

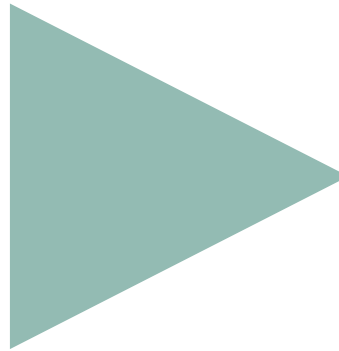
CONSISTENTLY
DELIVERING



Annual General Meeting
4 August 2021

What differentiates Afrimat

- **Company culture**
- **Diversification strategy**
- **Financial discipline**



Competitive advantage from:

- **Geographic location**
- **Unique metallurgy**
- **Structural cost advantage**

Primarily focused on mid-tier mining

Company culture

- **Good people in their right positions**
- **Living our values**
- **Interdependent teamwork**
- **Track record of efficient execution**
- **Highly innovative and entrepreneurial**

Excellence with integrity

Segmental makeup



Construction Materials



Aggregates

Contract crushing, drilling and blasting

Concrete products

Readymix



Industrial Minerals



Limestone

Dolomite

Silica



Bulk commodities

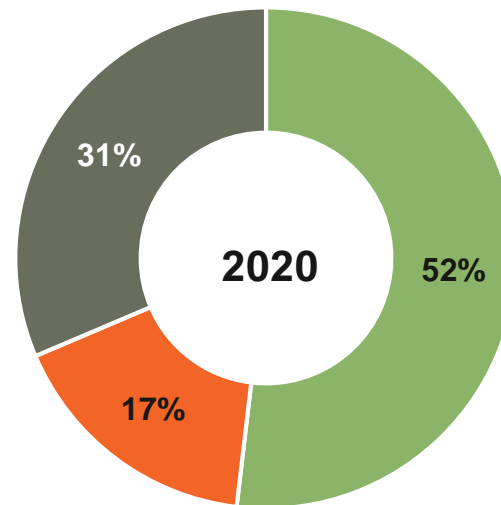
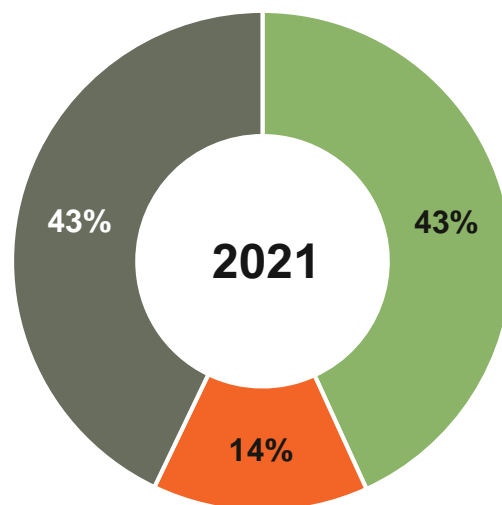


Iron ore

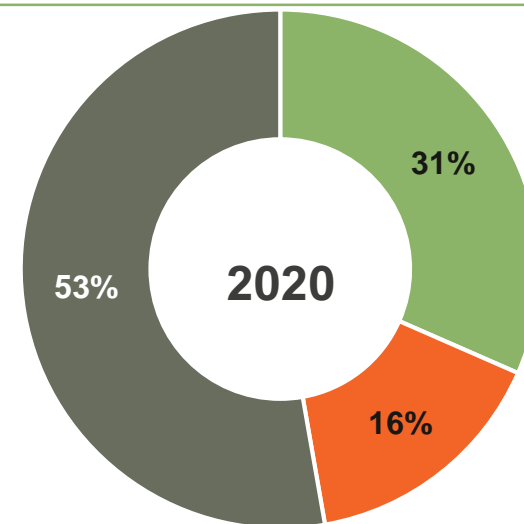
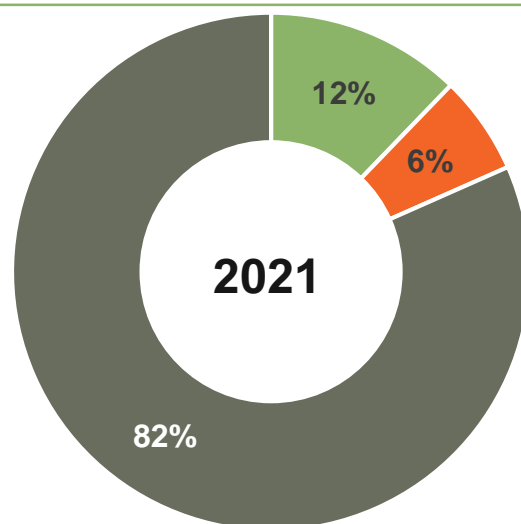
Anthracite

