit or loss						
Interest rate swap liability	15	—	—	1	—	1

28. 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 requires management's judgement in determining the fair value. Refer to note 6 for quantitative information and significant assumptions on the unobservable inputs used to determine fair values for financial assets and liabilities respectively.

This note has been refined from that reported in the prior period to only include financial instruments held at fair value.

Level 3 sensitivity analysis

Financial instrument	Valuation technique	Key unobservable inputs	Sensitivity %	Carrying value 2024 Rm	Increase or decrease Rm
Cell captive investment	Net asset value	Cash and cash equivalents, investment in unit trusts, insurance fund liabilities	N/A	46	—
MRG investment	Net asset value	Cash and cash equivalents, investment in unit trusts, insurance fund liabilities	N/A	6	—
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	—

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.

29. RELATED-PARTY TRANSACTIONS

Parties are considered to be related if one party directly or indirectly has the ability to control or jointly control the other party, or exercise significant influence over the other party, or is a member of the key management of PPC group. In particular, this relates to associates, as transactions with the consolidated subsidiaries are eliminated. PPC regards non-executive directors, executive directors, the executive committee and prescribed officers to be key management. In the current year, in the ordinary course of business, PPC Group Services (Pty) Ltd, a subsidiary of PPC Ltd, entered into various transactions with PPC Barnet, an associate of PPC Ltd. The effect of these transactions is included in the financial performance and results of the group. No impairment of receivables related to the amount of outstanding balances is required.

The following table shows management fees and the related receivable balance with the related parties that are included in the group's AFS:

	31 March 2024	31 March 2023
	Rm	Rm
PPC Barnet	**6**	24

29.1 EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS' REMUNERATION

Remuneration paid to executive directors and prescribed officers for the 12 months ended 31 March 2024.

	Basic salary	**Retirement and medical contributions**	**Car allowance**	**Short-term incentives**	**Housing allowance**	**Other[(a)]**	**Total**
	R000	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Executive directors	**20 161**	**20**	**108**	**3 918**	**815**	**26 312**	**51 334**
M Cardarelli[(b)]	**5 991**	**20**	**—**	**—**	**545**	**4**	**6 560**
R van Wijnen[(c)]	**8 035**	**—**	**108**	**2 739**	**270**	**26 308**	**37 460**
B Berlin	**6 135**	**—**	**—**	**1 179**	**—**	**—**	**7 314**
Prescribed officers	**13 182**	**1 684**	**1 122**	**2 185**	**546**	**21 592**	**40 311**
E Acosta[(d)]	**1 375**	**4**	**91**	**—**	**273**	**4**	**1 747**
NL Lekula[(e)]	**2 735**	**360**	**405**	**859**	**—**	**21 518**	**25 877**
P Marques[(f)]	**1 125**	**14**	**91**	**—**	**273**	**4**	**1 507**
M Ramafoko	**3 178**	**654**	**367**	**835**	**—**	**42**	**5 076**
N Rawana[(g)]	**2 615**	**417**	**168**	**254**	**—**	**6**	**3 460**
K Ross[(h)]	**2 154**	**235**	**—**	**237**	**—**	**18**	**2 644**

Remuneration paid to executive directors and prescribed officers for the 12 months ended 31 March 2023.

	Basic salary	Retirement and medical contributions	Car allowance	Short-term incentives	Long-term incentives	Other[(b)]	Total
	R000	R000	R000	R000	R000	R000	R000
Executive directors	16 141	—	300	8 572	2 991	360	28 364
R van Wijnen	10 213	—	300	6 104	2 991	360	19 968
B Berlin	5 928	—	—	2 468	—	—	8 396
Prescribed officers	6 580	1 079	907	3 122	—	116	11 804
NL Lekula	3 481	510	540	1 466	—	5	6 002
M Ramafoko	3 099	569	367	1 656	—	111	5 802

(a) *"Other" includes R van Wijnen R2 million restraint of trade and R24 million early vesting of LTIP. N Lekula includes R6 million restraint of trade R6 million severance agreement and R9 million in early vesting of shares.*
(b) *Appointed 2 October 2023.*
(c) *Resigned 31 December 2023.*
(d) *Appointed 15 January 2024.*
(e) *Resigned 31 December 2023.*
(f) *Appointed 15 January 2024.*
(g) *Appointed 1 April 2023.*
(h) *Appointed 1 January 2024.*

29. RELATED-PARTY TRANSACTIONS continued

29.2 NON-EXECUTIVE DIRECTORS' REMUNERATION

Remuneration paid to non-executive directors for the 12 months ended 31 March 2024.

					Committee			
	Board fees R000	Chairman fees R000	Special meetings R000	ARCC R000	Remuneration and talent R000	Social, ethics and transformation R000	Strategy and investment R000	Total R000
PJ Moleketi	—	1 321	128	—	111	109	—	1 669
N Gobodo	321	—	64	152	—	222	—	759
BM Hansen	321	—	64	—	—	109	109	603
K Maphisa	321	—	64	—	—	109	109	603
NL Mkhondo	321	—	192	152	225	—	—	890
CH Naude	321	—	192	—	111	—	222	846
DL Smith	321		64	—	—	—	109	494
MR Thompson	321	—	107	299	—	—	109	836
	2 247	1 321	875	603	447	549	658	6 700

Remuneration paid to non-executive directors for the 12 months ended 31 March 2023.

					Committee			
	Board fees R000	Chairman fees R000	Special meetings R000	ARCC R000	Remuneration and talent R000	Social, ethics and transformation R000	Strategy and investment R000	Total R000
PJ Moleketi	—	1 279	107	—	27	—	—	1 413
AC Ball[(a)]	154	—	43	—	—	—	52	249
N Gobodo	311	—	64	155	—	215	—	745
BM Hansen	311	—	85	—	—	106	106	608
K Maphisa	311	—	85	—	—	106	106	608
NL Mkhondo	311	—	192	155	216	—	—	874
CH Naude	311	—	213	—	106	—	215	845
DL Smith	157		43	—	—	—	54	254
MR Thompson	311	—	170	325	—	—	106	912
	2 177	1 279	1 002	635	349	427	639	6 508

[(a)] *Resigned 30 September 2022.*

30. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

It is the policy of PPC not to adopt new standards before they become effective. The following standards and improvements are in issue but not yet effective. These revised standards and interpretations will be adopted by PPC when they become effective.

Revised statements in issue not yet effective:	Effective date reporting period beginning on or after	Possible implication on PPC
For adoption during FY25		
Amendment to IFRS 16 – Leases on sale and leaseback	1 January 2024	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. The impact of the amendment is immaterial.
Amendment to IAS 1 – non-current liabilities with covenants	1 January 2024	These amendments clarify how covenants should be treated by an entity, within twelve months after the reporting period, with the aim to improve information an entity provides relating to these liabilities. The impact of the amendment is immaterial.
For adoption during FY26		
Amendments to IAS 21 – lack of exchangeability	1 January 2025	This amendment clarifies when a currency is exchangeable and the determination of the exchange rate when currency is not exchangeable. The impact of the amendment is immaterial.

31. EQUITY-ACCOUNTED INVESTMENTS

The investment in the associate is carried at cost and adjusted for post-acquisition changes in the group's share of net assets of the associate less any impairment. Any long-term debt interests, which in substance form part of the group's net investment in the associate, are also included in the total carrying value of the associate. Losses of an associate in excess of the group's interest in that associate are not recognised, unless the group has incurred legal or constructive obligations or made payments on behalf of the associate.

Where a group entity transacts with an associate of the group, unrealised profits and losses are eliminated to the extent of the group's interest in the relevant associate.

