



2026

**AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS**

for the year ended 28 February 2026

CONSISTENTLY DELIVERING

## Aggregates

1  
Quarrying and aggregates consistently deliver, clear growth runway

## Bulk Commodities

2  
External storms, not structural failure. Recovery underway

## Cement

3  
Cement's turnaround opens door to compelling strategic opportunities

## HY1 2026

- Good performance from the aggregates businesses
- Losses in cement business
- Improvements at Nkomati started to deliver
- Local iron ore volumes strong compared to previous year
- International iron ore sales satisfactory
- Successful sale of non-core assets

## HY2 2026

- Ongoing good performance in the aggregates businesses
- Losses in cement moderated
- Reduction in local iron ore sales volumes
- International iron ore sales satisfactory
- Reduction in on-mine Rand price of iron ore exports
- No domestic anthracite sales for HY2 2026
- Impairment of Nkomati underground operations of R118,2 million

*Overall impacts – logistics | steel manufacturing sector | ferrochrome smelter shutdowns | losses in cement*

01

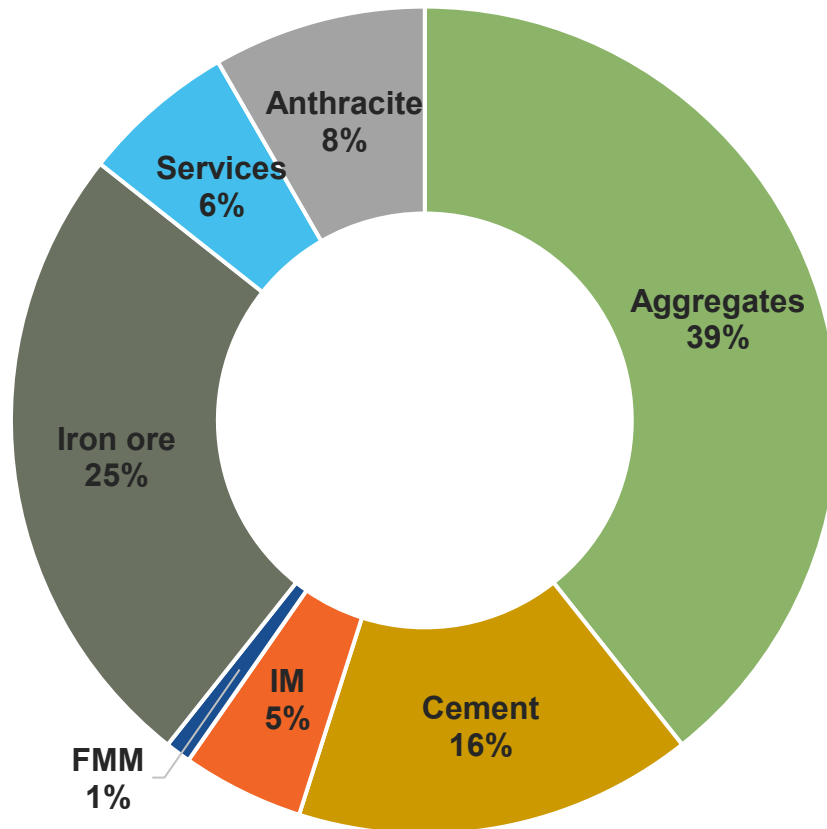
**SEGMENTAL  
INFORMATION**  
*The foundation of  
diversification*