Balanced portfolio at work

Revenue



Operating profit



Construction Materials



Industrial Minerals



Bulk Commodities

Rationale for diversified structure

- **Good blend of locally and internationally priced commodities**
- **Exposure to different currencies**
- **Exposure to different economic cycles**
- **Similar operational skills**
- **Smooth growth for more than a decade**

CAGR of PAT at 22% (February 2009 – February 2021)

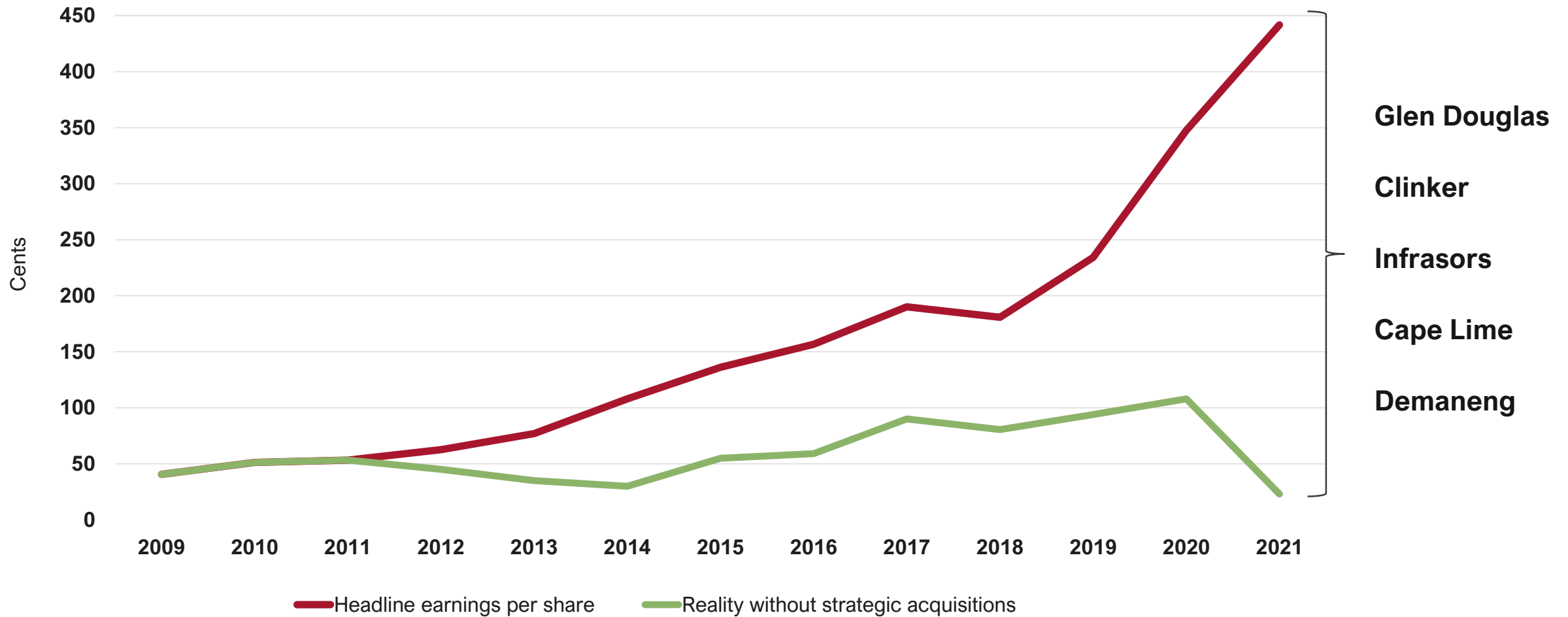
- **Creates many opportunities**