						Carrying value, including loans advanced	
Name	**Nature of business**	**Principal place of business**	**Shareholding 2024 %**	**Shareholding 2023 %**	**Financial year-end**	**2024 Rm**	2023 Rm
Incorporated in DRC							
PPC Barnet	Cement manufacturer	DRC	59	59	March	**—**	—
						—	—

31. EQUITY-ACCOUNTED INVESTMENTS continued

	PPC Barnet	
	31 March 2024 Rm	31 March 2023 Rm
Unrecognised net loss for March 2024	**(312)**	—
Unrecognised net loss for March 2023	**(274)**	(274)
Total comprehensive loss	**(586)**	(274)

	PPC Barnet	
	31 March 2024 Rm	31 March 2023 Rm
Key financial information of material associates		
Revenue	**894**	1 171
Loss for the year	**(312)**	(464)
Other comprehensive income	**—**	—
Total comprehensive loss	**(312)**	(464)
Non-current assets	**1 525**	2 603
Current assets	**455**	724
Non-current liabilities	**2 537**	3 346
Current liabilities	**519**	812
Net assets	**(1 076)**	(831)

In the prior year, PPC lost control of PPC Barnet. On 29 April 2022, a formal "Restructuring Effective Date Notice" was issued, resulting in the following:

i. All economic benefits for the foreseeable future that may be generated by PPC Barnet will accrue to parties outside of PPC, being the PPC Barnet lenders.

ii. PPC has a management agreement with PPC Barnet to manage and run the day-to-day operations of PPC Barnet for a period of five years. PPC does not have the right to terminate the agreement for the initial five-year period. The lenders do not have the right to terminate the agreement within the first two years, whereafter they have the right to terminate the agreement with 12 months' notice. However, should the lenders exercise the call option (refer point iv), the management agreement will be terminated (after a three-month notice period).

iii. PPC has the right to appoint >50% of the directors of PPC Barnet. However, reserved matters need specific lenders' approval and include all strategic matters, approval of budgets, sale of assets, investments and changes to share capital. The lenders also have the right at any time to replace all of the PPC nominated directors.

iv. A call option has been granted to the lenders which allows the lenders to call on the full issued ordinary shares of PPC Barnet as well as the junior preference shares (JPS). The option is exercisable from the restructuring effective date to the date that all debts owed to the lenders have been repaid in full. The exercise price of the call option will be a nominal amount of US$1 for the first five years from issuance date. To the extent the lenders sell the equity and JPS for more than their debt, the excess will be paid for the JPS. The call option is substantive.

v. PPC has sold 10% of its shareholding in PPC Barnet and has committed to sell a further 10% and has the permission of the lenders to do so – which will take its shareholding to 49%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

32. ADDITIONAL DISCLOSURE

Zimbabwe indigenisation

Prior to 31 March 2024, all relevant indigenisation parties, holding collectively 19,90% of PPC Zimbabwe, accepted the valuation report of PPC Zimbabwe provided to them. As a consequence, the shares that had associated notional vendor facilitation (NVF) arrangements in place had no value and PPC Zimbabwe had the right to repurchase such shares at US$0,01 each.

PPC Zimbabwe subsequently entered into binding share repurchase agreements with all three relevant indigenisation parties to repurchase their NVF funded shares (19,15%) for US$0,01 each. The remaining 0,75% shareholding did not have NVF arrangements and PPC Zimbabwe repurchased these shares at full value.

The repurchased shares were cancelled by PPC Zimbabwe, resulting in PPC holding 88% of PPC Zimbabwe and the indigenous party holding the remaining 12% shareholding being entitled to 5% of any dividends declared to it until such time as its NVF has been fully repaid.

Contingent liabilities and guarantees

Total bank guarantees issued by the group in favour of various suppliers was 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 Mineral 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, but the outcome of the engagements between the authorities and the company are not certain.

33. EVENTS AFTER REPORTING DATE

Introduction of a new structured currency in Zimbabwe

The Reserve Bank of Zimbabwe (RBZ) issued 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 ZWL with effect from 8 April 2024. All balances held in ZWL were converted to ZIG through 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, nor a material impact on the operations and cash flows of the business for 2024.

34. SUBSIDIARIES AND NON-CONTROLLING INTERESTS

The consolidated annual financial statements for the year ended 31 March 2024 include the results and statements of financial position of the company, all of its subsidiaries, SPVs and companies that are controlled by the group.

The group includes investments in subsidiaries, either directly or indirectly held by the company, and holds the majority of voting rights in all subsidiaries. Except for the respective BBBEE entities consolidated in terms of IFRS 10 – *Consolidated Financial Statements*, voting rights are aligned to the proportionate ownership.

The key trading subsidiaries and respective holding companies are:

			Proportion of ownership interest and voting power held by the group		
Name of subsidiary	**Principal activity**	**Country of incorporation**	**2024**	2023	**Holding company**
PPC Zimbabwe Ltd	Manufacturer and supplier of both bag and bulk cement for use within Zimbabwe and surrounding countries	Zimbabwe	**88%**	70%	PPC Ltd
PPC Botswana (Pty) Ltd	Manufacturer, wholesaler and distributor of cementitious products, both bag and bulk, within Botswana	Botswana	**100%**	100%	PPC Ltd
PPC South Africa Holdings (Pty) Ltd	Holding company for South Africa entities	South Africa	**90%**	100%	PPC Ltd
PPC GPCO (Pty) Ltd	Share repurchase of PPC Ltd shares	South Africa	**100%**	—%	PPC Ltd
PPC Cement SA (Pty) Ltd	Manufacturer and supplier of both bag and bulk cement for use within South Africa and surrounding countries	South Africa	**100%**	100%	PPC South Africa Holdings (Pty) Ltd
PPC International Holdings (Pty) Ltd	Holding company for PPC's International investments	South Africa	**100%**	100%	PPC Ltd
PPC Group Services (Pty) Ltd	Services to group entities	South Africa	**100%**	100%	PPC South Africa Holdings (Pty) Ltd
Pronto Holdings (Pty) Ltd	Holding company for readymix and fly ash entities	South Africa	**100%**	100%	PPC South Africa Holdings (Pty) Ltd
Pronto Building Materials (Pty) Ltd	Manufacturer and supplier of readymix concrete and dry mortar mix in Gauteng	South Africa	**100%**	100%	Pronto Holdings (Pty) Ltd
Ulula Ash (Pty) Ltd	Manufacturer and supplier of fly ash	South Africa	**100%**	100%	Pronto Building Materials (Pty) Ltd
3Q Mahuma Concrete (Pty) Ltd	Manufacturer and supplier of readymix concrete	South Africa	**100%**	100%	Pronto Holdings (Pty) Ltd
Safika Cement Holdings (Pty) Ltd	Manufacturer and supplier of blended cement within South Africa	South Africa	**100%**	100%	PPC Cement SA (Pty) Ltd
PPC Aggregate Quarries (Pty) Ltd	Manufacturer and supplier of stone, sand, road layer material and special aggregate-related products in Gauteng	South Africa	**100%**	100%	PPC South Africa Holdings (Pty) Ltd
CIMERWA Limitada	Manufacturer and supplier of both bag and bulk cement for use within Rwanda and surrounding countries	Rwanda	**—%**	51%	PPC International Holdings (Pty) Ltd
PPC Mozambique SA	Supplier of cement, sourced primarily from Zimbabwe and South Africa, into the Mozambique market mainly into the Maputo and Tete regions	Mozambique	**100%**	100%	PPC International Holdings (Pty) Ltd

The following summarised financial information is presented for CIMERWA and PPC Zimbabwe Ltd and, based on their respective consolidated financial statements, which were prepared in accordance with IFRS, modified for fair value adjustments to financial assets and liabilities at the acquisition date. The information is before intergroup eliminations with other group entities. These entities are deemed material due to their respective non-controlling shareholders being a major component of the value reflected in the consolidated statement of financial position.

34. SUBSIDIARIES AND NON-CONTROLLING INTERESTS continued

In 2013, in order to comply with the Indigenisation and Empowerment Act in Zimbabwe, PPC Zimbabwe issued new shares to four entities under an NVF mechanism. These entities are Strategic Equity Partners, an Employee Share Plan, a Community Trust and the National Indigenisation and Economic Empowerment Fund.

The repurchased shares were cancelled by PPC Zimbabwe, resulting in PPC holding 88% of PPC Zimbabwe and the indigenous party holding the remaining 12% shareholding being entitled to 5% of any dividends declared to it until such time as its NVF has been fully repaid.

	CIMERWA[(a)] 2024 Rm	**PPC Zimbabwe Ltd 2024 Rm**	CIMERWA 2023 Rm	PPC Zimbabwe Ltd 2023 Rm
Revenue	**1 318**	**3 346**	1 563	1 753
Net profit/(loss) for the year	**422**	**322**	237	(152)
Net profit/(loss) attributable to non-controlling interests	**104**	**—**	101	—
Dividends attributable to non-controlling interest		**(70)**	(84)	(10)
Non-controlling percentage interest	**0%**	**12%**	49%	30%
Current assets	**—**	**691**	510	504
Current liabilities	**—**	**404**	358	294
Current net assets/(liabilities)	**—**	**287**	152	210
Non-current assets	**—**	**2 188**	1 169	2 181
Non-current liabilities	**—**	**485**	173	493
Non-current net assets/liabilities	**—**	**1 703**	996	1 688
Equity attributable to non-controlling interests	**—**	**(73)**	574	43

(a) *PPC Ltd lost control of CIMERWA on 25 January 2024. Refer to note 20.*

35. STRUCTURED ENTITIES

The group engages in various business activities with structured entities which are designed to achieve a specific business purpose. A structured entity is one that has been set up so that any voting rights or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights relate only to administrative tasks and the relevant activities are directed by contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- Restricted activities
- A narrow and well-defined objective
- Insufficient equity to permit the structured entity to finance its activities without subordinated financial support
- Financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches)

Structured entities are consolidated when the substance of the relationship between the group and the structured entities indicate that the structured entities are controlled by the group. The entities covered by this disclosure note are not consolidated because the group does not control them through voting rights, contract, funding agreements or other means. The extent of the group's interests in unconsolidated structured entities will vary depending on the type of structured entities.