# Segment revenue contribution to Group

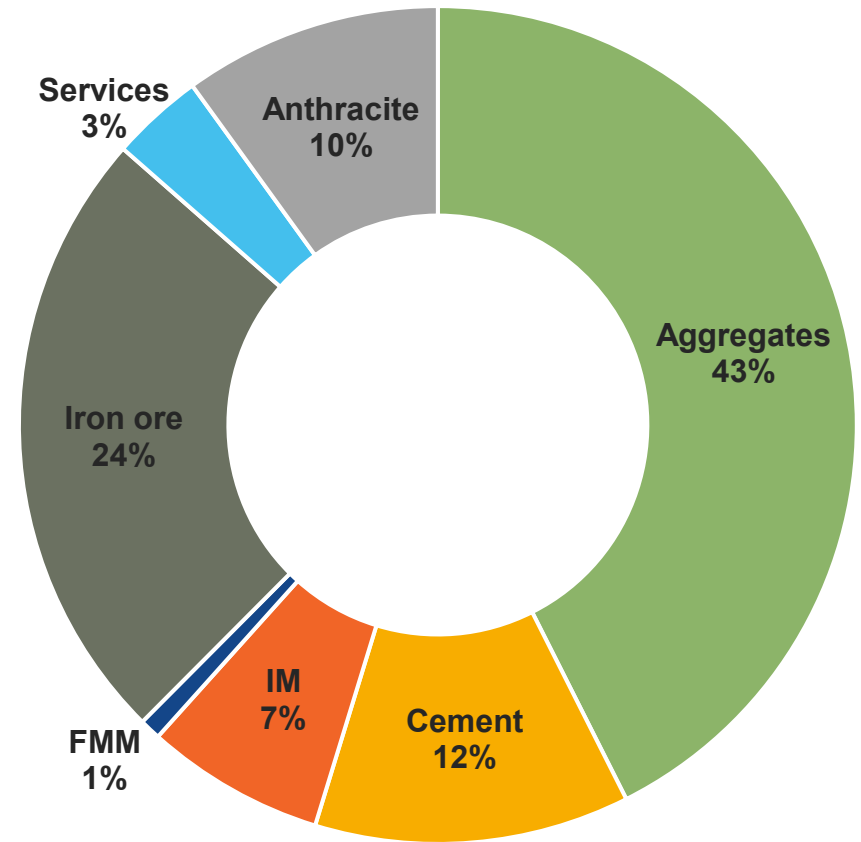
FEBRUARY 2026

R10,0 billion

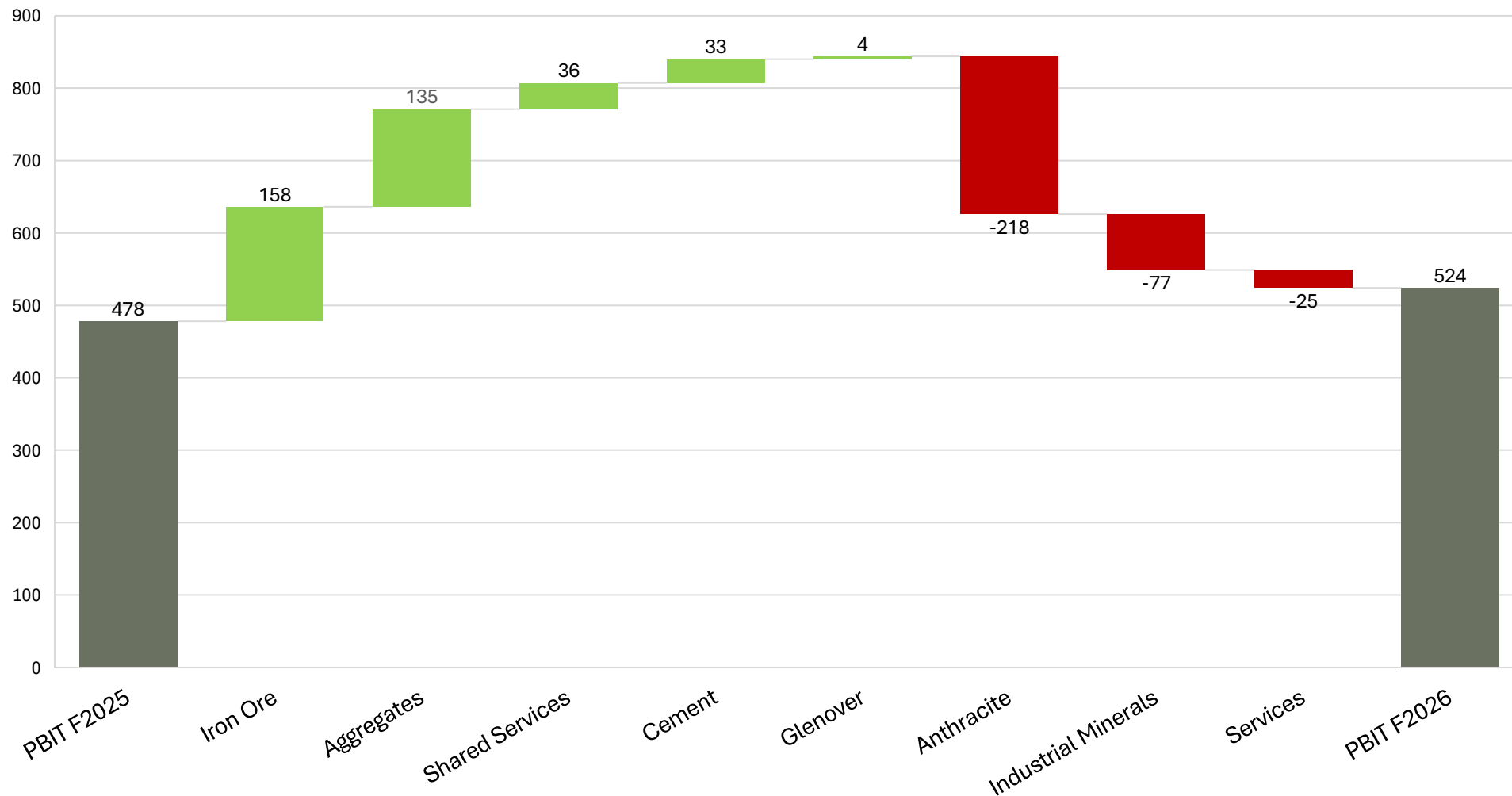


FEBRUARY 2025

R8,3 billion

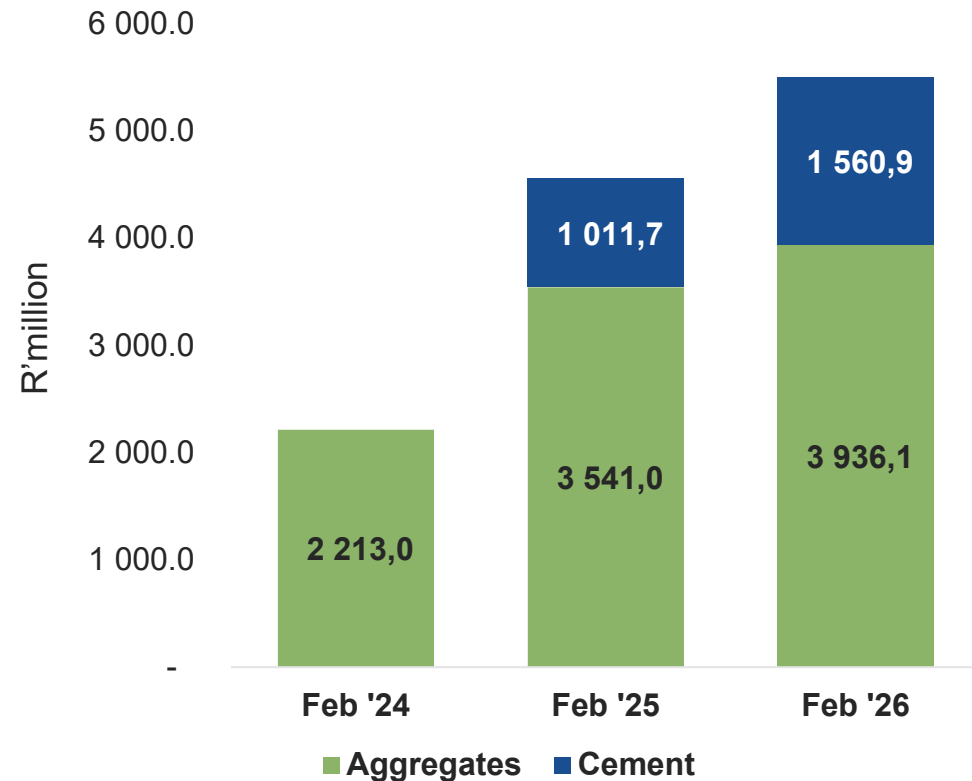


# Year-on-year PBIT movement per business unit

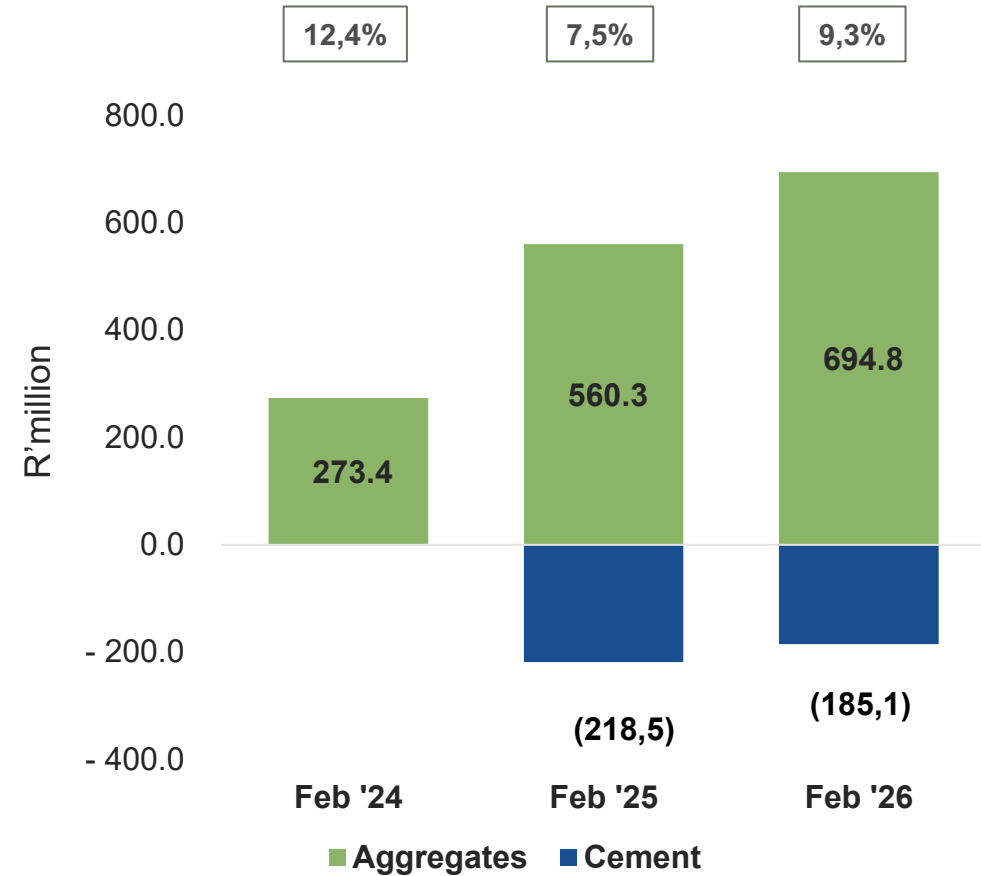




## REVENUE



## OPERATING PROFIT AND MARGIN (%)



*Aggregates delivering — our core is performing strongly*

### What we fixed

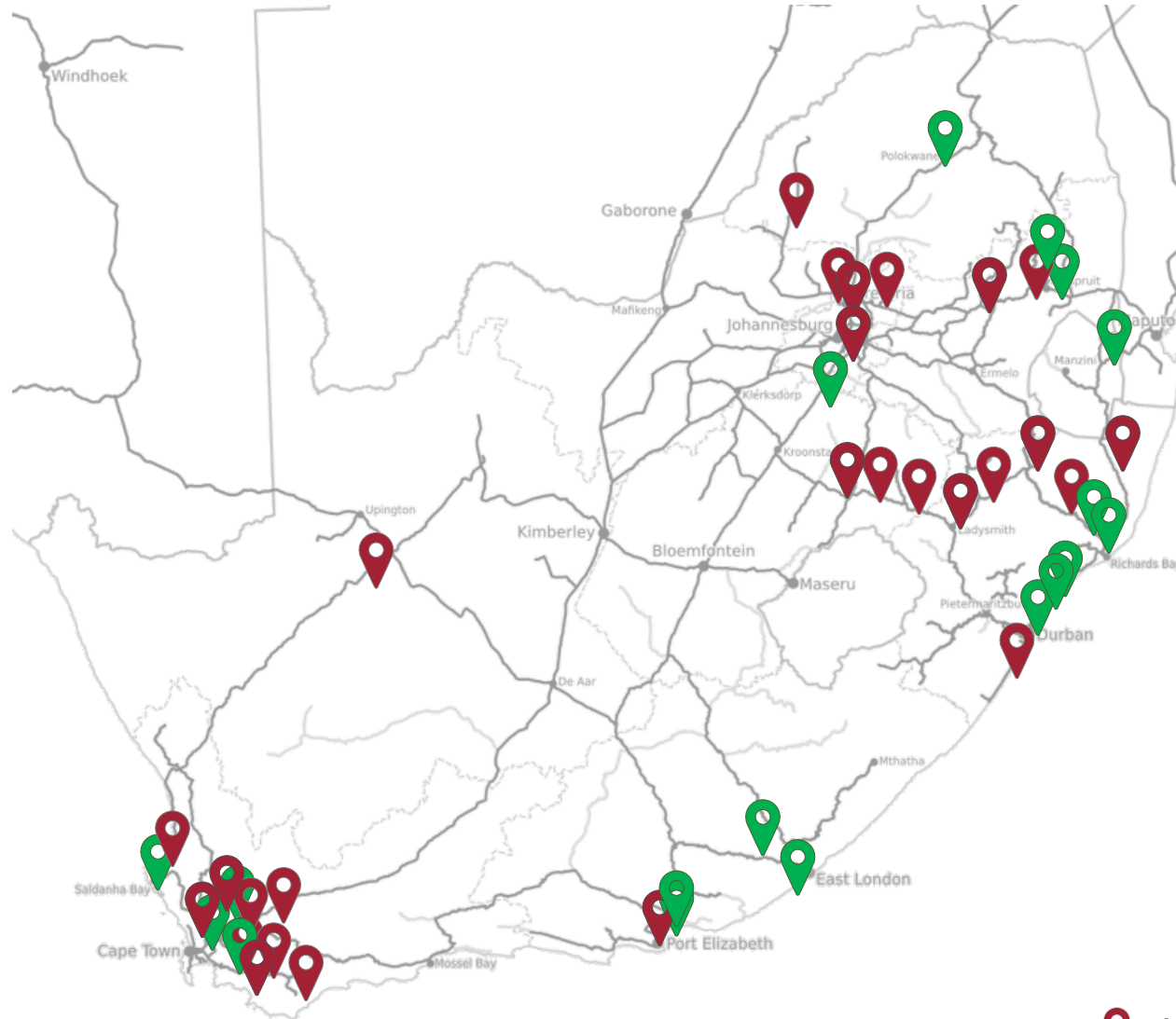
- Overall improvement in product sales
- Integration is completed
- Improved operational efficiency focus
- Non-core brick, block and readymix assets divested - focus sharpened

### Why growth continues

- National footprint spans all major infrastructure spend category
- SANRAL, Transnet, provincial roads and water infrastructure driving volumes
- Private building contracts and residential development accelerating
- Renewable energy rollout driving aggregate demand

# National aggregate footprint

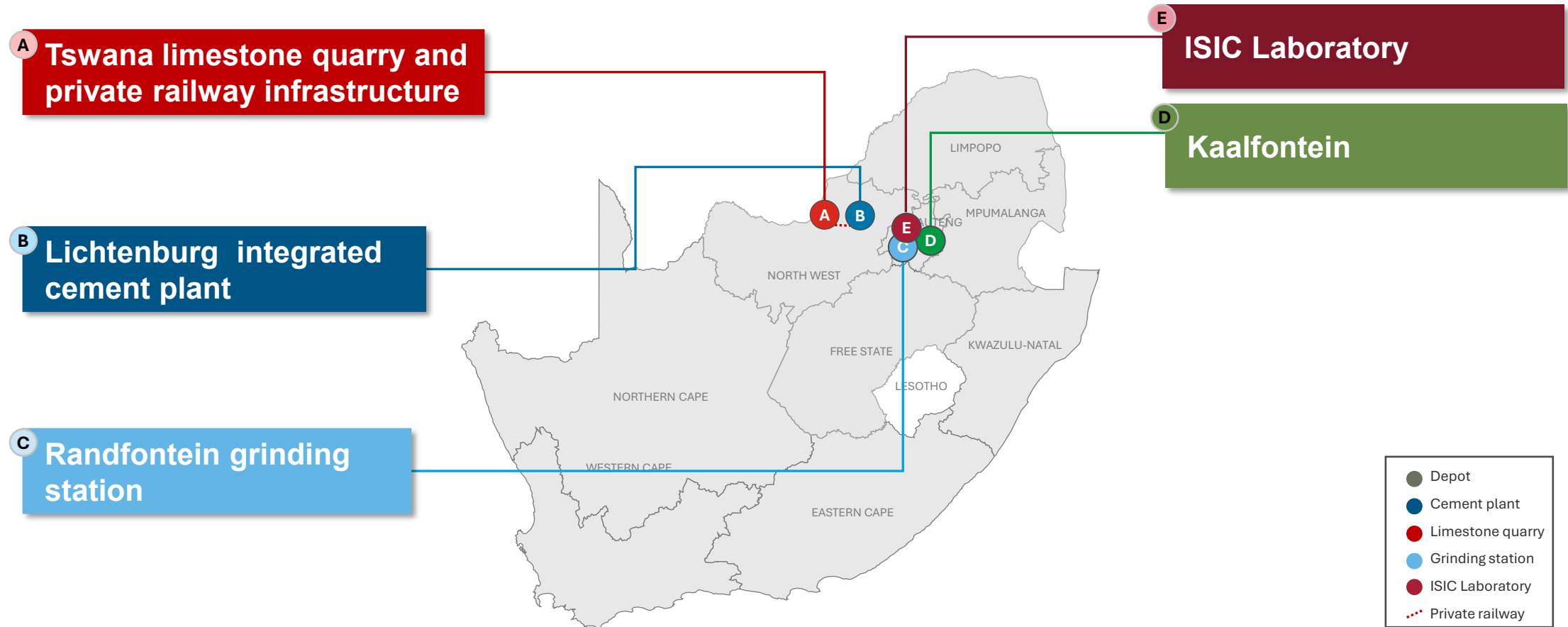
Strategic locations with the ability to acquire additional quarries if needed



 - Afrimat Quarry     - Afrimat Quarry (acquired)

# Construction Materials

Cement – operational footprint



*Afrimat Cement is one of South Africa's few fully-integrated cement platforms*

Cement — 24-month intervention programme: six areas, one transformation

## Topline strategy

- Volume and revenue growth with stronger margins

## Fixed cost improvements

- Exited legacy Holcim technical services agreement and long-term office lease
- Maintenance spend intentionally elevated to clear the inherited backlog

## Variable cost wins

- Thermal energy -21% | Startup fuel -58% | Transport -8%
- Electricity per ton held flat despite Eskom price increases

## Governance and management

- Team strengthened across production, engineering and commercial
- ERP migration and Transport Management System successfully implemented

## Working capital

- Overdue creditors settled; supplier relationships restored
- Liquidity constraints removed; clinker and cement stock fully rebuilt

## Capex investment

- Sustaining capex deployed to replace end-of-life equipment
- Compliance-related equipment investment completed

### Turnaround proof points

- 36% sales volume growth and 54% revenue growth delivered this year
- Clinker production 19% higher year-on-year. with kiln reliability improving
- Thermal energy cost down 21%, startup fuel cost down 58% per ton of clinker
- Inherited working capital crisis resolved: creditors settled, supplier relationships restored
- Randfontein Grinding Plant sales up 107% year-on-year, with cost-effective distribution now operational

### Strategic alternatives

- Afrimat Cement is one of SA's few fully integrated cement platforms with embedded strategic value
- Significant operational interventions over 24 months substantially restored and de-risked the asset
- Afrimat is actively considering strategic alternatives to unlock the full value of the cement platform
- Process designed to unlock full value for shareholders and ensure long-term sustainability of operations

*The turnaround has progressed to the point where Afrimat is in a strong position to actively pursue strategic alternatives for its cement business*

**+36%**

Sales volume  
growth

**+54%**

Revenue growth

**+19%**

Clinker production  
vs FY2025

- Extender strategy working well
- The business is now positioned to pursue strategic options