WHAT CONSCIOUS DIVERSIFICATION IS DELIVERING

Growth through diversification

Profit history with and without acquisitions



Financial highlights

47,5%

Operating profit increased
to R886,3 million

24,0%

Operating profit margin

27,0%

HEPS increased to 441,7
cents

11,8%

Group revenue increased
to R3,7 billion

112,0 cents

Final dividend

34,0%

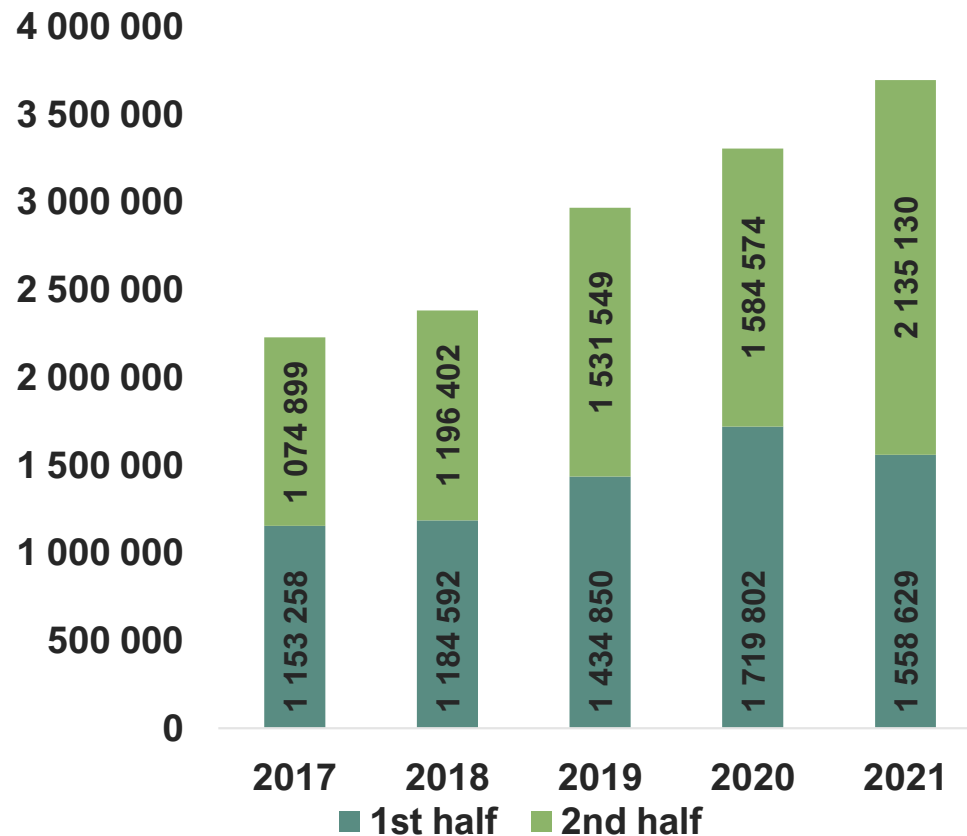
Return on net operating
assets

3,8%

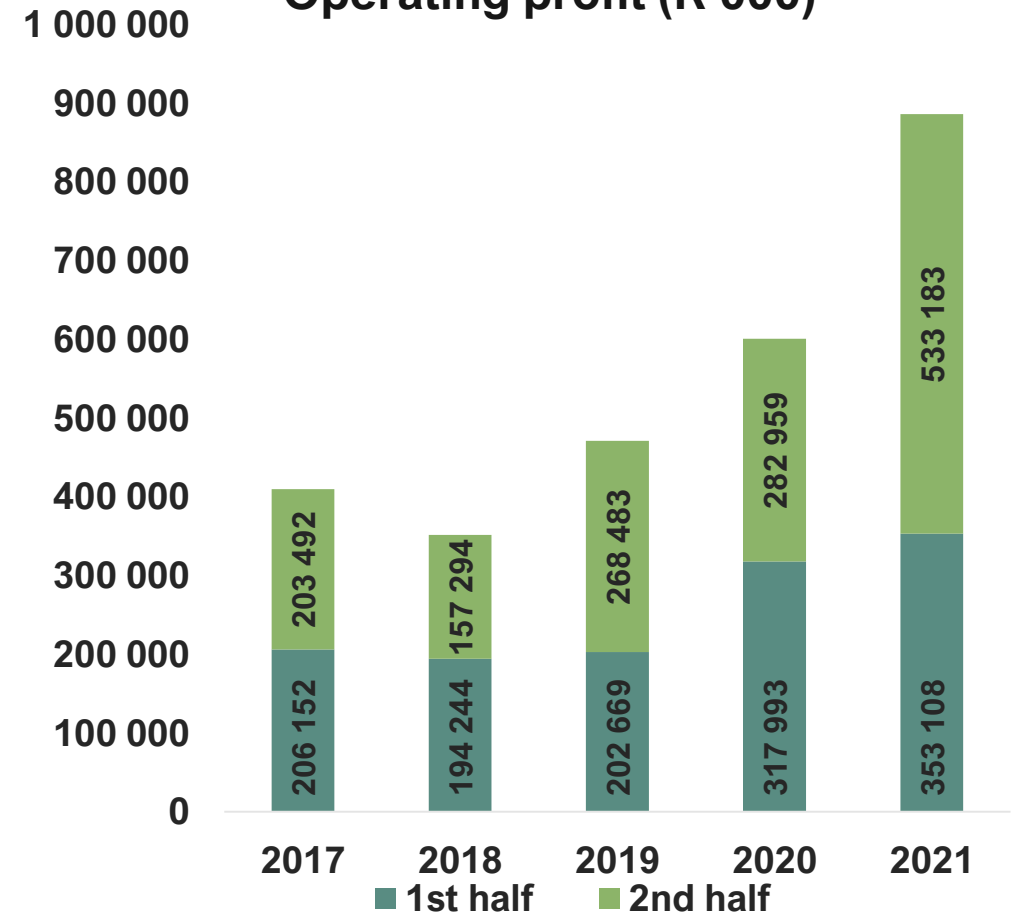
Net debt:equity ratio

Revenue and operating profit

Revenue (R'000)