Below is a description of the group's involvement in consolidated structured entities.

Name of consolidated structured entity	Main business objective
PPC Employee Share Ownership Trust	The objective of the trust is to add value to South African employees who do not qualify to participate in the LTIP. The trust gives them an opportunity to benefit from dividends paid by the South African operations.
PPC Black Managers Trust **PPC Team Benefit Trust** **Employees Share Option Plan Trust**	The objective of these entities was to facilitate previous BEE transactions the group entered into. These transactions have matured and the entities are in the process of being wound up. Shares held by certain of these entities have been sold in the open market and the cash will be utilised to settle liabilities. The remaining cash will be distributed in terms of the rules of the schemes.

Nature of risks associated with PPC's interest in the consolidated structured entities

Team Benefit Trust – In terms of the trust deed, all reasonable costs and expenses relating to the administration of the trust, in excess of 15% of economic interest received, shall be reimbursed to the trust by PPC Ltd.

No dividends have been paid to the beneficiaries of this trust during the current and prior years.

SPV entities

PPC Ltd has contractually committed to provide the funding to the above SPV entities, with such financial support as is required to allow them to meet their financial obligations as and when they fall due until such time as they are wound up and deregistered.

Below is a description of the group's involvement in unconsolidated structured entities.

Name of unconsolidated structured entity	Main business objective	Interest in unconsolidated entity
Maitlantic 6060 (RF) (Pty) Ltd (Maitlantic 6060 SPV)	The purpose of this trust and SPV is to house the security pool arrangements for the group (refer to note 14 for further details).	PPC Cement SA (Pty) Ltd made a donation of R100 to the Trust to finance the acquisition of all the shares in the SPV.

COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 March 2024

	Notes	March 2024 Rm	March 2023 Rm
ASSETS			
Non-current assets		**5 239**	5 018
Investments in subsidiaries	3.1	**4 492**	4 353
Financial assets	3.2	**54**	41
Amounts owing by subsidiaries	3.4, 21	**693**	624
Current assets		**161**	215
Other receivables	4	**2**	9
Amounts owing by subsidiaries	3.5, 21	**158**	184
Taxation receivable		**1**	20
Finance lease receivable	2.1, 21	**—**	2
Total assets		**5 400**	5 233
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	5	**5 093**	5 086
Other reserves[(a)]		**(265)**	(262)
Retained profit		**413**	157
Total equity		**5 241**	4 981
Non-current liabilities		**98**	90
Deferred taxation liability	6	**98**	90
Current liabilities		**61**	162
Trade and other payables	7	**48**	46
Lease liabilities	2.2	**—**	2
Amounts owing to subsidiaries	21	**13**	114
Total equity and liabilities		**5 400**	5 233

(a) *Refer to statement of changes in equity for details of other reserves.*

COMPANY STATEMENT OF PROFIT OR LOSS

for the year ended 31 March 2024

	Notes	March 2024 Rm	Restated[(a)] March 2023 Rm
Revenue	8	**458**	292
Increase in expected credit losses on financial assets		**(40)**	(123)
Administration and other operating expenditure		**(159)**	(92)
Operating profit before items listed below:	9	**259**	77
Fair value and foreign exchange movements	11	**84**	250
Fair value loss on Zimbabwe blocked funds	3.3, 11	**—**	(32)
Impairments	14	**(61)**	(1 602)
Profit/(loss) before finance costs and investment income		**282**	(1 307)
Finance costs	12	**(2)**	(2)
Investment income	13	**—**	1
Profit/(loss) before taxation		**280**	(1 308)
Taxation	15	**(24)**	(94)
Profit/(loss) for the year		**256**	(1 402)

[(a)] *In the prior year the company recognised a foreign exchange gain of R130 million on the DRC deficiency loan owing by PPC International Holdings, along with a R130 million increase in the expected credit loss (ECL) on the loan. The foreign exchange gain and increase in ECL were offset in the prior year. The comparative figures have been restated in order to separately present the foreign exchange gain and increase in ECL. The impact of the restatement resulted in an increase in expected credit losses on financial assets of R130 million as well as an increase in fair value and foreign exchange movements of R130 million. The restatement had no impact on profit for the year.*

COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2024

	Movement in financial assets Rm	Retained profit Rm	Total comprehensive income/(loss) Rm
2024			
Profit for the year	**—**	**256**	**256**
Total comprehensive income	**—**	**256**	**256**
2023			
Loss for the year	—	(1 402)	(1 402)
Items that will be reclassified to profit or loss	(1)	—	(1)
Revaluation of financial assets[(a)]	(1)	—	(1)
Total comprehensive loss	(1)	(1 402)	(1 403)

[(a)] *Revaluation of financial assets has a tax impact of R0,05 million (2023: R0,2 million).*

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

		Other reserves				
	Stated capital Rm	Movement in financial assets Rm	Equity compensation reserve Rm	Total other reserves Rm	Retained profit Rm	Total Rm
2024						
Balance at the beginning of the year	**5 086**	**203**	**(465)**	**(262)**	**157**	**4 981**
Movement for the year	**7**	**—**	**(3)**	**(3)**	**256**	**260**
IFRS 2 charges	**—**	**—**	**28**	**28**	**—**	**28**
Total comprehensive profit	**—**	**—**	**—**	**—**	**256**	**256**
Vesting of the share incentive scheme	**31**	**—**	**(31)**	**(31)**	**—**	**—**
Shares purchased in terms of the share incentive scheme	**(24)**	**—**	**—**	**—**	**—**	**(24)**
Balance at the end of the year	**5 093**	**203**	**(468)**	**(265)**	**413**	**5 241**
2023						
Balance at the beginning of the year	5 117	204	(487)	(283)	1 559	6 393
Movement for the year	(31)	(1)	22	21	(1 402)	(1 412)
IFRS 2 charges	—	—	27	27	—	27
Total comprehensive loss	—	(1)	—	(1)	(1 402)	(1 403)
Vesting of the share incentive scheme	5	—	(5)	(5)	—	—
Shares purchased in terms of the share incentive scheme	(36)	—	—	—	—	(36)
Balance at the end of the year	5 086	203	(465)	(262)	157	4 981

COMPANY STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

	Notes	March 2024 Rm	Restated[(a)] March 2023 Rm
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations			
Profit/(loss) before taxation		**280**	(1 308)
Adjustments for:			
IFRS 2 charges		**14**	8
Fair value and foreign exchange movements	11	**(84)**	(250)
Fair value loss on Zimbabwe blocked funds	11	**—**	32
Increase in expected credit losses on financial assets		**40**	123
Impairments	14	**61**	1 602
Finance costs	12	**2**	2
Amounts owing by subsidiaries written off		**11**	—
Dividends received from subsidiary companies	21	**(419)**	(248)
Management fee income	21	**(32)**	(36)
Management fee expense	21	**—**	37
Interest received from subsidiary companies included in revenue	21	**(2)**	(2)
Investment income	13	**—**	(1)
Operating cash flows before movements in working capital		**(129)**	(41)
Movement in other receivables		**7**	105
Movement in trade and other payables		**2**	(40)
Cash (utilised in)/generated from operations		**(120)**	24
Dividends received	21	**419**	248
Finance costs paid	16	**(2)**	(2)
Taxation received/(paid)	18	**19**	(2)
Net cash inflow from operating activities		**316**	268
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in PPC GPCO (Pty) Ltd	3.1	**(200)**	—
Cash advanced to subsidiaries		**(35)**	(21)
Cash receipts of amounts advanced to subsidiaries		**—**	97
Net cash (outflow)/inflow from investing activities		**(235)**	76
Net cash inflow before financing activities		**81**	344
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease repayments	2.2	**(2)**	(2)
Cash advanced by subsidiaries		**30**	12
Cash repayments of amounts advanced by subsidiaries		**(85)**	(318)
Purchase of shares in terms of the share incentive scheme		**(24)**	(36)
Net cash (outflow) from financing activities		**(81)**	(344)
Net movement in cash and cash equivalents		**—**	—
Cash and cash equivalents at the beginning of the year		**—**	—
Cash and cash equivalents at the end of the year		**—**	—

[(a)] *In the prior year the company recognised a foreign exchange gain of R130 million on the DRC deficiency loan owing by PPC International Holdings, along with a R130 million increase in the expected credit loss (ECL) on the loan. The foreign exchange gain and increase in ECL were offset in the prior year. The comparative figures have been restated in order to separately present the foreign exchange gain and increase in ECL. The impact of the restatement resulted in an increase in expected credit losses on financial assets of R130 million as well as an increase in fair value and foreign exchange movements of R130 million. The restatement had no impact on profit for the year.*

NOTES TO THE COMPANY FINANCIAL STATEMENTS

for the year ended 31 March 2024

1. BASIS OF PREPARATION

The financial statements of PPC Ltd are prepared in accordance with the IFRS Accounting Standards issued by the IASB, IFRIC interpretations issued by the IFRS Interpretations Committee (Committee), and in compliance with the SAICA Financial Reporting Guides issued by the Accounting Practices Committee (APC) and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), and the Companies Act. The financial statements have been prepared on the historical cost basis with the exception of certain financial instruments subsequently measured at fair value. The financial statements are prepared in South African rand, which is the company's presentation and functional currency. All financial information is presented in rand, unless otherwise stated.