*Turnaround delivering — exciting strategic alternatives now on the horizon*

### Maintenance and capital interventions compounding

Reduced variable cost

Stabilising production

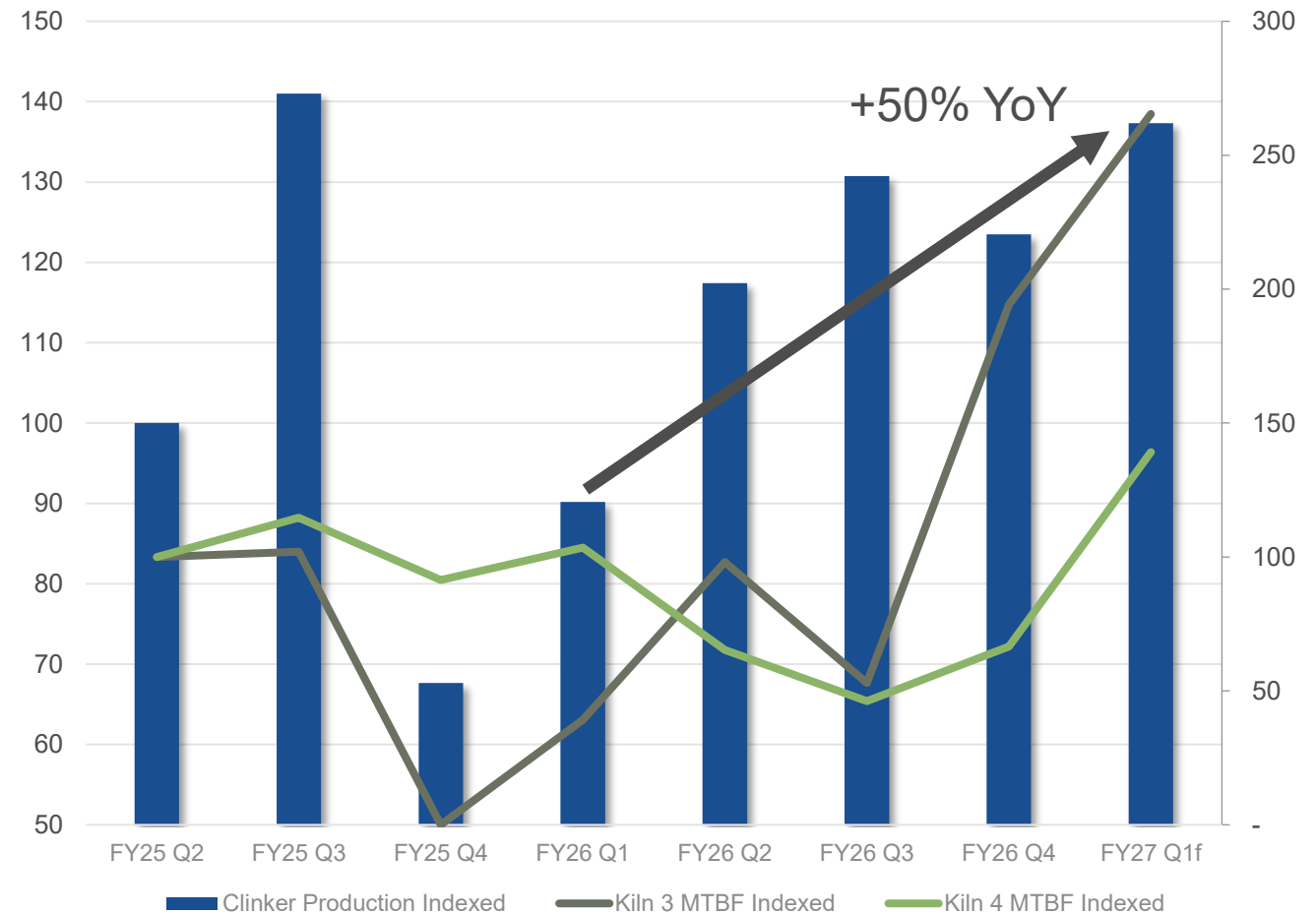
Improved stock levels

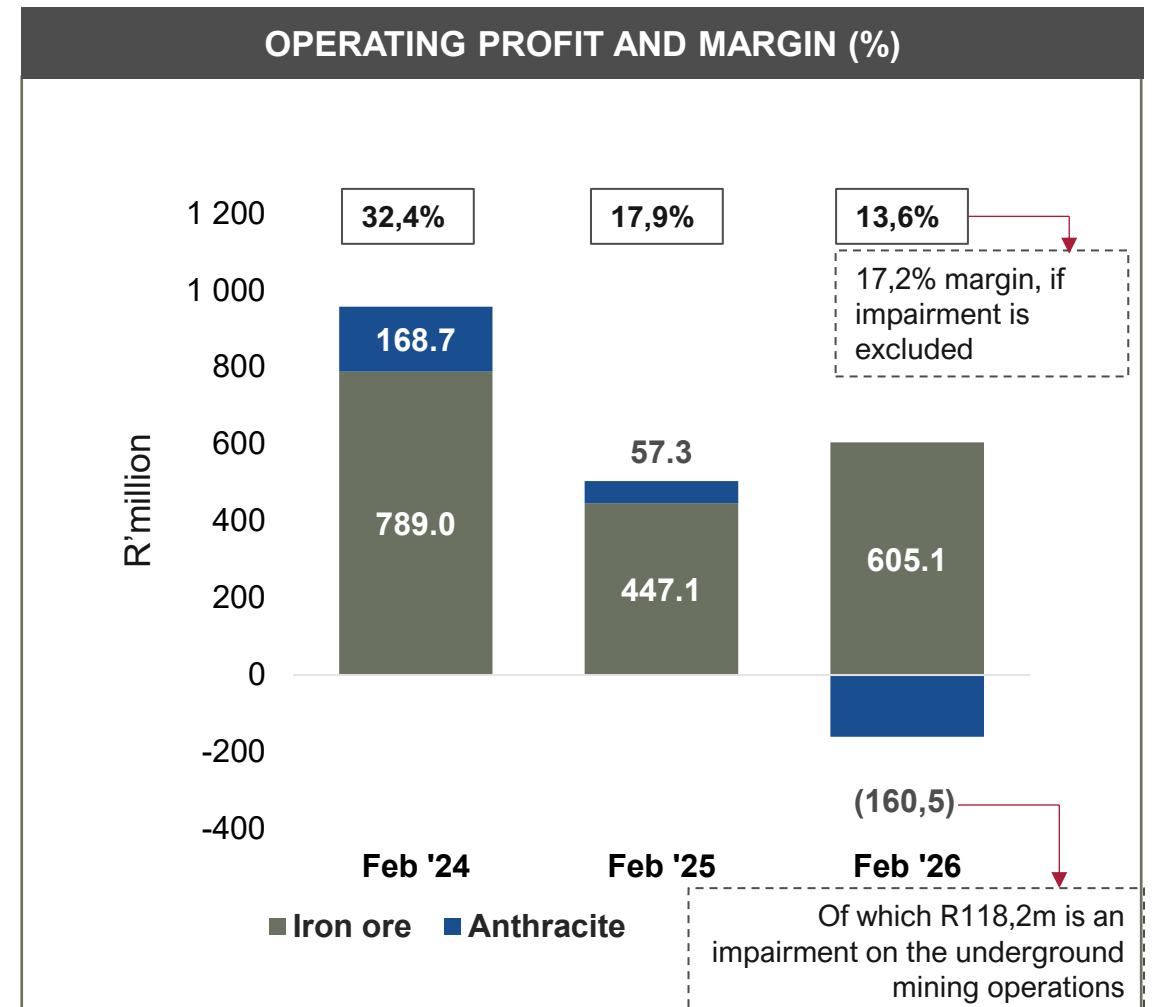
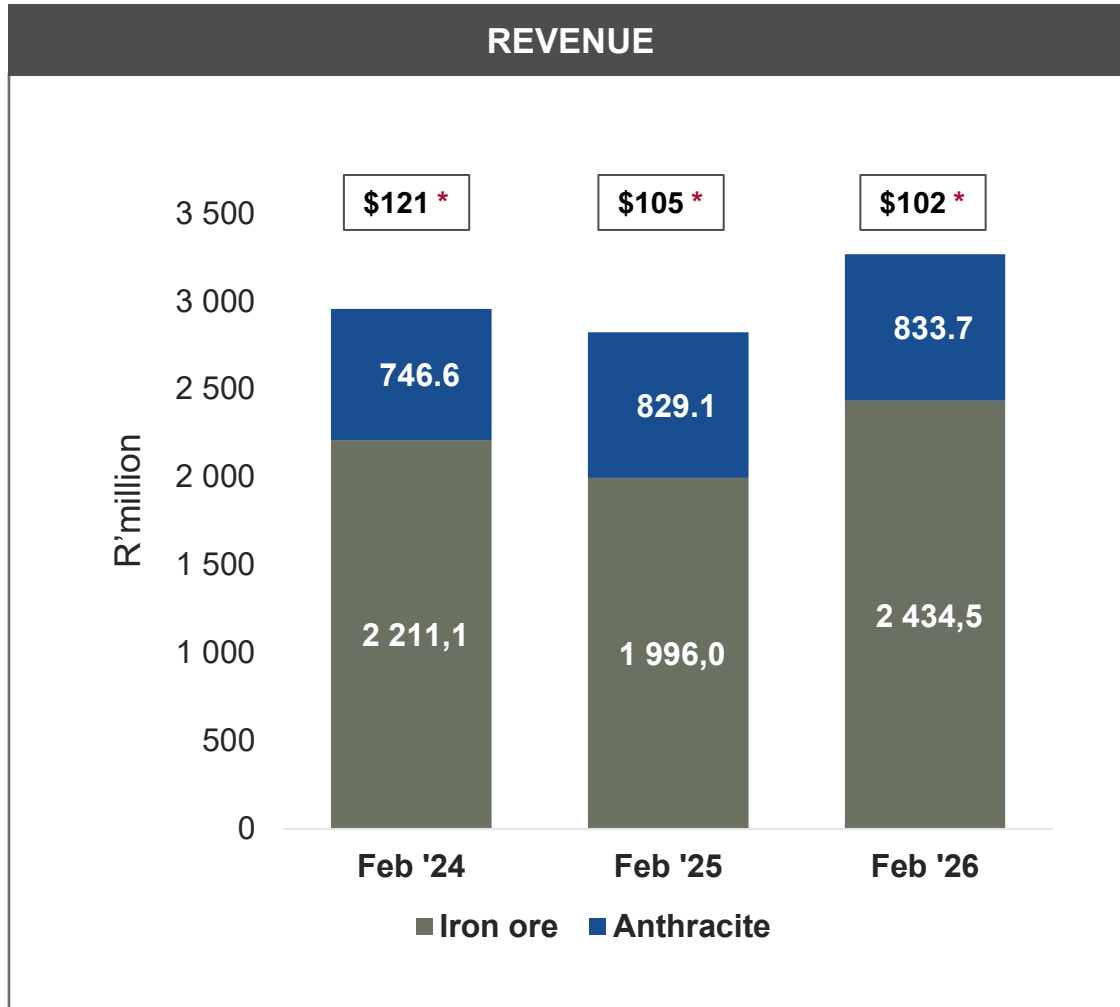
Improved reliability