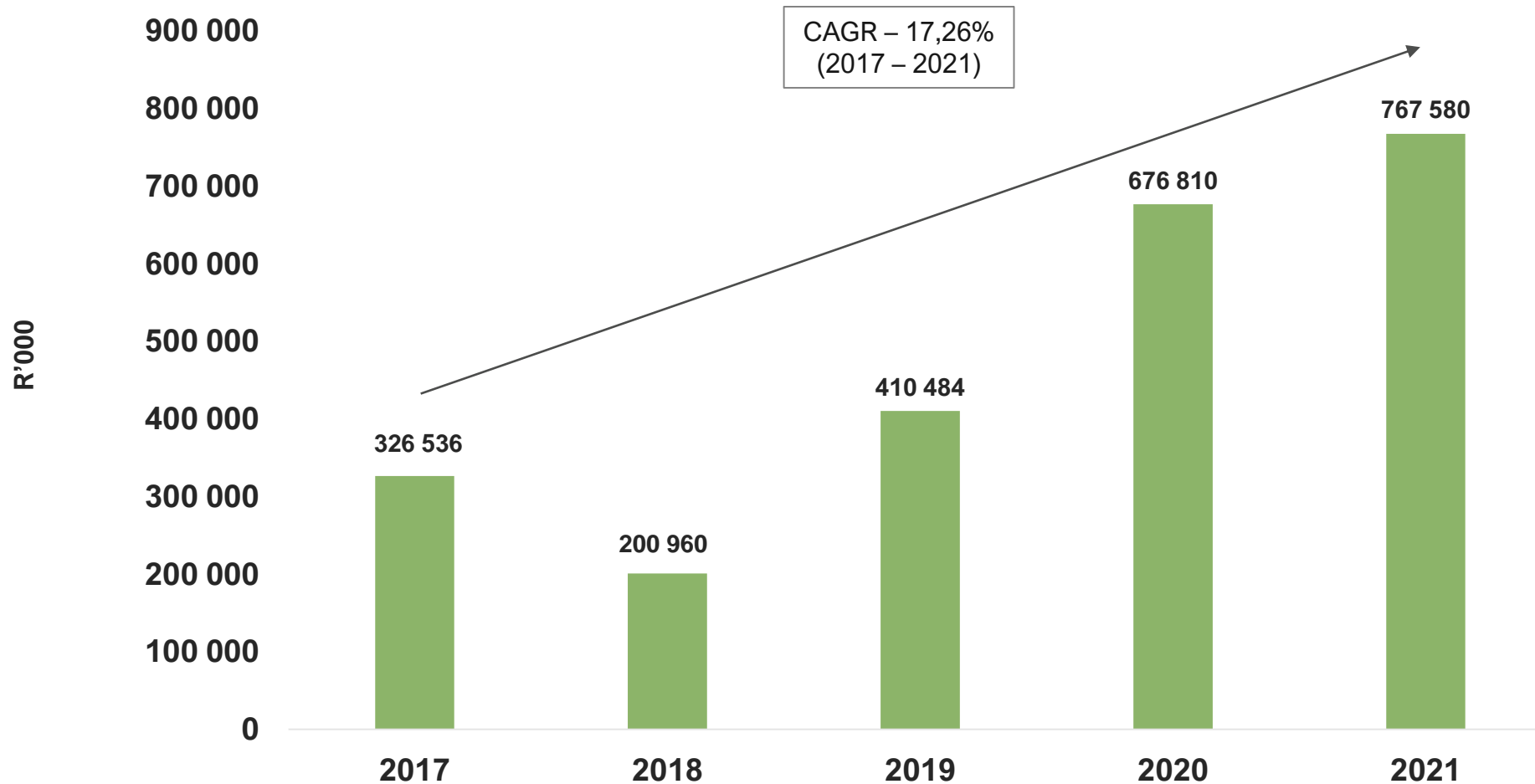


Operating profit (R'000)