The annual financial statements have been prepared under the supervision of B Berlin CA(SA), CFO of the company.

The accounting policies are consistent with the prior year, except where the company has adopted new or revised accounting standards, amendments and interpretations of those standards, which became effective during the year under review.

The following standards were adopted in the current year:

Standard, amendment or interpretation	Impact on the financial statements
IFRS 17 – *Insurance contracts*	No significant impact on the company financial statements
Disclosure of accounting policies – amendments to IAS 1 and *IFRS Practice Statement* 2	No significant impact on the company financial statements
Definition of accounting estimates – amendments to IAS 8	No significant impact on the company financial statements
Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12	No significant impact on the company financial statements

It is the policy of PPC Ltd not to adopt new standards before they become effective. Refer to note 30 of the consolidated financial statements for a list of standards and improvements in issue but not yet effective.

1.2 ACCOUNTING POLICIES

In preparing these financial statements, all accounting policies are in compliance with IFRS Accounting Standards.

1.3 SIGNIFICANT JUDGEMENTS MADE BY MANAGEMENT AND SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

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.

The following are the critical judgements that the directors have made in the process of applying the company accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Refer to the referenced notes below for the explanation of the noted area of judgement:

- Financial assets, investments in subsidiaries and other non-current assets (note 3)
  - Recoverability and valuation of the asset
  - Investments in subsidiaries
  - Zimbabwe blocked funds
  - Amounts owing by subsidiaries
- Fair value of DRC put option (note 11)
  - Put option liability valuation

1.4 GOING CONCERN

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

As a result, these annual financial statements have been prepared on a going concern basis.

2. LEASES

2.1 FINANCE LEASE RECEIVABLE

Leases in which the company is a lessor are classified as finance leases or operating leases. If the lease transfers substantially all of the risks and rewards of ownership to the lessee, the lease is classified as a finance lease. All other leases are classified as operating leases.

A sublease, where the company is an intermediate lessor, is classified as a finance lease when it transfers substantially all of the risks and rewards of the right-of-use asset arising from the head lease.

Lease income under operating leases is recognised in the statement of profit or loss on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as a receivable discounted at the interest rate implicit in the lease. Finance lease income is recognised in the statement of profit or loss over the lease term to produce a constant periodic rate of interest on the receivable.

The company has entered into a sublease agreement with PPC Group Services (Pty) Ltd, a subsidiary, to sublet its leased building. The sublease transfers substantially all of the risks and rewards of right-of-use of the building and is classified as a finance lease. The lease expired on 31 December 2023.

The maturity analysis of the lease receivable, including undiscounted lease payments to be received, is as follows:

	March 2024 Rm	March 2023 Rm
Less than one year	—	2
Total undiscounted lease payments receivable	—	2
Net investment in the lease	—	2
Current finance lease receivable	—	2
	—	2

2.2 LEASE LIABILITIES

The lease liability between the company and the external third party is initially measured at the present value of the remaining lease payments on the commencement date, discounted using the company's incremental borrowing rate. The lease liability is subsequently increased by interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate.

The reassessment of the lease liability is applied to remeasure the lease liability if a significant event or a significant change in circumstances occurs that changes the lease payments.

Discount rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the entity that is the counterparty to the lease contract, as at commencement date. This incremental borrowing rate was derived from the group's incremental borrowing rate.

	March 2024 Rm	March 2023 Rm
Net carrying value at the beginning of the year	**2**	4
Lease payments made during the year	**(2)**	(2)
Net carrying value at the end of the year	—	2
Current lease liabilities	—	2
Maturity analysis – undiscounted contractual cash flows		
Less than one year	—	2
Breakdown of lease payments		
Fixed payments	**2**	2
Total payments	**2**	2

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS

3.1 INVESTMENTS IN SUBSIDIARIES

	March 2024 Rm	March 2023 Rm
Investments in subsidiaries		
Investments in subsidiaries at the beginning of the year	4 353	5 955
Investment in PPC GPCO (Pty) Ltd	200	—
Impairment of investments (refer to note 14.1)	(61)	(1 602)
	4 492	4 353

The company elected to recognise its investments in subsidiaries at cost less accumulated impairment.

PPC GPCO

On 9 May 2023, PPC Ltd purchased 100% shareholding in PPC GPCO (Pty) Ltd for a nominal amount. PPC Ltd subsequently made an additional capital contribution of R200 million in order for PPC GPCO to acquire PPC Ltd shares. At 31 March 2024 PPC GPCO only held treasury shares in PPC Ltd. The memorandum of incorporation of PPC GPCO is not restrictive in this regard.

PPC Group Services

On 7 August 2023, PPC Ltd disposed of its 100% investment in PPC Group Services to PPC South Africa Holdings. The disposal was for R1. The disposal of PPC Group Services is considered a common control transaction. PPC Group Services was fully impaired in March 2023 and as such no gain or loss was recognised on disposal.

PPC Zimbabwe

In the current year, PPC Zimbabwe repurchased and cancelled shares held by three relevant indigenisation parties. The effect of the Zimbabwe indigenisation agreement resulted in PPC Ltd's shareholding in PPC Zimbabwe increasing to 88%.

PPC Employee Share Ownership Trust (ESOP)

On 4 August 2023, PPC Ltd entered into an employee equity transaction whereby PPC Ltd formed the ESOP. PPC Ltd sold 10% of its investment in PPC South Africa Holdings to the ESOP for an amount of R380 million. PPC Ltd provided vendor funding to the ESOP for the full purchase consideration.

Impairment of investments

The valuation of the individual cash-generating units (CGUs) of the company's subsidiaries has been taken into account in assessing the underlying value of the investments. The value in use calculations were adjusted for debt and cash and compared to the carrying value of the investment. Refer to note 21 of the consolidated financial statements for more detailed information regarding the key assumptions used in the valuation of the individual CGUs. In the current year, an impairment loss of R61 million (2023: R1 602 million) was recognised by the company. Please refer to the impairment assessment below.

Name of subsidiary	Ownership %	Carrying value Rm	Recoverable amount Rm	(Impairment)/ headroom Rm	Balance Rm
31 March 2024					
PPC Botswana Cement	100	12	254	242	12
PPC GPCO	100	200	210	10	200
PPC International Holdings	100	61	(626)	(61)	—
PPC South Africa Holdings	90	3 808	3 928	120	3 808
PPC Zimbabwe	88	472	3 459	2 987	472
Total		4 553	7 225	3 298	4 492

Name of subsidiary	Ownership %	Carrying value Rm	Recoverable amount Rm	(Impairment)/ headroom Rm	Balance Rm
31 March 2023					
PPC Botswana Cement	100	12	164	152	12
PPC Group Services	100	101	(245)	(101)	—
PPC International Holdings	100	1 562	61	(1 501)	61
PPC South Africa Holdings	100	3 808	7 653	3 845	3 808
PPC Zimbabwe	70	472	2 014	1 542	472
Total		5 955	9 647	3 937	4 353

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS continued

3.2 FINANCIAL ASSETS

	March 2024 Rm	March 2023 Rm
Non-current financial assets at fair value through profit or loss		
Cell captive investment	**46**	33
Total non-current financial assets at fair value through profit or loss	**46**	33
Non-current financial assets at fair value through other comprehensive income		
Investment in Old Mutual shares on the Zimbabwe Stock Market	**2**	2
MRG investment	**6**	6
Total non-current financial assets at fair value through other comprehensive income	**8**	8
Total financial assets	**54**	41

Cell captive investment

PPC invested in preference shares in Centriq Insurance Company Ltd, a licensed cell captive insurer. The preference shares are governed by a preference share agreement (also called a subscription agreement), which confers certain rights and obligations on the shareholder and the insurer. Some of the main features include the fact that the shareholder (cell owner) gets the right to share in the profits of a specified book of insurance policies. If there are losses on the book, the cell owner has the obligation to recapitalise the cell. Capitalisation and re-capitalisation of the cell is by way of a cash injection into the insurer, who allocates the capital to the cell.