Thermal efficiency

OEE improvement

### Mean Time Between Failures (MTBF) improving significantly



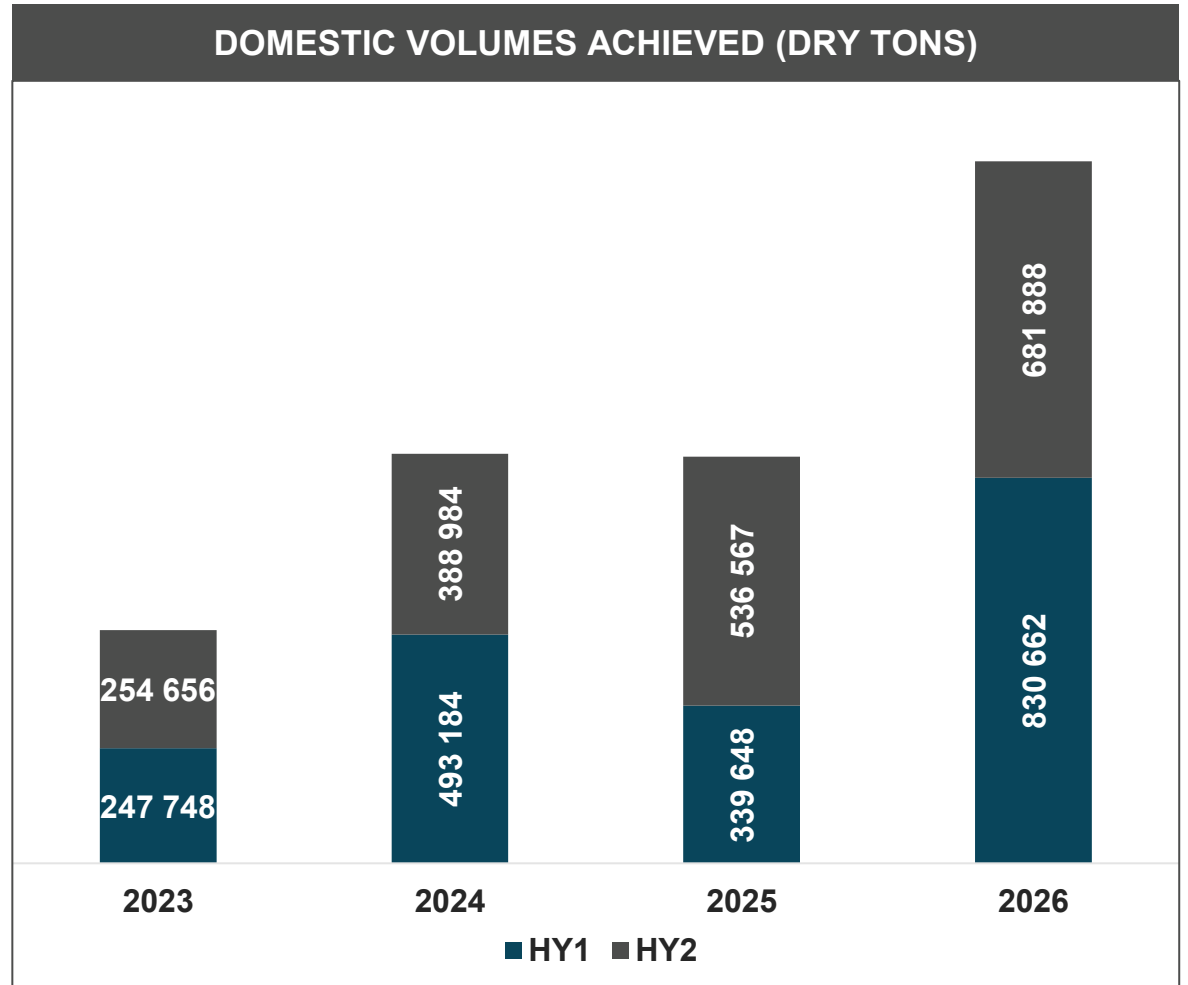


\* Average US\$ iron ore price for each respective period

# Bulk Commodities

## Domestic iron ore

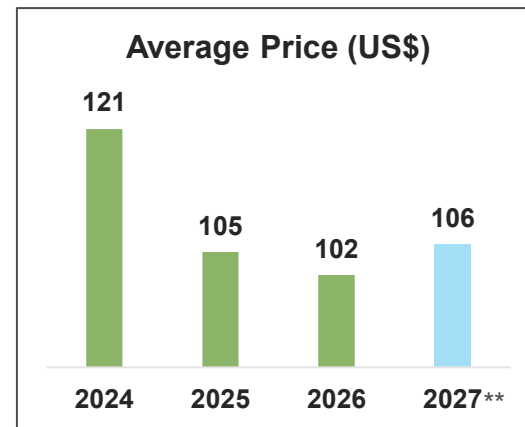
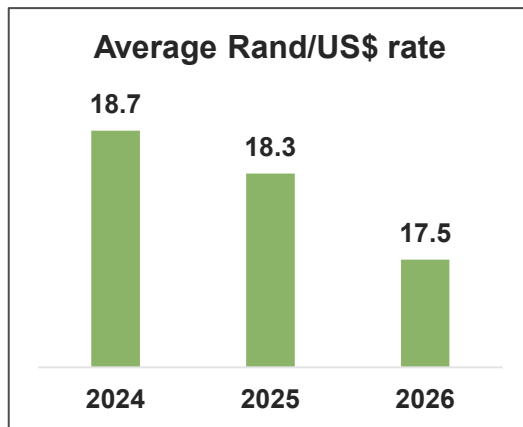
- Improved volumes for majority of year
- Steel manufacturing sector affected by structural factors in South Africa
- Stock build-up used up R330m in cash
- Curtailed volumes going forward



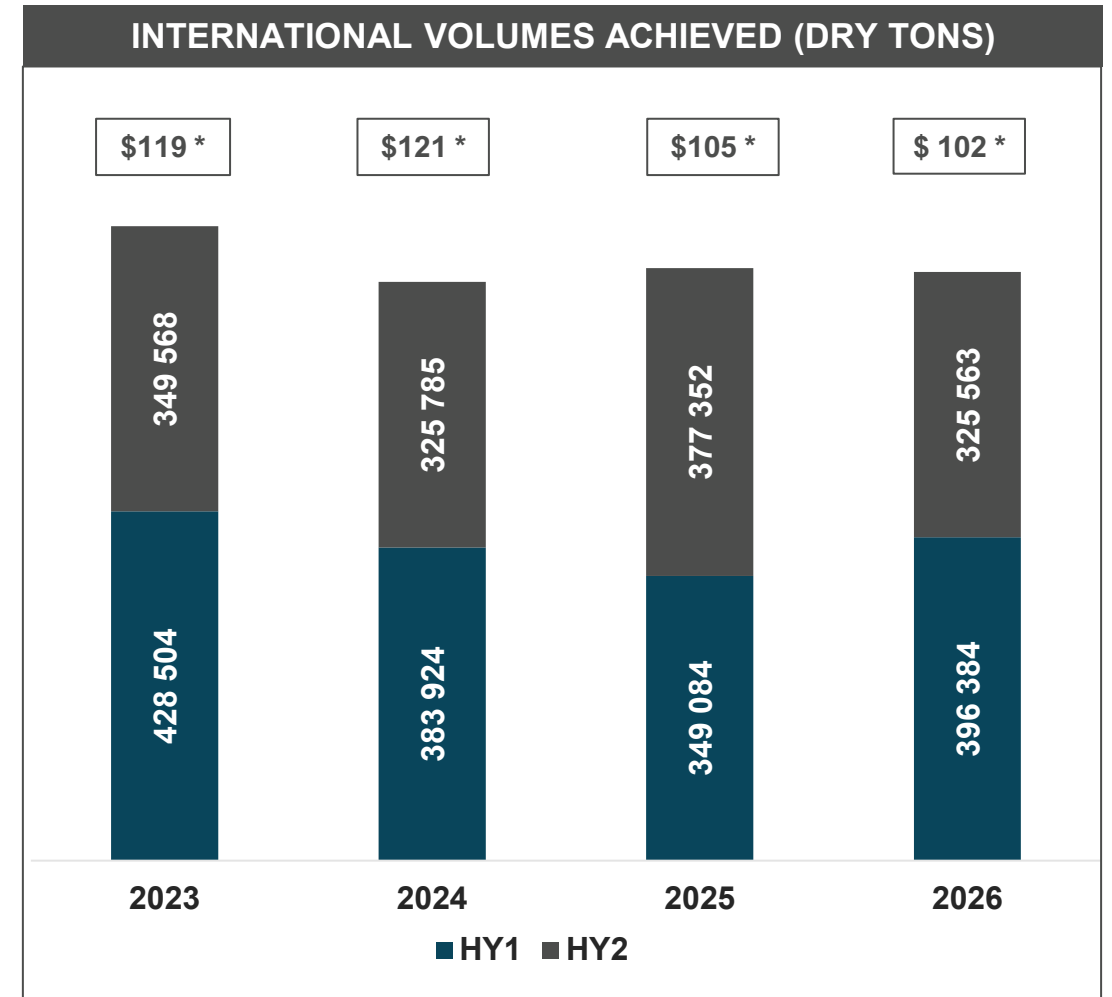
# Bulk Commodities

## International iron ore

- Total export volumes were maintained
  - Remains 17,0% below rail allocation of 870 000
- US dollar prices, down by 2,9%
- Decrease shipping costs of 3,9%
- Decrease in lump premium of 8,3%
- Strengthening of South African Rand of 4,5%

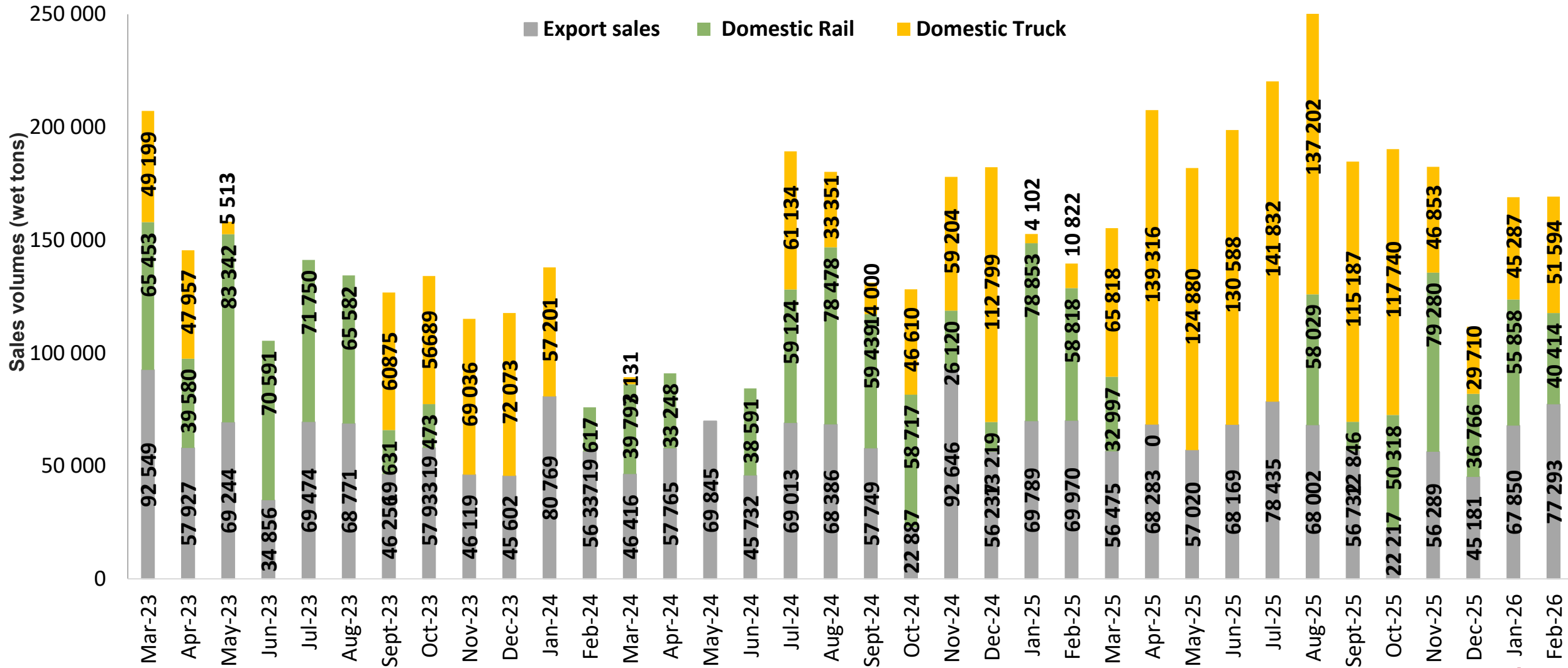


\*\* Average price Mar – Mid May 2026



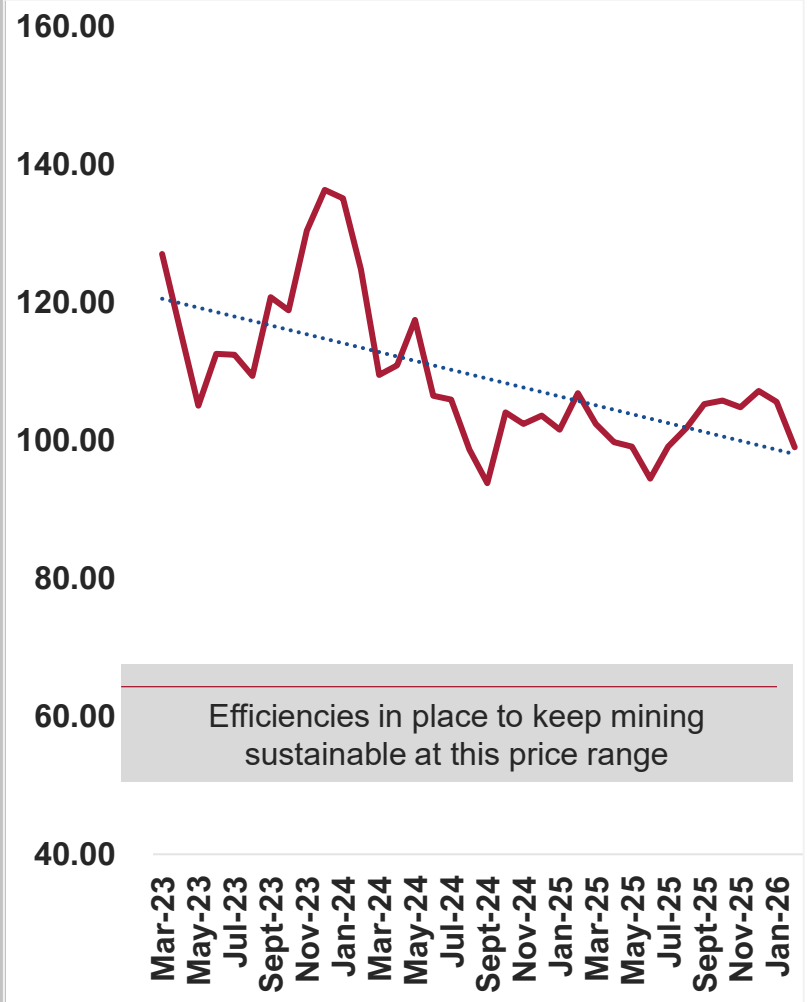
\* Average US\$ for each respective period