CAGR in HEPS, February 2009 – February 2021 = 22%

Net cash from operation activities – full year

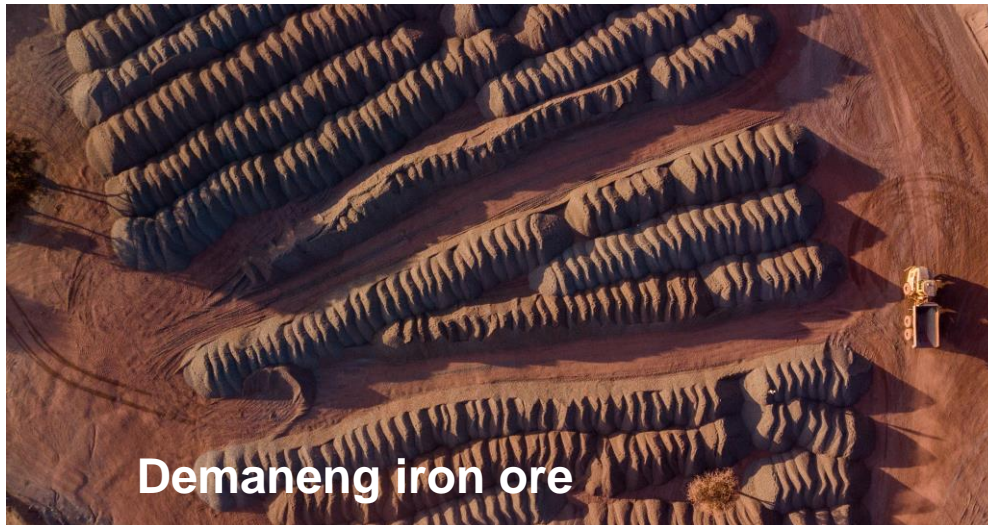




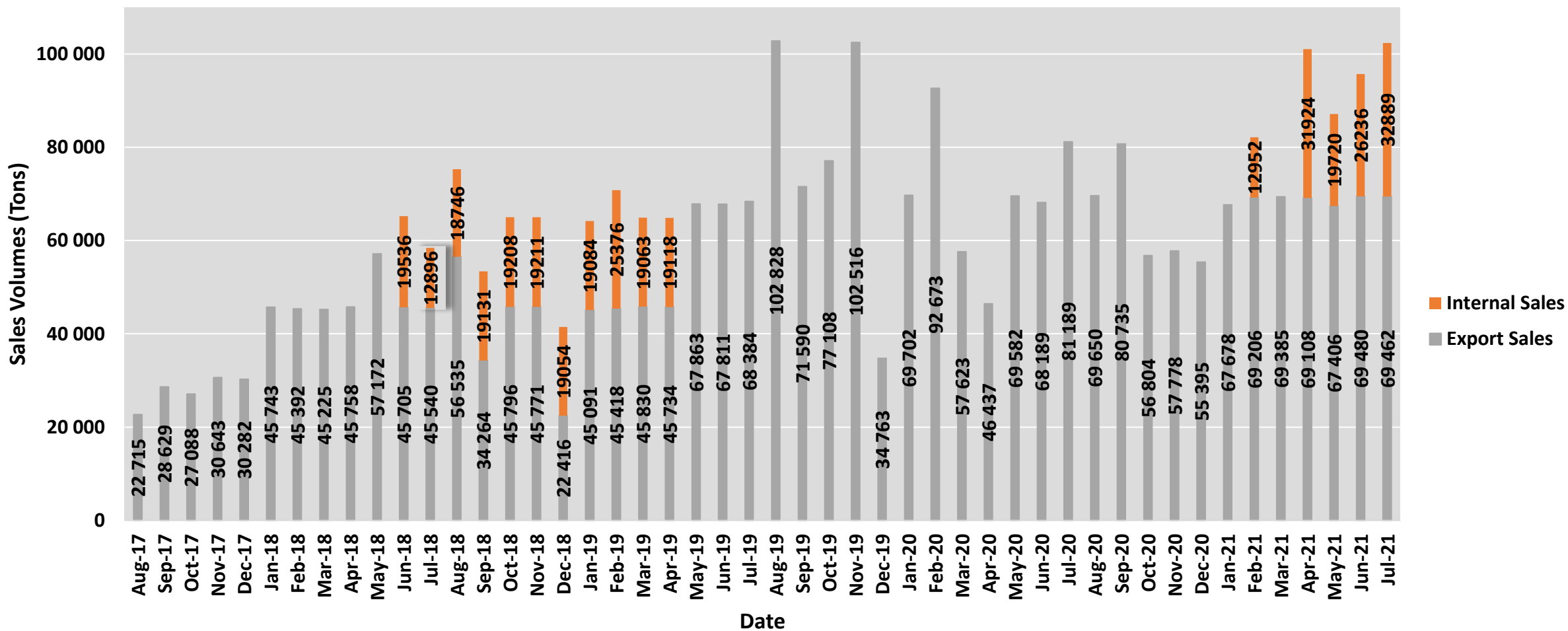
OPERATIONAL OVERVIEW

Bulk commodities

- **Iron ore**
 - Demaneng mine
 - Jenkins mine
- **Anthracite**
 - Nkomati mine



Total sales (export and local)



Jenkins iron ore mine

- **Currently busy with ramp-up**
- **Mining and water use license approved**
- **Expect contribution in second half of 2022**
- **Product from mine for domestic market**
- **20 year LoM**

Volumes expected:

- Y1 500,000 tonnes
- Y2 1,250,000 tonnes

Capex: R110 million

Nkomati anthracite mine

- All shares in mine now owned by Afrimat
- Non-core UCP (Unicorn Capital Partners) assets sold, netting R45 million
- Undertook comprehensive Life-of-Mine (LoM) exercise, resulting in better understanding of deposit
- Tropical storm Eloise delayed turnaround
- Production resumed in July 2021
- Expect contribution in second half of 2022
- Mine potential remains exciting due to high quality of product

Volumes expected:

- F2022 – 225 000 tonnes
- Steady state – 540 000 tonnes

Capex: R100 million

Industrial Minerals

- Lime
- Metallurgical dolomite

Cape Lime, main factory



Industrial Minerals : status

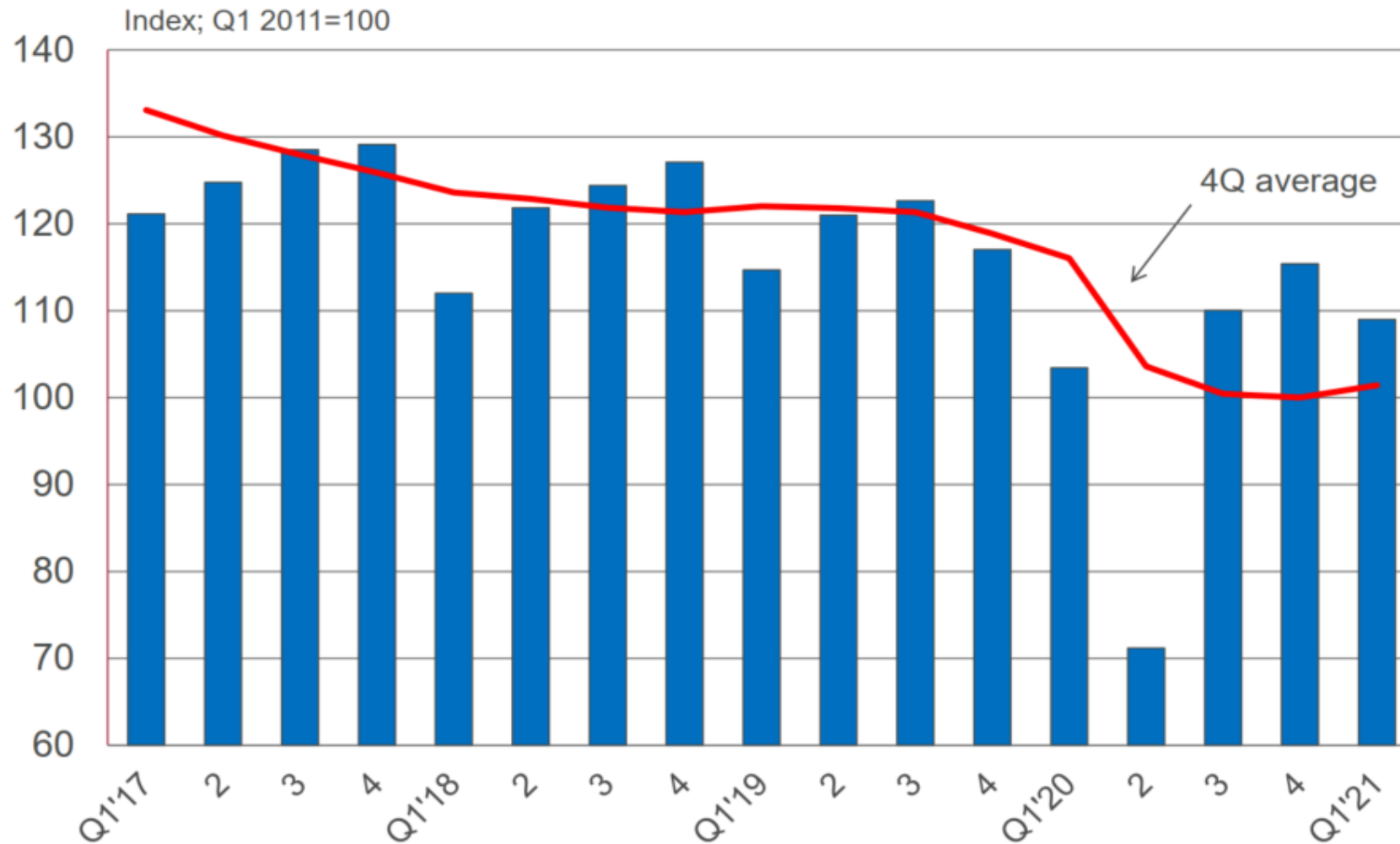
- **Good recovery after Covid-19 lockdown last year**
- **Volumes currently strong**
- **Strong demand from steelmakers, but expect slow November and December**
- **Good quality business**
- **Very strong team**
- **Potential for small but exciting acquisitions**