The investment is initially measured at cost and subsequently at fair value, with changes recognised in profit or loss. The valuation of the cell captive is determined using the net asset value at each reporting date.

Investment in Old Mutual shares on the Zimbabwe Stock Exchange

This investment relates to the investment in 200 000 Old Mutual shares on the Zimbabwe Stock Exchange. The market value as at 31 March 2024 is R2 million (2023: R2 million). As a result of the uncertainty around the expatriation of funds from Zimbabwe, the investment has been classified as non-current.

The shares remain suspended on the Zimbabwe Stock Exchange. The Securities and Exchange Commission of Zimbabwe issued directive SS28/04/2021 for all dual-listed counters that are suspended to be valued using the JSE price.

MRG investment

Previously, PPC had standalone insurance cover through a broker. During the prior year, PPC entered into a new insurance structure through acquiring a 6,75% shareholding in two entities within the Mutual Risk Group (MRG). This arrangement allows the company to participate with other independent companies in a mutual fund that forms the basis of the insurance agreement. The equity investment is not held for trading and the company has irrevocably elected at initial recognition to recognise it at fair value through other comprehensive income. The investment is strategic and the company considers this classification to be more relevant. The valuation of the investment is determined using the net asset value at each reporting date, determined from the management accounts received from the investee.

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS continued

3.3 OTHER NON-CURRENT ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 2024 Rm	March 2023 Rm
Investment in Zimbabwe blocked funds		
Blocked funds at the beginning of the year	—	32
Fair value adjustment – intrinsic value	23	75
Fair value adjustment – credit risk	(23)	(107)
	—	—

Investment in Zimbabwe blocked funds

No formal confirmation has been received from the Reserve Bank of Zimbabwe (RBZ) regarding repayment of this amount and as such the investment is classified as non-current. The investment is a statutory receivable and, as no repayment terms have been agreed, it is not a financial asset as defined. It is, however, PPC Ltd's policy to value the Zimbabwe blocked funds as if it was a financial asset, and therefore it is valued at fair value through profit or loss.

Hyperinflation, the challenging general economic environment and the unavailability of foreign currency in Zimbabwe were considered in the determination of an appropriate fair value adjustment to be applied to the blocked funds. Management assessed that there is a high level of credit risk associated with the RBZ, resulting in the application of a fair value credit risk adjustment of 100% (2023: 100%), which resulted in a cumulative fair value adjustment of R422 million as at 31 March 2024 (2023: R399 million).

The net fair value loss on the Zimbabwe blocked funds of Rnil (2023: R32 million) comprises an increase of the intrinsic value of R23 million (2023: R75 million) and a credit risk fair value loss of R23 million (2023: R107 million).

3.4 AMOUNTS OWING BY SUBSIDIARIES INCLUDED IN NON-CURRENT ASSETS

	March 2024 Rm	March 2023 Rm
PPC International Holdings		
Shareholders loan	693	624
DRC deficiency loan	735	695
Amount owing by subsidiaries excluding expected credit losses	1 428	1 319
Expected credit losses	(735)	(695)
Amounts owing by subsidiaries included in non-current assets	693	624

Amounts owing from PPC International Holdings are unsecured, interest free and have no fixed date of repayment.

The shareholders loan is classified as a non-current asset because it has no fixed terms of repayment, management has no intention of calling the loan, and accordingly it will not be settled within 12 months.

Impairment considerations

Judgements made by management and sources of estimation uncertainty

Due to the long-term nature of the shareholder loan, judgement is required in determining the recoverability and valuation of the loan. The balance is exposed to movements in exchange rates, changes in regulatory environments and the underlying operating activity of the counterparty. In determining the expected credit loss (ECL), management considered the credit risk and probability of default associated with the borrower as well as the cash flow forecast associated with the borrower. Based on the assessment performed (taking into account the terms of the loan), the borrower is not expected to generate sufficient cash flow, which will allow it to settle the amounts due to the company and as such an ECL was raised to the extent that the borrower would not be in a position to settle the amounts due. In the current year the ECL movement was R40 million (2023: R130 million), the movement was due to exchange rate movements.

3. FINANCIAL ASSETS, INVESTMENTS IN SUBSIDIARIES AND OTHER NON-CURRENT ASSETS continued

3.5 AMOUNTS OWING BY SUBSIDIARIES INCLUDED IN CURRENT ASSETS

	March 2024 Rm	March 2023 Rm
Amounts owing by subsidiaries	**158**	184
Amounts owing by subsidiaries included in current assets (refer to note 21)	**158**	184

The loans have no fixed terms of repayment, are unsecured and, where appropriate, interest is calculated using ruling market-related interest rates. The loans are classified as current as the company can demand repayment immediately. Management's intention is to call on these loans in the next 12 months.

Impairment considerations

Judgements made by management and sources of estimation uncertainty

The intercompany loan receivables are assessed for impairment in terms of IFRS 9 – *Financial Instruments,* which is based on the premise of providing for ECLs.

Management applies judgement in determining the ECLs. For current receivables, the ECL is based on the assumption that the repayment can be demanded at the reporting date. In performing the ECL assessment, management considered whether the borrower had sufficient highly liquid assets to repay the amount due to the company. Based on the assessment performed, no material ECL was required.

During the previous year, a portion of the ECL that was previously raised was reversed as the BEE entities' bank accounts were closed and the money was transferred to PPC Ltd to repay a portion of the outstanding loans. A reversal of ECL of Rnil (2023: R7 million) has been recognised in the current year.

4. OTHER RECEIVABLES

	March 2024 Rm	March 2023 Rm
VAT receivable	**—**	7
Prepayments	**2**	2
	2	9

No receivables have been pledged as security.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

5. STATED CAPITAL

	March 2024 Shares	March 2023 Shares
Authorised ordinary shares	**10 000 000 000**	10 000 000 000
Issued ordinary 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
Total shares in issue at the beginning of the year (net of treasury shares)	**1 522 707 007**	1 532 407 129
Shares purchased in terms of the share incentive scheme	**(6 078 765)**	(11 011 837)
Vesting of shares held in terms of the share incentive scheme	**8 581 819**	1 311 715
Total shares in issue (net of treasury shares)	**1 525 210 061**	1 522 707 007
Authorised preference shares	**20 000 000**	20 000 000

	Rm	Rm
Stated capital		
Balance at the beginning of the year	**5 086**	5 117
Shares purchased in terms of the share incentive scheme	**(24)**	(36)
Vesting of shares held in terms of the share incentive scheme	**31**	5
Balance at the end of the year	**5 093**	5 086
Unissued shares		
Ordinary shares	**8 446 235 376**	8 446 235 376
Preference shares	**20 000 000**	20 000 000

6. DEFERRED TAXATION

	March 2024 Rm	March 2023 Rm
Movement		
Balance at the beginning of the year	**(90)**	(7)
Released to income statement	**(7)**	(83)
Prior year adjustments	**(1)**	—
Balance at the end of the year	**(98)**	(90)
Analysis of deferred taxation		
Provisions	**25**	24
Non-current receivables	**(109)**	(100)
Current receivables and prepayments	**—**	(1)
Reserves	**(14)**	(13)
Deferred taxation liability	**(98)**	(90)

Key judgements

Deferred taxation assets

Deferred taxation assets are recognised to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Future tax profits are estimated based on business plans, which include estimates and assumptions regarding economic growth, interest, inflation, tax rates and the competitive environment.

The PPC Ltd deferred tax asset recoverability was based on applicable South African tax laws and approved business plans. PPC Ltd currently has an accumulated tax loss of R174 million (2023: R177 million). It is unlikely that the deferred tax temporary differences will unwind in the foreseeable future, which results in uncertainty over the utilisation of the deferred tax asset arising from the tax loss. Therefore, no deferred tax asset has been recognised for the tax loss.

7. TRADE AND OTHER PAYABLES

	March 2024 Rm	March 2023 Rm
Trade payables and accruals	34	43
Payroll accruals	14	3
	48	46

Trade and other payables are payable within the normal trade terms of a 30-day to 60-day period.

No interest is payable on overdue payments.

8. REVENUE

	March 2024 Rm	March 2023 Rm
Royalty fee for use of mining rights	5	6
Dividend income	419	248
Management fee	32	36
Interest received from subsidiaries	2	2
	458	292

Revenue from contracts with customers

Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation and this is determined at an amount that depicts the consideration to which the company expects to be entitled in exchange for transferring the goods and services promised to the customer.

Revenue includes royalty fees and management fees.

Royalty fee for use of mining rights

Revenue is recognised on the use of the PPC Ltd mining rights by PPC Cement SA (Pty) Ltd and PPC Aggregates Quarries (Pty) Ltd.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Management fee

Revenue is recognised when management services have been rendered to subsidiary companies.