# International and local iron ore sales



# Elements that impact international iron ore income

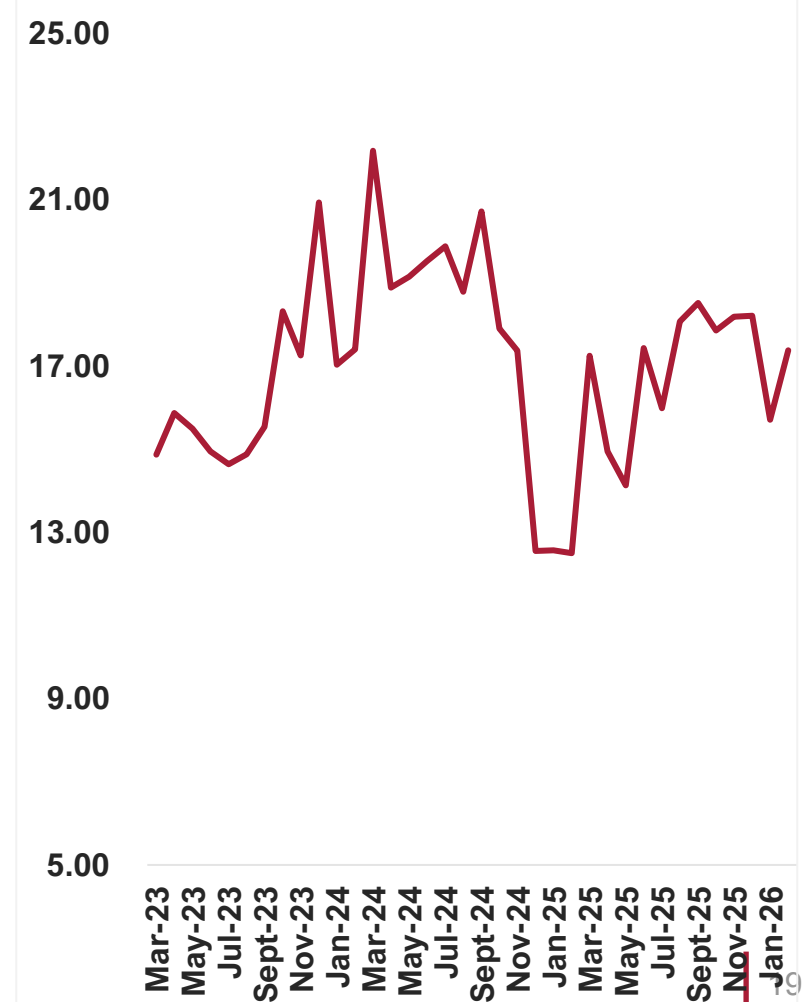
## 62% FE PLATTS INDEX PRICES (USD)



## LUMP PREMIUM (USD)



## FREIGHT RATE CHINA (USD) AVG. PLATTS SOUTH AFRICA/CHINA CAPESIZE



# Bulk Commodities

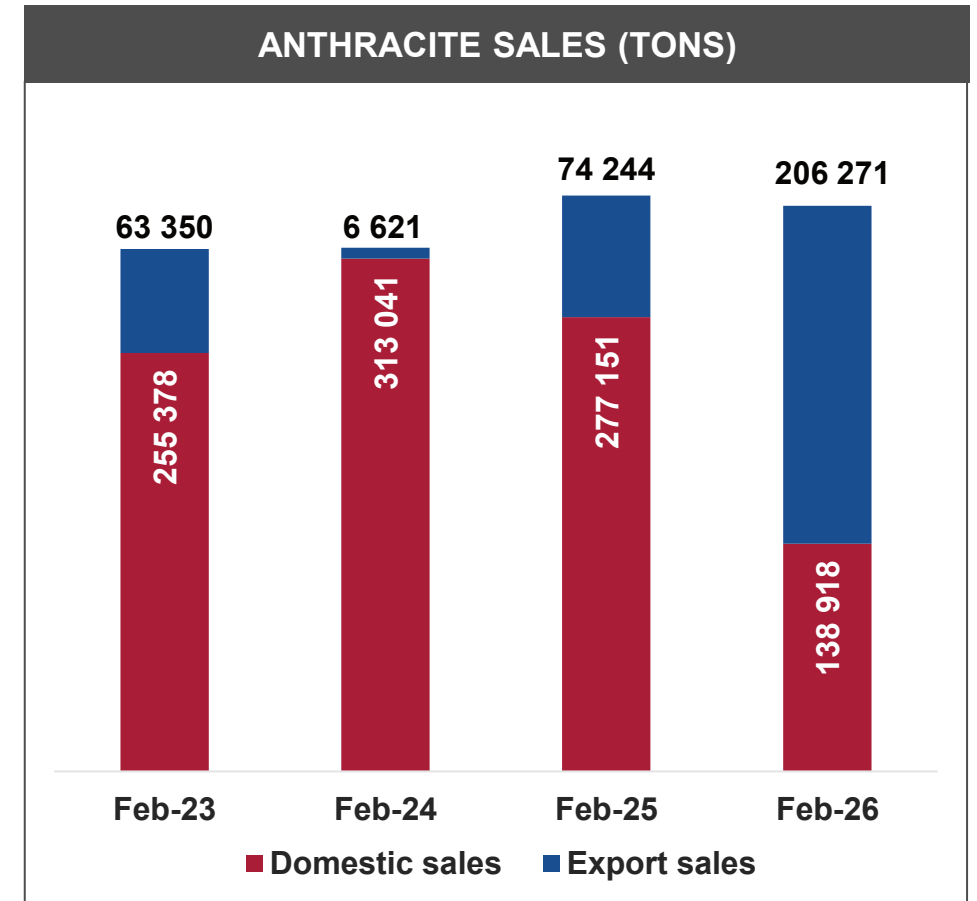
## Anthracite

### Domestic

- Significant operational improvements achieved in first half
- Six months of no domestic sales, significantly impacted results
- NERSA approval awaited for ferrochrome restart

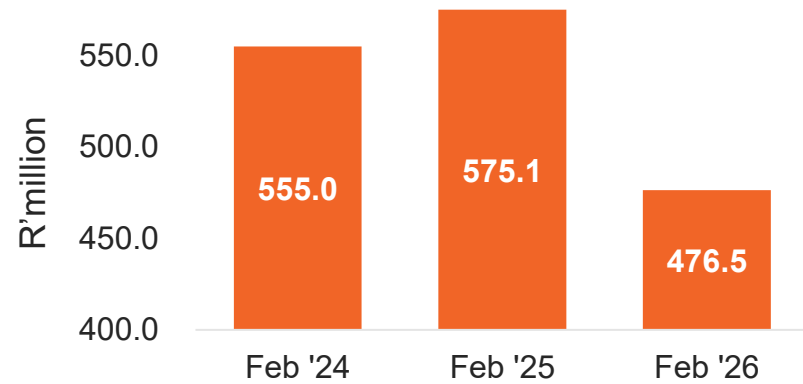
### International

- Export volumes increased substantially, but pricing decreased

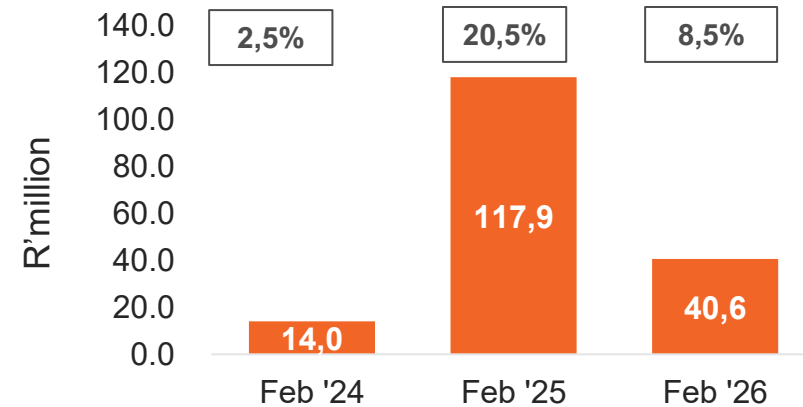




## REVENUE



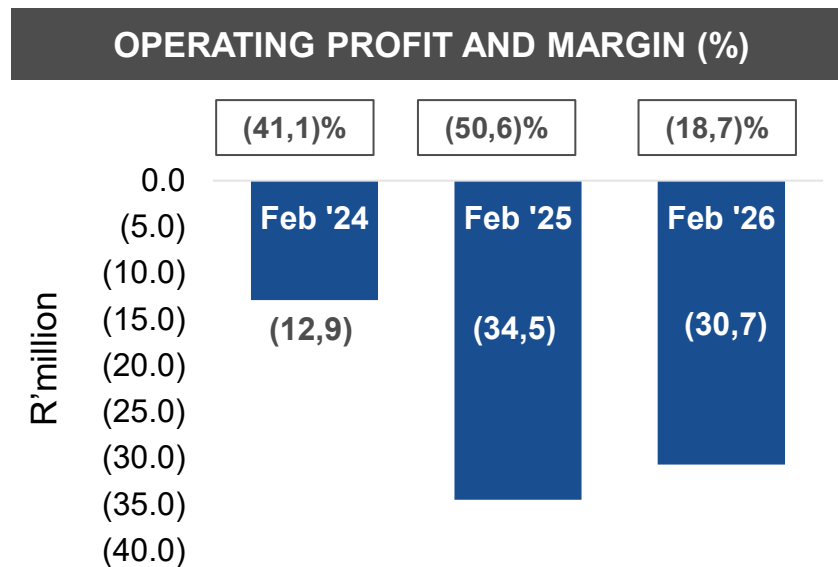
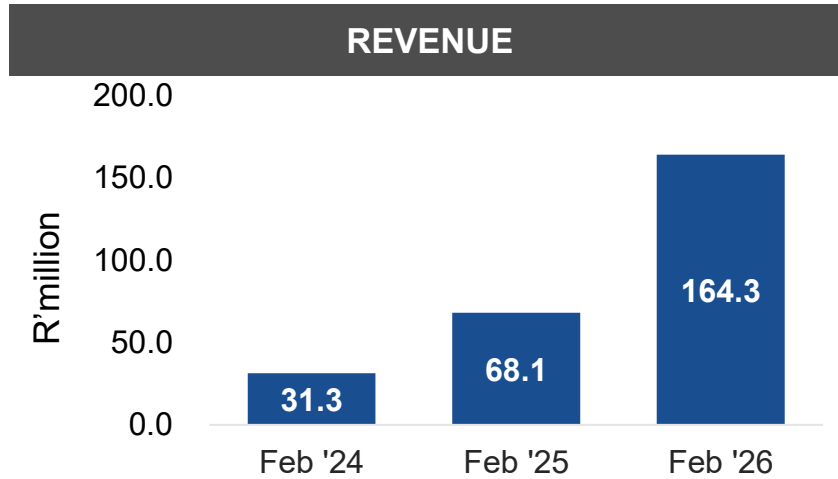
## OPERATING PROFIT AND MARGIN (%)



- Metallurgical sales disrupted by closure of ferrochrome smelters and closure of Newcastle steelworks
- Industrial customers competing with cheap imports
- Customers reducing production as a result i.e. demand decrease



# Future Materials and Metals



- Globally competitive project
- Performed extensive testing, both locally and internationally
- Unique and highly valuable source of feed material
  - Modern batteries
  - Rare earth minerals
- Discussions in progress to find suitable technical partners to advance project to implementation