Interest income

Interest income relates to interest earned on financial assets measured at amortised cost. Interest is recognised on a time proportionate basis, using the effective interest method and accrues in profit or loss.

9. OPERATING PROFIT

	March 2024 Rm	March 2023 Rm
Operating profit includes:		
Auditors' remuneration		
Deloitte	—	5
PwC	7	9
Professional fees relating to restructuring and refinancing project	—	7
Staff costs:		
Equity-settled share incentive scheme charge (refer to note 10)	14	8
Employees' remuneration	32	12

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

10. SHARED-BASED PAYMENTS

Judgements made by management and sources of estimation uncertainty

Fair value used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The company is required to calculate the fair value of the equity-settled instruments granted to employees in terms of the long-term incentive plan (LTIP).

10.1 RETENTION AWARDS

In terms of IFRS 2 – *Share-based Payment*, the fair value of each share awarded, which will be expensed over the vesting period in return for services rendered, is based on the average market price of acquiring the share and is not remeasured subsequently. The service and performance conditions are taken into account in the number of instruments that are expected to vest. Subsequent revisions are made for changes in estimated attrition and probability of satisfaction of performance conditions.

In terms of a director's fixed-term service agreement entered into on 14 September 2023, as subsequently amended, the director was entitled to a sign on award of 7 455 255 shares. There are no performance conditions linked to the award. The award vests in three equal instalments on the first, second and third anniversary of the commencement of employment date, being 1 October 2023.

	Sign on award
Date of grant	01/10/2023
Number of shares granted to:	
A director	7 455 255
Average purchase price of shares acquired (R)	3,70
Estimated fair value per share at grant date (R)	3,07

10.2 LONG-TERM INCENTIVE PLAN (LTIP)

The LTIP 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. In order to recognise contributions made by selected employees and provide an incentive for their continued performance and relationship with the group, the LTIP provides them with the opportunity of receiving a long-term incentive and to ensure that the company attracts and retains the core competencies required for formulating and implementing the company's business strategies.

On 1 April each year, a LTIP participant is allocated an incentive value being the participant's total guaranteed package multiplied by a relevant allocation percentage. Performance conditions are set annually for the performance period. At the end of the performance period (being a period of one year), the remuneration and talent committee will assess whether the performance conditions have been met and adjust the incentive value accordingly. PPC Ltd will then provide the cash to the Central Securities Depository Participant (CSDP) to enable the CSDP to purchase PPC shares on the market to the value of the adjusted incentive value. The number of shares awarded to each participant can therefore only be determined at that time. The shares are held by an escrow agent until the release date. The employer companies will reimburse PPC Ltd for the cost of the shares. During the vesting period (three years post-performance conditions being met), the employee is entitled to dividends and voting rights but may not dispose of the shares until the vesting conditions have been met and the shares have been released. Should any shares be forfeited in terms of the rules, PPC will instruct the escrow agent to sell the shares and return the cash to the employer company. The vesting condition is that the employee has to remain in the employ of the employer for a further three years after the performance conditions have been met.

The performance conditions include both market (being total shareholder return) and non-market-related conditions (being board approved budgeted return on invested capital).

LTIP award	**Actual number of awards as at 31 March 2024 – 2022 scheme[(a)]**	Actual number of awards as at 31 March 2023 – 2022 scheme[(a)]	**Actual number of awards as at 31 March 2024 – 2021 scheme[(b)]**	Actual number of awards as at 31 March 2023 – 2021 scheme[(b)]
Number of shares	**—**	3 281 082	**1 227 056**	4 148 550
Share price	**3,51**	3,51	**3,93**	3,93

(a) *In July 2022, 3 281 082 shares were awarded at an average price of R3.51 per share. These shares vested early and become unconditional on 27 December 2023.*
(b) *In July 2021, 4 610 554 shares were awarded at an average price of R3.93 per share. Between the award date and 31 March 2022, 380 645 shares were forfeited in terms of the rules of the scheme. In March 2023, a participating employee with 81 359 shares was transferred to PPC Cement SA. 2 921 494 shares vested early and become unconditional on 27 December 2023. The remaining 1 227 056 shares will become unconditional on 1 April 2024.*

At both 31 March 2023 and 31 March 2024, the performance conditions were not met and therefore no shares were awarded for the 2023 and 2024 schemes respectively.

	2024 Rm	2023 Rm
The carrying amount of the retention shares and LTIP in equity compensation reserve at year-end	**8**	17

11. FAIR VALUE AND FOREIGN EXCHANGE MOVEMENTS

	March 2024 Rm	Restated[(a)] March 2023 Rm
Gain on translation of foreign currency denominated monetary items	**71**	237
Fair value adjustment on cell captive	**13**	13
	84	250
Fair value loss Zimbabwe blocked funds[(b)]	**—**	(32)
	84	218

(a) *In the prior year the company recognised a foreign exchange gain of R130 million on the DRC deficiency loan owing by PPC International Holdings, along with a R130 million increase in the expected credit loss (ECL) on the loan. The foreign exchange gain and increase in ECL were offset in the prior year. The comparative figures have been restated in order to separately present the foreign exchange gain and increase in ECL. The impact of the restatement resulted in an increase in expected credit losses on financial assets of R130 million as well as an increase in fair value and foreign exchange movements of R130 million. The restatement had no impact on profit for the year.*

(b) *Refer to note 3.3 – non-current assets.*

Put option liability

In 2015, PPC Ltd entered into a Put Option Agreement with the IFC in terms of which the latter can put its investment or part thereof in PPC Barnet to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement.

Refer to note 15 of the consolidated financial statements for further details.

12. FINANCE COSTS

	March 2024 Rm	March 2023 Rm
Bank and other short-term borrowings	**2**	2
	2	2

13. INVESTMENT INCOME

	March 2024 Rm	March 2023 Rm
Interest on deposits and non-current assets	**—**	1
	—	1

The investment income disclosed above is not considered to be revenue as it does not arise from the company's course of ordinary activities.

14. IMPAIRMENTS

	Notes	March 2024 Rm	March 2023 Rm
Impairment of investment (refer to note 3.1)	14.1	**61**	1 602
		61	1 602
14.1 IMPAIRMENT OF INVESTMENTS			
Investment in PPC Group Services (Pty) Ltd		**—**	101
Investment in PPC International Holdings (Pty) Ltd		**61**	1 501
		61	1 602

In the prior year, a full impairment was recognised on the investment in PPC Group Services as this investment was no longer considered a corporate asset from an impairment assessment perspective.

An impairment of R61 million was recognised on the investment in PPC International Holdings. In the prior year, a partial impairment was recognised on the investment in PPC International Holdings, which was driven by the underlying investment in the CIMERWA CGU. Refer to note 21 of the consolidated financial statements for more detailed information around the CIMERWA CGU impairment.

15. TAXATION

Key judgement

Judgement is required in determining the estimate of the provision for income taxes at the reporting period. The company recognises provisions for taxation based on estimates of the taxes that are likely to become due. Where the final taxation outcome is different from the amounts that were initially recorded, such differences impact the income taxation and deferred taxation provisions in the period in which such determination is made.

	March 2024 Rm	March 2023 Rm
South African normal taxation		
Current taxation	—	1
Current year	1	1
Prior year overprovision	(1)	—
Deferred taxation	8	83
Current year	7	83
Prior year overprovision	1	—
Withholding taxation	16	10
Total taxation charge	**24**	**94**

	March 2024 %	March 2023 %
Reconciliation of taxation rate		
Effective tax rate	8,6	(7,2)
Prior year taxation impact	(0,4)	—
Non-taxable income including dividends received included in revenue	42,3	(6,6)
Expenditure not deductible in terms of taxation legislation[(a)]	(6,0)	1,7
Deferred tax not recognised	(6,8)	37,4
Expenses not in the production of income[(b)]	(6,4)	1,2
Fair value adjustment of financial assets	1,4	(0,3)
Withholding taxation	(5,7)	0,8
South African normal taxation rate	27,0	27,0

(a) *Disallowed expenses includes interest, legal and consulting fees that are capital in nature.*
(b) *Expenditure attributable to non-taxable dividend received.*

16. FINANCE COSTS PAID

	March 2024 Rm	March 2023 Rm
Finance costs as per income statement charge (refer to note 12)	(2)	(2)
	(2)	(2)

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

17. INVESTMENT INCOME RECEIVED

	March 2024 Rm	March 2023 Rm
Interest on deposits and non-current assets (refer to note 13)	—	1
SARS interest receivable	—	(1)
	—	—

18. TAXATION RECEIVED/(PAID)

	March 2024 Rm	March 2023 Rm
Net amounts receivable at the beginning of the year	20	18
Charge per income statement excluding deferred taxation (refer to note 15)	—	(1)
SARS interest receivable	—	1
Net amounts receivable at the end of the year	(1)	(20)
	19	(2)

19. CONTINGENT LIABILITIES

Contingent liabilities and guarantees

There were no contingent liabilities at year-end.

The total guarantees issued by the company, by means of a bank guarantee, in favour of various suppliers was R92 million (2023: R92 million). Included in this amount are financial guarantees for the environmental rehabilitation and decommissioning obligations of the group to the Department of Mineral Resources (DMR), amounting to R76 million (2023: R76 million).

20. FINANCIAL RISK MANAGEMENT

IFRS 9 – *Financial instruments*

IFRS 9 – *Financial Instruments* provides guidance on the classification, measurement and recognition of financial assets and financial liabilities. The standard establishes three measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit or loss. Classification of financial assets into these categories is dependent on the entity's business model (which depicts its objectives with respect to the management of financial assets as a whole) and the characteristics of the contractual cash flows of the specific financial asset.

The company's application of IFRS 9 – *Financial Instruments* and the company's exposure to financial risks and how these risks could affect the company's future financial performance has been described below.

Financial assets – Classification and measurement

IFRS 9 – *Financial Instruments* requires all financial assets to be initially recognised at fair value, including directly attributable transaction costs for all financial assets not measured at fair value through profit or loss. Transaction costs for financial assets carried at fair value through profit or loss are expensed in profit or loss.

The company subsequently measures financial assets depending on whether these instruments are debt or equity instruments (from an issuer's perspective).

Debt instruments

Subsequent measurement of financial assets that are considered to be debt instruments from an issuer's perspective, based on the company's (i) business model within which the financial assets are managed, and (ii) the contractual cash flow characteristics of the financial assets (whether the cash flows represent solely payment of principal and interest). Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest (hold to collect).

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and those contractual cash flows comprise solely payments of principal and interest (hold to collect and sell). Movements in the carrying amount of these financial assets should be taken through other comprehensive income, except for interest revenue and foreign exchange gains or losses, which are recognised in profit or loss. Where the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

20. FINANCIAL RISK MANAGEMENT continued

Equity instruments

The company subsequently measures all financial assets that are considered to be equity instruments from an issuer's perspective, at fair value. Where the company has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Financial liabilities – classification and measurement

The company recognises instruments where it has a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the company, as financial liabilities. Financial liabilities are recognised once the company becomes a party to the contractual rights and obligations in the underlying contracts.

Under IFRS 9 – *Financial Instruments* requirements, the company measures financial liabilities at either fair value or amortised cost. The company recognises all financial liabilities at amortised cost, unless the company is required to measure the financial liabilities at fair value or has opted to measure the liability at fair value.

All financial liabilities are initially measured at fair value, minus (in the case of financial liabilities not recognised at fair value through profit or loss) transaction costs that are directly attributable to the issuance of the financial instrument.

Financial liabilities that are subsequently measured at amortised cost are measured at the amount recognised on initial recognition minus principal repayments, plus the cumulative amortisation using the effective interest method. The movements in financial liabilities that are subsequently measured at fair value are recognised in profit or loss, with changes in the fair value of these financial liabilities that are attributable to the company's own credit risk recognised in other comprehensive income. Where these financial liabilities are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss. However, it may be reclassified within equity.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to pay them in full without material delay has been assumed, or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Derecognition of financial liabilities

Financial liabilities are derecognised when their related obligations are discharged, cancelled or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as other income or finance costs.

Financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial instruments – expected credit losses

IFRS 9 – *Financial Instruments* requires impairments to be determined based on an expected credit loss (ECL) model for financial assets carried at amortised cost or fair value through other comprehensive income. The company recognises an allowance for either a 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk. The company measures the ECLs in a manner which reflects a probability-weighted outcome, the time value of money and the entity's best available forward looking information. The preceding probability-weighted outcome considers the possibility that a credit loss will occur and the possibility that no credit loss will occur, no matter how low the probability of credit loss occurrence might be. The ECL model applies to financial assets measured at amortised cost and fair value through other comprehensive income, lease receivables and certain loan commitments as well as financial guarantee contracts.

The company's financial instruments consist mainly of amounts owing by subsidiaries, other receivables and payables.

Capital risk management

The company manages its capital to ensure it will continue as a going concern, while maximising the return to stakeholders through the optimisation of debt and equity.

The capital structure of the company consists of lease liabilities (note 2.2) and equity attributable to PPC Ltd shareholders, comprising stated capital (note 5), reserves and retained profit. Refer to note 28 of the consolidated financial statements for information on how capital is managed for the group.

The company's debt at statement of financial position date was as follows:

	2024 Rm	2023 Rm
Lease liabilities	—	(2)
Total equity	5 241	4 981
Total capital	**5 241**	4 979

20. FINANCIAL RISK MANAGEMENT continued

Foreign currency risk management

The company is exposed to exchange rate fluctuations as it undertakes transactions denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters.

The company's financial instrument exposure to currency risk stated in millions is summarised below:

	Notes	US dollar	Zimbabwean dollar
2024			
Assets			
Financial assets	3,2	**—**	**2 678**
Amounts owed by subsidiaries	3,4	**71**	**—**
Total assets		**71**	**2 678**
2023			
Assets			
Financial assets	3,2	—	127
Amounts owed by subsidiaries	3,4	71	—
Total assets		71	127

Sensitivity analysis on net exposure

A movement in exchange rates of 5%, with all other variables held constant against the significant foreign currencies below, would have the following impact:

		Impact on total comprehensive income and shareholders' equity	
	Closing rate	**5% increase**	5% decrease
Significant foreign currency exposure			
2024			
ZWL dollar[(a)]	0,0009	**—**	—
US dollar	18,84	**67**	(67)
(Decrease)/increase in total comprehensive income		**67**	(67)
2023			
ZWL dollar[(a)]	0,02	**—**	—
US dollar	17,80	**63**	(63)
(Decrease)/increase in total comprehensive income		**63**	(63)

[(a)] *The current year impact is R0.120 million (2023: R0.122 million).*

20. FINANCIAL RISK MANAGEMENT continued

Fair values of financial assets and liabilities

The classification of financial assets and liabilities are set out below.

		31 March 2024			31 March 2023		
	Notes	Carrying amount Rm	Fair value Rm	Amortised cost Rm	Carrying amount Rm	Fair value Rm	Amortised cost Rm
Financial assets							
At amortised cost							
Amounts owing by subsidiaries – non-current	3.4	**693**	**—**	**693**	624	—	624
Amounts owing by subsidiaries – current	3.5	**158**	**—**	**158**	184	—	184
At fair value through other comprehensive income							
Investment in Old Mutual shares on Zimbabwe Stock Market	3.2	**2**	**2**	**—**	2	2	—
MRG investment	3.2	**6**	**6**	**—**	6	6	—
At fair value through profit or loss							
Investment in insurance cell captive	3.2	**46**	**46**	**—**	33	33	—
Financial liabilities							
At amortised cost							
Amounts owing to subsidiaries	21	**13**	**—**	**13**	114	—	114
Trade and other financial payables	7	**34**	**—**	**34**	43	—	43

Credit risk management

Credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations. The potential exposure to credit risk is represented by the carrying amounts of amounts owing by subsidiaries, investment in Old Mutual shares and the MRG investment.

	March 2024 Rm	March 2023 Rm
Amounts owing by subsidiaries – non-current	**693**	624
Amounts owing by subsidiaries – current	**158**	184
Investment in Old Mutual shares on Zimbabwe stock market	**2**	2
MRG investment	**6**	6
Maximum credit risk exposure	**859**	816

Refer to note 3.4 and 3.5 for detail of the quantitative and qualitative considerations in relation to the ECL's on the above financial instruments.

20. FINANCIAL RISK MANAGEMENT continued

Liquidity risk management

Liquidity risk is the risk of the company being unable to meet its payment obligations when they fall due. Refer to note 28 of the consolidated financial statements for information on how liquidity is managed.

The following table details the company's remaining contractual maturity for its financial liabilities. The table has been prepared based on undiscounted cash flows at the earliest date on which the company can be required to pay. The amounts include interest accrued to the payment date.

	<1 year Rm	1 – 5 years Rm	>5 years Rm	Total Rm
2024				
Amounts owing to subsidiaries	**13**	**—**	**—**	**13**
Trade and other financial payables	**34**	**—**	**—**	**34**
	47	**—**	**—**	**47**
2023				
Amounts owing to subsidiaries	114	—	—	114
Trade and other financial payables	43	—	—	43
Lease liability	2	—	—	2
	159	—	—	159

Methods and assumptions used by the company 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 company 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 investment has been valued based on the purchase agreement following the decision to dispose of the investment, while unlisted collective investment is valued using the closing unit price at year-end. Investment in government bonds is valued using the discounted face value of the bills.