02



**FINANCIAL  
OUTCOMES**

# Financial summary



## Group revenue

**Up 20,3% to R10,0 billion**  
(2025: R8,3 billion)

## HEPS

**Up to 95,8 cents**  
(2025: 72,3 cents)

## Net asset value

**2 899 cents**  
(2025: 2 862 cents)

## Final dividend

**13 cents**  
(Total dividend 33 cents)

## Return on net operating assets

**8,0%**  
(2025: 7,3%)

## Net debt:equity ratio

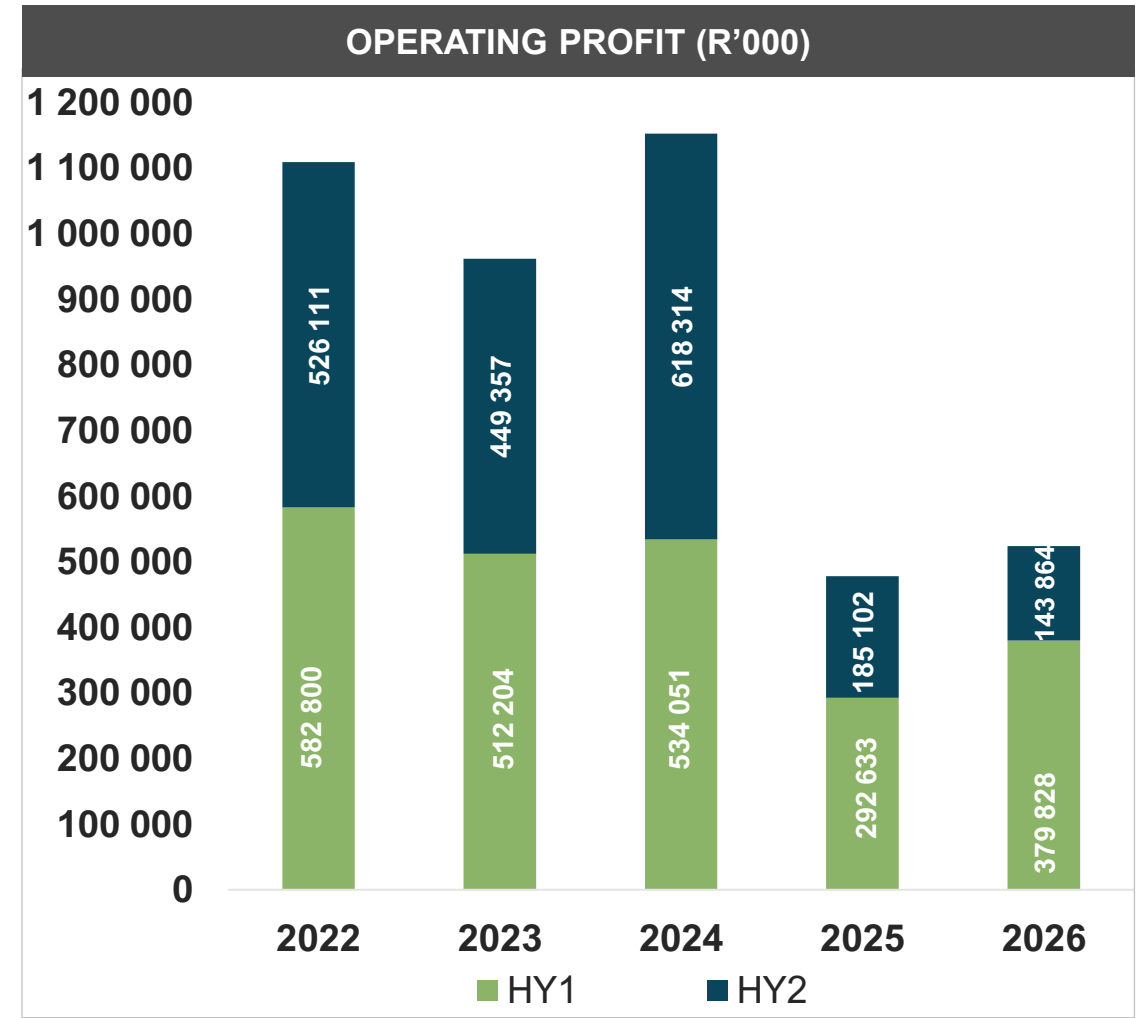
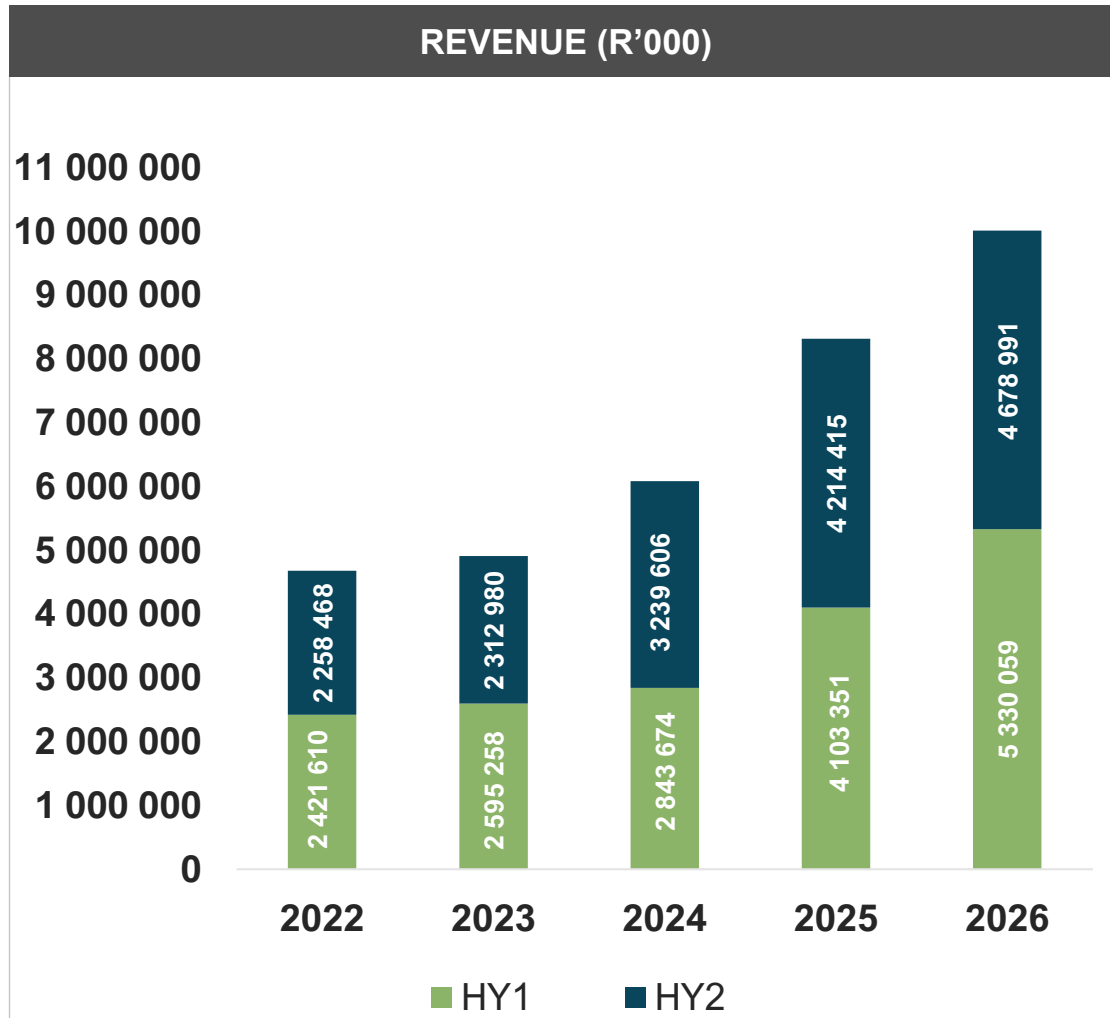
**50,2%**  
(2025: 48,9%)

## Operating profit margin

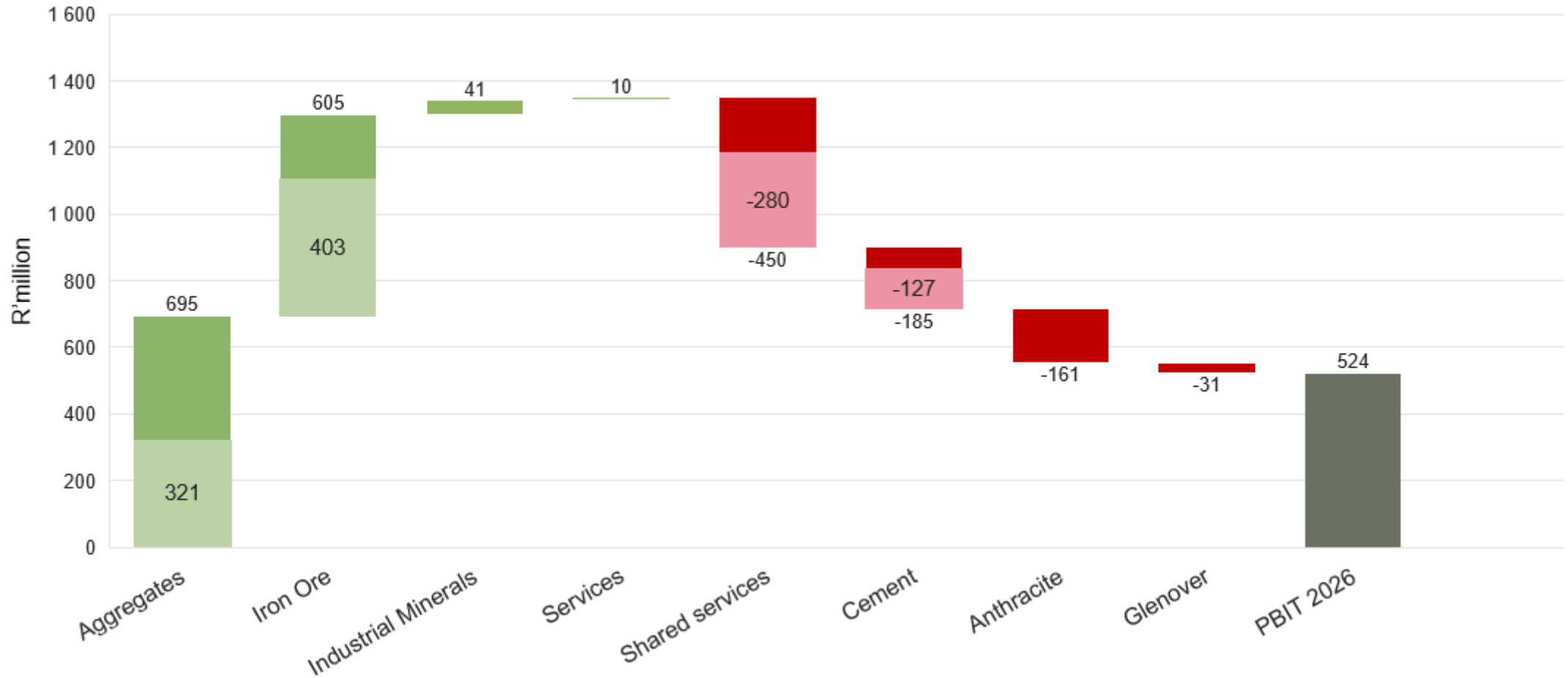
**5,2%**  
(2025: 5,7%)

Despite difficult local economic conditions Afrimat remains profitable and has a strong position going forward

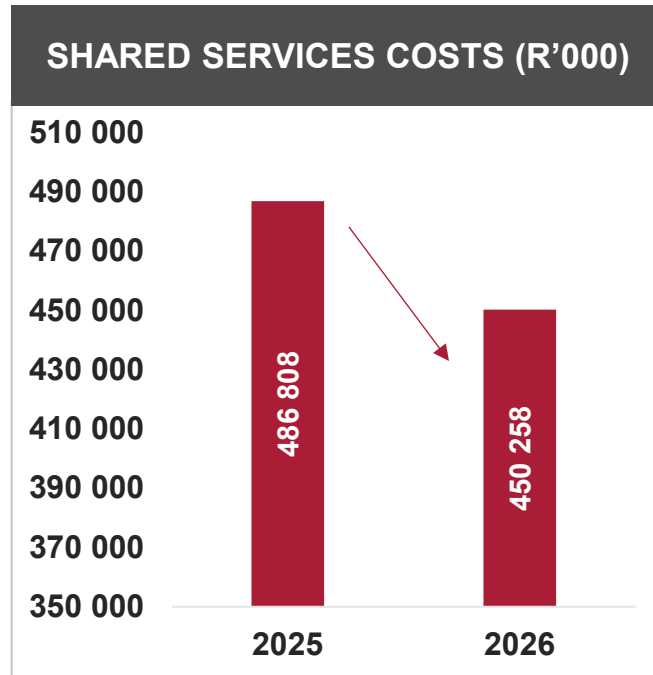
# Revenue and operating profit



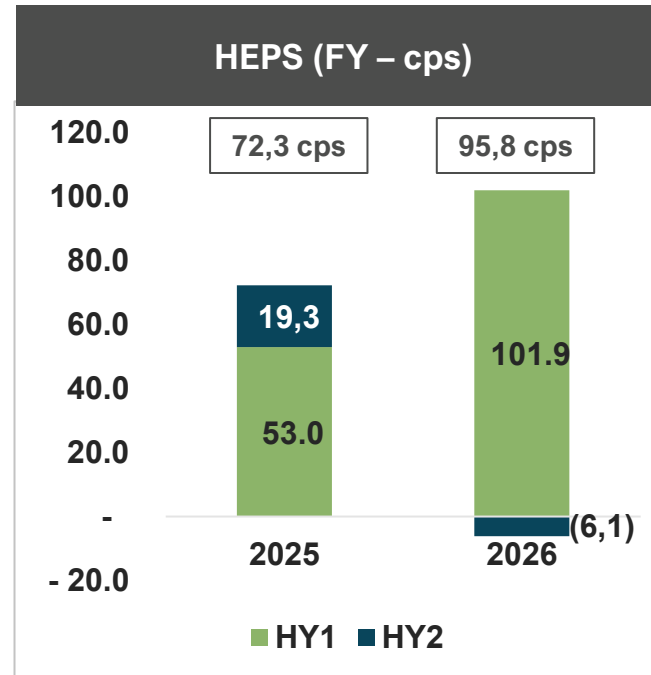
# PBIT breakdown per business unit - F2026



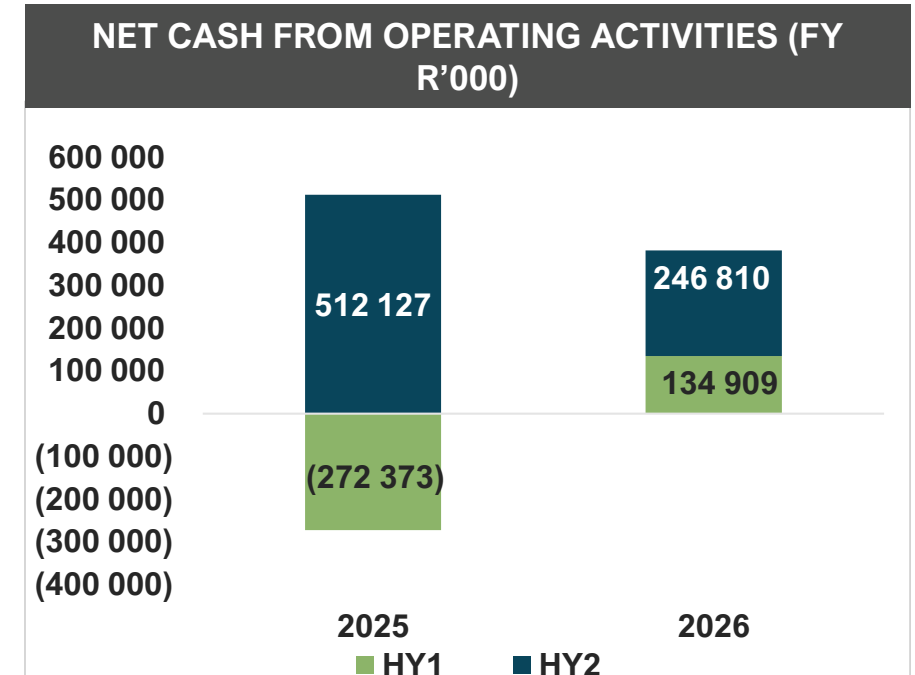
2026FYH1 – Indicated in lighter shade



- Includes
  - Head office
  - Information Technology
  - Finance
  - Administration
  - Sustainability and engineering
  - Lafarge acquisition costs
- Reductions/savings for FY2027:
  - SAP system (IT)
  - Office rental



- Previous five-year average HEPS of 471 cps
- Correct business to attain these levels
- HY2 2026 impacted primarily by losses at Nkomati Anthracite Mine and lower profitability in Iron Ore business which was mainly volume-drive



- A drive to improve cash generation (to previous levels of around ±R880 million) and to pay down debt
- HY2 would have improved to roughly R576 million if Bulk Commodities had not built-up local iron ore stock

# Statement of financial position

## Assets



R'000	Audited Feb 2026	Audited Feb 2025	% Change
Property, plant and equipment	5 310 085	5 665 172	(6,3)
Intangible assets	244 656	256 029	(4,4)
Inventories	1 804 299	1 311 528	37,6
Trade and other receivables	1 464 712	1 169 291	25,3
Cash	451 142	301 329	49,7
Other assets / deferred tax	538 567	423 035	27,3
Disposal Group assets held for sale	87 492	76 910	13,7
<b>Total assets</b>	<b>9 900 953</b>	<b>9 203 294</b>	<b>7,6</b>

# Statement of financial position

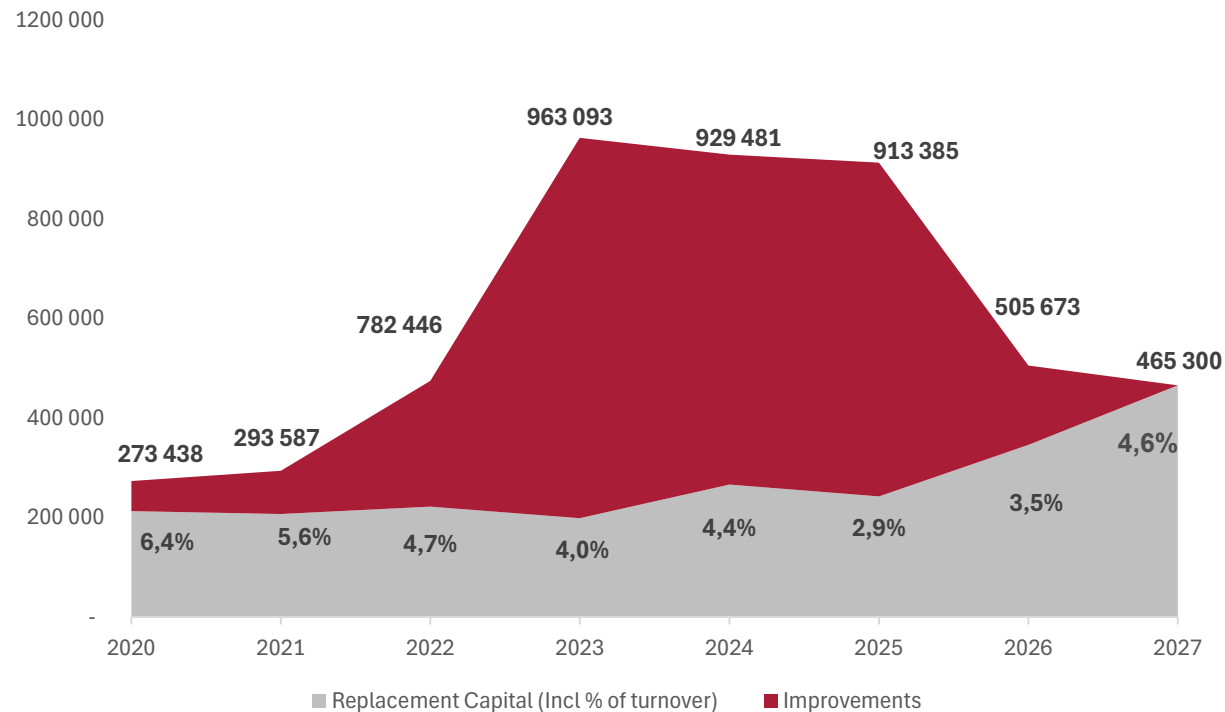
## Equities and liabilities

R'000	Audited Feb 2026	Audited Feb 2025	% Change
Total equity	4 473 975	4 388 260	1,9
Borrowings	2 354 342	1 859 267	26,6
Provisions	300 406	279 746	7,4
Overdraft	240 796	77 828	209,4
Trade and other payables	1 997 073	1 636 569	22,0
Other liabilities / deferred tax	511 721	951 565	(46,2)
Disposal Group assets held for sale	22 640	10 059	125,1
<b>Total equities and liabilities</b>	<b>9 900 953</b>	<b>9 203 294</b>	<b>7,6</b>

→ Debt:equity ratio FY2026: 50,2% (FY2025: 48,9%)

# Total capital expenditure

## CAPITAL EXPENDITURE 2020 – PLANNED 2027 (R'000)



## Replacement capital (R'000)


Construction Materials	125 872
Cement	116 953
Mining	54 929
Central Services	33 549
<b>Total</b>	<b>331 303</b>


## Improvement capital (R'000)



Bulk Commodities – Nkomati	124 461
Other	49 909
<b>Total</b>	<b>174 370</b>


# Parameters of focus

To secure Afrimat's future trajectory of resilient, dependable results


Energy price increases 


Ferrochrome smelters re-opening 


International iron ore price  


Improved rail maintenance on iron ore export routes 


Technology partnerships 

Margin improvements 

Improved cash generation and proceeds from divestitures 

Local iron ore volumes  

Debt reduction  
(Target 25% net debt:equity) 

Operational efficiencies 



03

## A CULTURE OF CARE

*In all that we do with a  
thriving entrepreneurial  
spirit*

# People statistics

Development and training,  
health and safety, job creation  
and integration of our employees

**3 626** total employees

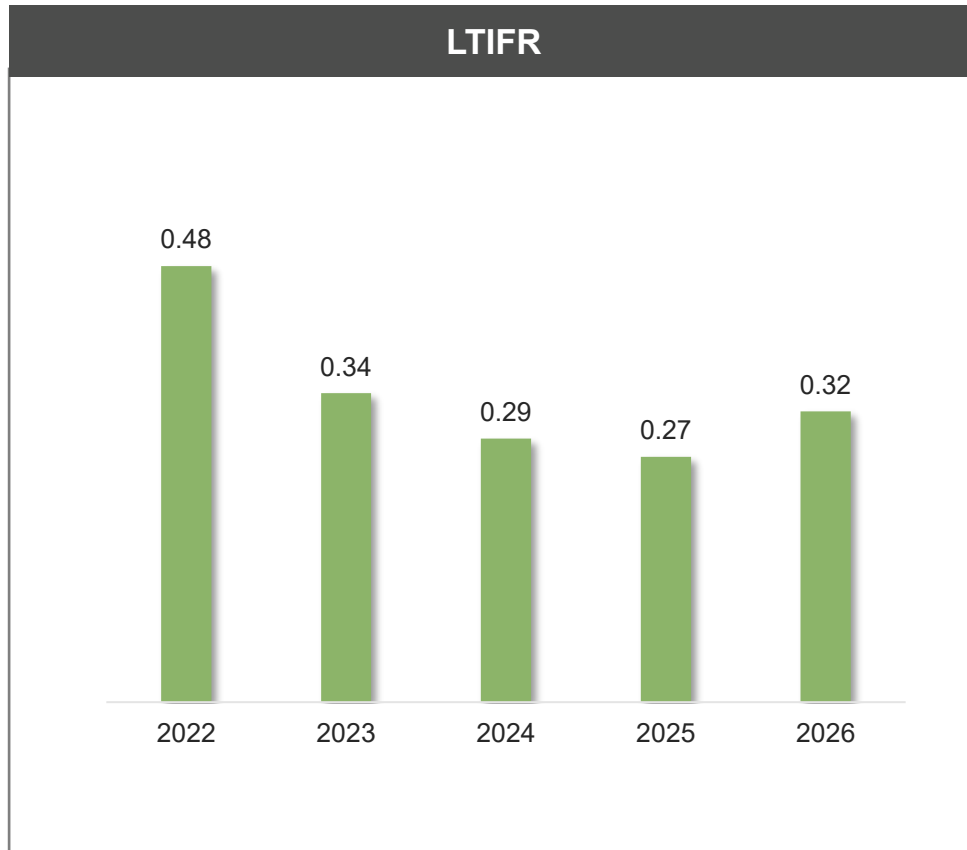
**R54,8m** learning & development  
initiatives

**6 735** learning interventions

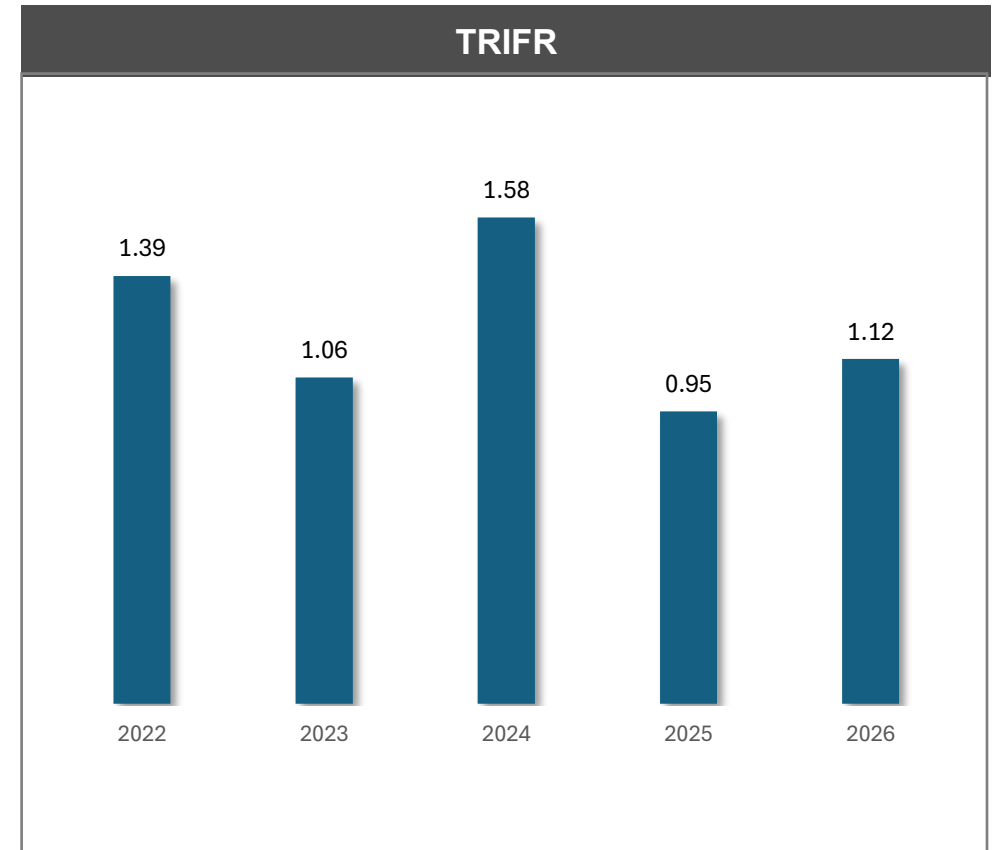
**55** staff bursaries



Our success has always depended on our people, who transform struggling assets into businesses that must navigate significant challenges in the current environment.