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

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

In 2015, PPC Ltd entered into a put option agreement with the IFC in terms of which the latter can put its investment or part thereof in PPC Barnet to PPC Ltd. The put option may be exercised between 24 September 2021 and 24 September 2026 and under further specific circumstances detailed in the agreement. The agreement provides for the determination of the option price by way of a formula as follows:

(EBITDA x earnings multiple) – net financial debt.

The option is out of the money and reflected at a zero fair value since 31 March 2020.

If the key unobservable inputs to the valuation model, being EBITDA and net financial debt, were 10% higher or lower, while all the other variables were held constant, the fair value of the put option would still be nil.

Due to the valuation technique used in determining the fair value of the put option liability, management judgements and estimations have been applied. The fair value calculated is impacted by the future financial performance of the DRC, the EBITDA multiple applied, exchange rates and expected timing of when the option will be exercised.

20. FINANCIAL RISK MANAGEMENT continued

	Valuation with reference to prices quoted in active markets Level 1 Rm	Valuation based on observable inputs Level 2 Rm	Valuation based on unobservable inputs Level 3 Rm	Total Rm
2024				
Financial and other non-current assets				
At fair value through profit or loss				
Investment in insurance cell captive	—	—	46	46
At fair value through other comprehensive income				
Investment in Old Mutual shares on Zimbabwe Stock Market	—	2	—	2
MRG investment	—	—	6	6
Net financial assets	—	2	52	54
2023				
Financial and other non-current assets				
At fair value through profit or loss				
Investment in insurance cell captive	—	—	33	33
At fair value through other comprehensive income				
Investment in Old Mutual shares on Zimbabwe Stock Market	—	2	—	2
MRG investment	—	—	6	6
Net financial assets	—	2	39	41

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. Refer to note 3.2 for detail of the observable inputs used to value the level 2 financial assets.

Level 3 – Financial assets and liabilities that are valued using unobservable data, and require management's judgement in determining the fair value. Refer to note 3.2 for detail of the valuation techniques and inputs used to value the level 3 financial assets.

Movements in level 3 financial instruments

	2024 Rm	2023 Rm
Financial and other non-current assets (refer to notes 3.2 and 3.3)		
Balance at the beginning of the year	39	51
New financial assets recognised	—	6
Fair value adjustment	36	89
Fair value adjustment – credit risk	(23)	(107)
Balance at the end of the year	52	39

Remeasurements are recorded as fair value adjustments through profit or loss.

for the year ended 31 March 2024

21. RELATED-PARTY TRANSACTIONS

	March 2024 Rm	March 2023 Rm
Revenue – royalty fee for use of mining rights		
PPC Cement SA (Pty) Ltd	5	6
	5	6
Dividends received from		
PPC Botswana (Pty) Ltd	8	14
PPC South Africa Holdings (Pty) Ltd	208	—
PPC Zimbabwe Ltd	203	155
PPC International Holdings (Pty) Ltd	—	79
	419	248
Management fee income		
PPC Group Services (Pty) Ltd	32	36
	32	36
Management fee expense		
PPC Group Services (Pty) Ltd	—	37
Interest received from		
PPC Cement SA (Pty) Ltd	2	1
PPC Group Services (Pty) Ltd	—	1
	2	2
Amounts due by (non-current assets)		
PPC International Holdings (Pty) Ltd		
– Shareholders' loan	693	624
– Deficiency loan	735	695
Amount due excluding expected credit losses	1 428	1 319
Expected credit losses	(735)	(695)
	693	624
Amounts due by (current assets)		
PPC Aggregate Quarries (Pty) Ltd	30	82
PPC Group Services (Pty) Ltd	3	—
Pronto Building Materials (Pty) Ltd	30	11
Ulula Ash (Pty) Ltd	13	4
3Q Mahuma Aggregates and Concrete (Pty) Ltd	10	7
PPC Cement SA (Pty) Ltd	72	67
PPC Zimbabwe Ltd	—	13
Amounts due excluding finance lease receivable	158	184
PPC Group Services (Pty) Ltd (refer to note 2.1)	—	2
	158	186
Amounts due to (current liabilities)[(a)]		
PPC Botswana (Pty) Ltd	1	—
PPC Group Services (Pty) Ltd	—	102
PPC South Africa Holdings (Pty) Ltd	12	12
	13	114

[(a)] *The loans have no fixed terms of repayment and are unsecured. The loans are classified as current as the company can demand repayment immediately.*

Refer to note 29 of the consolidated annual financial statements for directors' emoluments paid to directors of the company who are considered related parties.

Refer to notes 3.4 and 3.5 for the terms of the amounts due by subsidiaries.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

for the year ended 31 March 2024

22. EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that warrant disclosure in these annual financial statements refer to note 33 of the consolidated annual financial statements.

23. ADDITIONAL DISCLOSURE

Refer to the consolidated financial statements for additional disclosure on the following:

Description	Notes
Accounting policies	1.2
Directors' remuneration and interest	29

PPC LTD SHAREHOLDER ANALYSIS

as at 31 March 2024

Company: PPC Ltd
Register date: 31 March 2024
Issued share capital: 1 553 764 624

Shareholder spread	Number of shareholdings	%	Number of shares	%
1 – 1 000 shares	34 735	81,46	3 846 367	0,25
1 001 – 10 000 shares	5 234	12,27	19 138 116	1,23
10 001 – 100 000 shares	2 092	4,91	67 455 317	4,34
100 001 – 1 000 000 shares	426	1,00	130 902 233	8,42
1 000 001 shares and over	126	0,30	403 992 930	26,00
10 000 001 shares and over	27	0,06	928 429 661	59,75
Total	42 640	100,00	1 553 764 624	100,00

Distribution of shareholders	Number of shareholdings	%	Number of shares	%
American Depositary Receipts	1	0,00	559 146	0,04
Banks/brokers	114	0,27	216 443 071	13,93
Close corporations	83	0,19	9 930 461	0,64
Empowerment	5	0,01	11 345 235	0,73
Endowment funds	33	0,08	2 874 432	0,18
Individuals	40 701	95,45	158 946 086	10,23
Insurance companies	42	0,10	66 271 655	4,27
Investment companies	2	0,00	1 804 187	0,12
Medical schemes	16	0,04	7 641 748	0,49
Mutual funds	169	0,40	492 317 274	31,69
Other corporations	75	0,18	547 260	0,04
Own Holdings	1	0,00	64 638 471	4,16
Private companies	255	0,60	52 709 884	3,39
Public companies	9	0,02	5 301 713	0,34
Retirement funds	552	1,29	406 250 159	26,15
Treasury shares	3	0,01	28 554 563	1,84
Trusts	579	1,36	27 629 279	1,78
Total	42 640	100,00	1 553 764 624	100,00

Public/non-public shareholders	Number of shareholdings	%	Number of shares	%
Non-public shareholders	**22**	**0,05**	**340 311 317**	**21,90**
Directors and prescribed officers of the company	3	0,01	235 773 048	15,17
Empowerment holdings	16	0,04	11 345 235	0,73
Own Holdings	1	0,00	64 638 471	4,16
Treasury shares	2	0,00	28 554 563	1,84
Public shareholders	**42 618**	**99,95**	**1 213 453 307**	**78,10**
Total	**42 640**	**100,00**	**1 553 764 624**	**100,00**

PPC LTD SHAREHOLDER ANALYSIS continued

as at 31 March 2024

Beneficial shareholders holding 3% or more	Number of shares	%
Government Employees Pension Fund	150 641 509	9,70
M&G Investments	104 992 559	6,76
Old Mutual	99 519 163	6,41
Value Capital Partners H4 QI Hedge Fund	88 222 106	5,68
PPC GPCO (Pty) Ltd	64 638 471	4,16
Camissa Asset Management	60 385 621	3,89
Eskom Pension & Provident Fund	56 505 086	3,64
Centaur Asset Management	49 532 560	3,19
Alexforbes	48 378 647	3,11
Total	**722 815 722**	**46,54**

Institutional shareholders holding 3% or more		
Value Capital Partners	246 300 866	15,85
M&G Investments	219 257 680	14,11
Camissa Asset Management	159 757 471	10,28
Public Investment Corporation	123 823 764	7,97
Centaur Asset Management	55 429 860	3,57
Sanlam Investment Management	51 984 363	3,35
Total	**856 554 004**	**55,13**

* *Value Capital Partners are investment advisers to third-party funds which have been aggregated and have an indirect interest in a fund.*

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
Johannesburg, 2196, South Africa
(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
First Floor, 5 Parks Boulevard, Oxford Parks, Dunkeld
Johannesburg, 2196, South Africa
(PO Box 787416, Sandton, 2146, South Africa)

SPONSOR

Questco Corporate Advisory (Pty) Ltd
Ground Floor, Block C, Investment Place, 10th Road
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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