Lost Time Injury Frequency Rate



Total Recordable Injury Frequency Rate

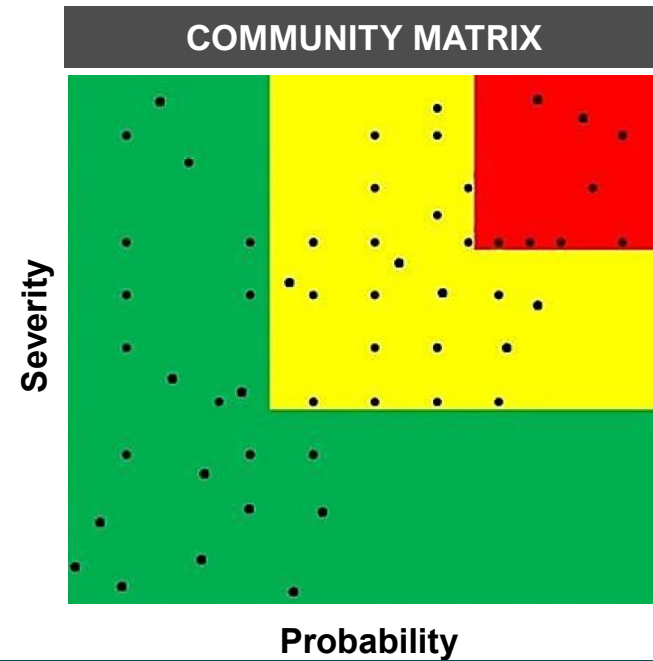
*No fatalities for 12 consecutive years*

**Social license to operate**

- R16,7 m total CSI spend
- Afrimat Foundation Trust
- Local labour sourcing for community empowerment
- CSI spend priorities:**
  1. Infrastructure
  2. Basic needs & education
  3. Uplifting communities



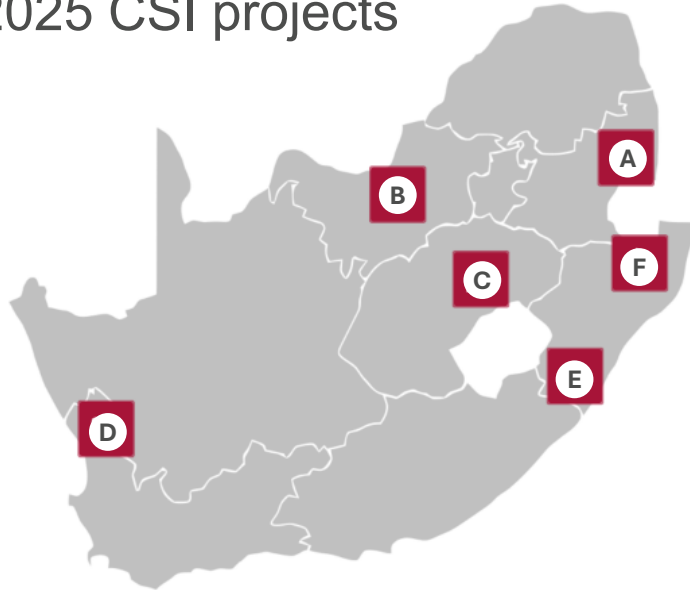
**Excellent relationships** with the communities surrounding our mining operations and production plants with no community disruption across the year.



*89 Operational sites and 61 Mining Rights*

# Social investment projects

## 2025 CSI projects



### **B** Lichtenburg Equipping of a resource centre - Taletso College



### Lichtenburg Handover plaque at Taletso Resource Centre



### **D** Vredendal The refurbishing of the Kleinrivier computer Lab



### **F** Vryheid Construction of a Library at Amakhwatha Primary School



- A Matsulu**  
Construction of a library at Benjamin Primary School
- C Bethlehem**  
Construction of a kitchen and scullery at Loch-Lammond Primary School
- E Tongaat**  
Construction of two classrooms at an Early Childhood Development (ECD) centre

Committed to environmental stewardship and sustainable practices

Carbon emissions

Environmental KPI's

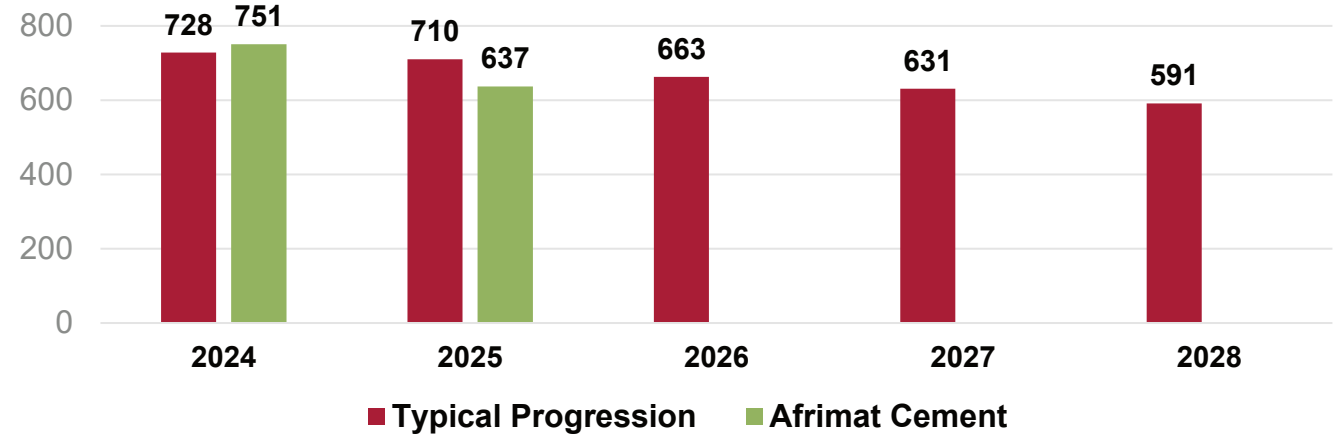
Climate change management

Water management

Waste management

Biodiversity

Leading the way with reduced emission-quality cement  
CO2 Emissions/Ton of cement



- Achieved 637 kg/ton of cement in 2025
- Targeting 600 kg/ton (6% reduction)

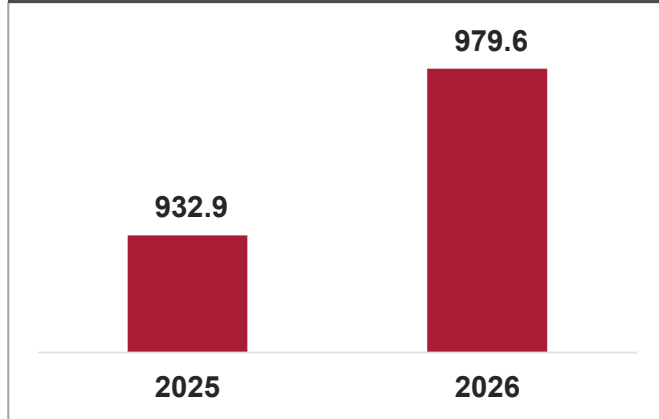


Source: Afrimat data for FY2026

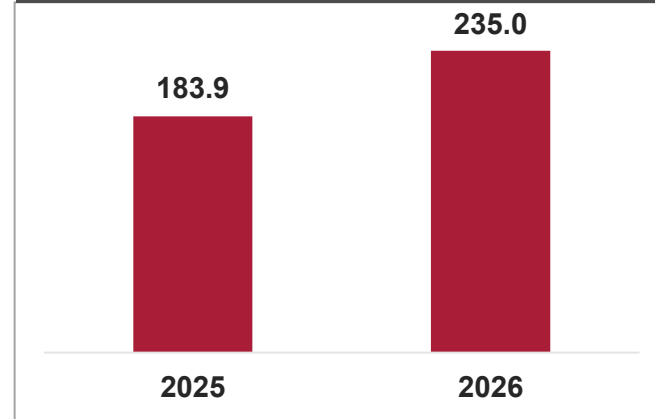
# Environmental stewardship

Comparative environmental KPI's

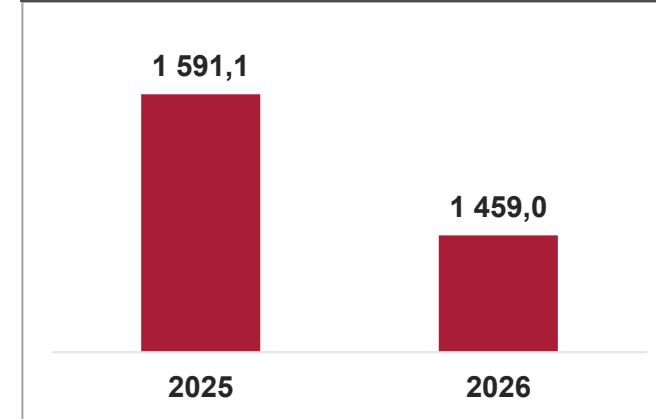
**GHG Emissions (thousand) (tCO<sub>2</sub>e)**



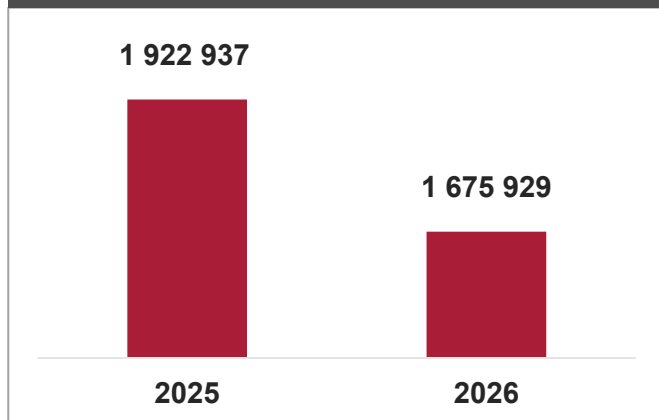
**Total rehabilitation (Ha)**



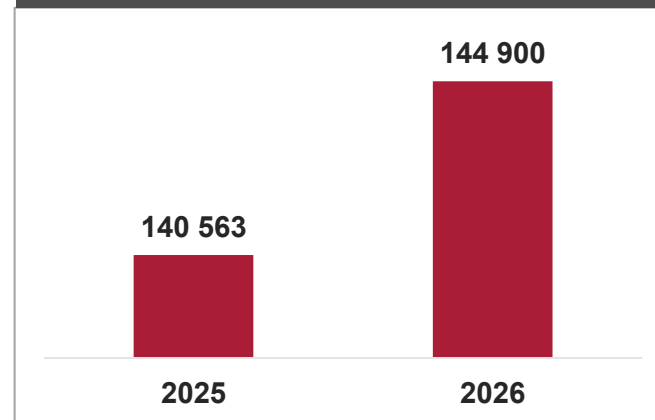
**General waste (Tons)**



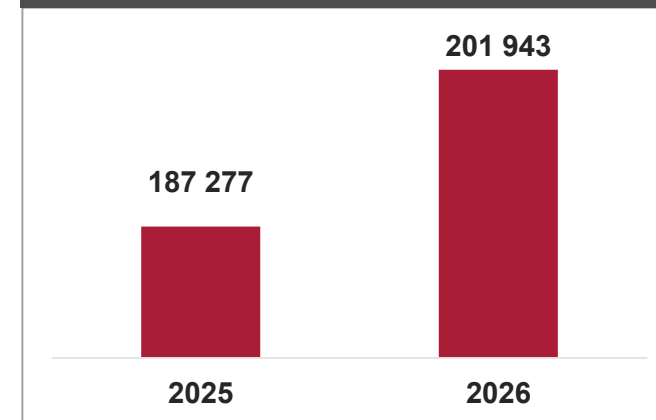
**Water used (m<sup>3</sup>)**



**Recycled used oil (l)**



**Electricity consumed (tCO<sub>2</sub>e)**



# Climate change management

Total greenhouse emissions per scope

**Total greenhouse emissions increased by 5%**

<b>Scope</b>	<b>2026 tCO<sub>2</sub>e</b>	<b>2025 tCO<sub>2</sub>e</b>	<b>Increase / (decrease) from base year 2025</b>
Total scope 1	722 190	721 533	0,1%
Total scope 2	201 943	187 277	7,8%
Total scope 3	55 480	24 044	130,7%
<b>Total carbon footprint</b>	<b>979 612</b>	<b>932 854</b>	<b>5,0%</b>

04

**FUTURE  
OUTLOOK**



## Our strengths

- Aggregates delivering at national scale
- Diversified commodity base provides cycle resilience
- Open-cast mining has inherently lower cost and is scalable
- Strong capital allocation discipline and people culture

## Headwinds we are navigating

- Cheap imports suppressing steel and ferrochrome demand
- High energy costs and logistics constraints
- Low fixed capital formation and foreign direct investment
- SA deindustrialisation impacting industrial customers

## Opportunities ahead

- Aggregate and quarry strategy gaining strong momentum
- Iron ore: rail maintenance improving, volumes recovering
- Cement: strategic alternatives actively explored
- Discussions with Government on industry protection gaining momentum
- World demand on critical minerals

## Aggregates

- Strong start to HY1 2027
- Margin expansion on track
- Energy cost pressures being monitored

## Iron ore

- International sales constrained by Transnet rail maintenance programme
- Domestic demand under pressure from ongoing steel sector headwinds

## Anthracite

- Reduced energy tariff supporting ferrochrome sector recovery
- Supply flexibility improved; export marketing and sales continuing

## Cement

- Turnaround trajectory maintained
- Strategic alternatives process actively progressing

## Industrial Materials

- Small but steady contributor to Group results
- Ferrochrome smelter reopenings expected to support demand recovery

## Aggregates

1  
Quarrying and aggregates consistently deliver, clear growth runway

## Bulk Commodities

2  
External storms, not structural failure. Recovery underway

## Cement

3  
Cement's turnaround opens door to compelling strategic opportunities.



**THANK YOU**

**Q&A**

**CONSISTENTLY DELIVERING**

**INVESTOR RELATIONS**

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