Construction Materials

- **Aggregates**
- **Bricks & blocks**
- **Readymix concrete**



Afrimat Construction Index – Q1 2021



Mozambique

- **Eventually made a small operating profit (R13 million)**
- **Insurgents launched a deadly attack on 24 March 2021**
- **All Afrimat staff withdrawn**
- **Currently plant and equipment being brought to safety**
- **Force Majeure declared by Total**
- **Limited financial impact expected**

Construction Materials : current status

- **Volumes made V-shaped recovery from Covid-19 lockdown**
- **Current volumes at pre-Covid levels**
- **Government infrastructure plans:**
 - Good prospects for the industry
 - Has so far had limited impact on sales volumes
- **Exciting strategic opportunities**



GRAVENHAGE

Gravenhage manganese mining right

- **Adding manganese to portfolio**
- **>20 year Life of Mine and high quality resource**
- **Additional foreign currency exposure**
- **Possible synergies with Demaneng**
- **Total purchase consideration of roughly R650 million**
- **Busy with robust business plan**
- **Expect all contractual conditions to be met by early 2022**

“Economic viability and profitability are one thing, but Afrimat is equally passionate about the longer-term contribution it will be able to make to the immediate local community, the Northern Cape province and in turn the South African economy through its dedication to job creation and skills development and transfer.”

An aerial photograph of a landscape featuring a winding path made of dark grey gravel. To the left of the path is a patch of bright green grass. The path curves from the top left towards the bottom right. Overlaid on the right side of the image is a large, semi-transparent grey rectangle. Inside this rectangle, the word "SUSTAINABILITY" is written in a bold, white, sans-serif font. There are also several smaller, semi-transparent green and teal rectangular shapes scattered across the image, partially overlapping the gravel and grass areas.

SUSTAINABILITY

Afrimat culture



Caring environment



Results driven



Skills and competence



Entrepreneurial drive



Humility and belief



Important relationships



Teamwork



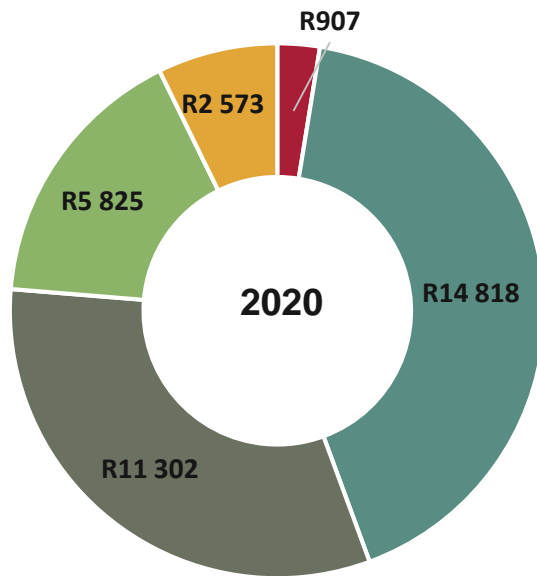
Empowering



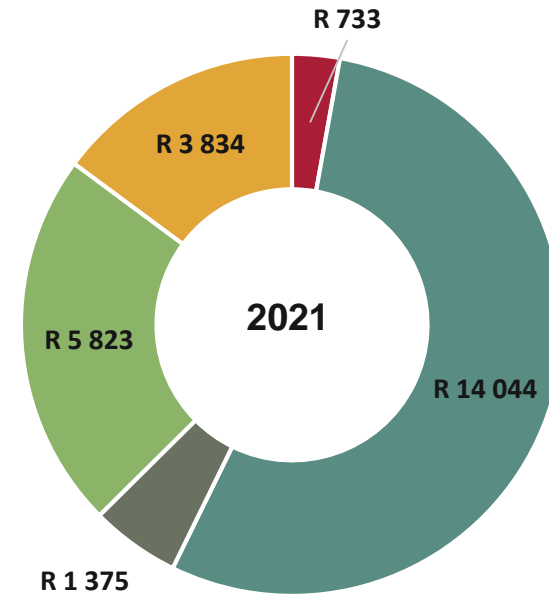
Winning attitude

Human resource development

Categorisation spend (R'000)



- Bursary/study loans
- Skills development department cost
- Internship remuneration
- Training costs
- Learnerships



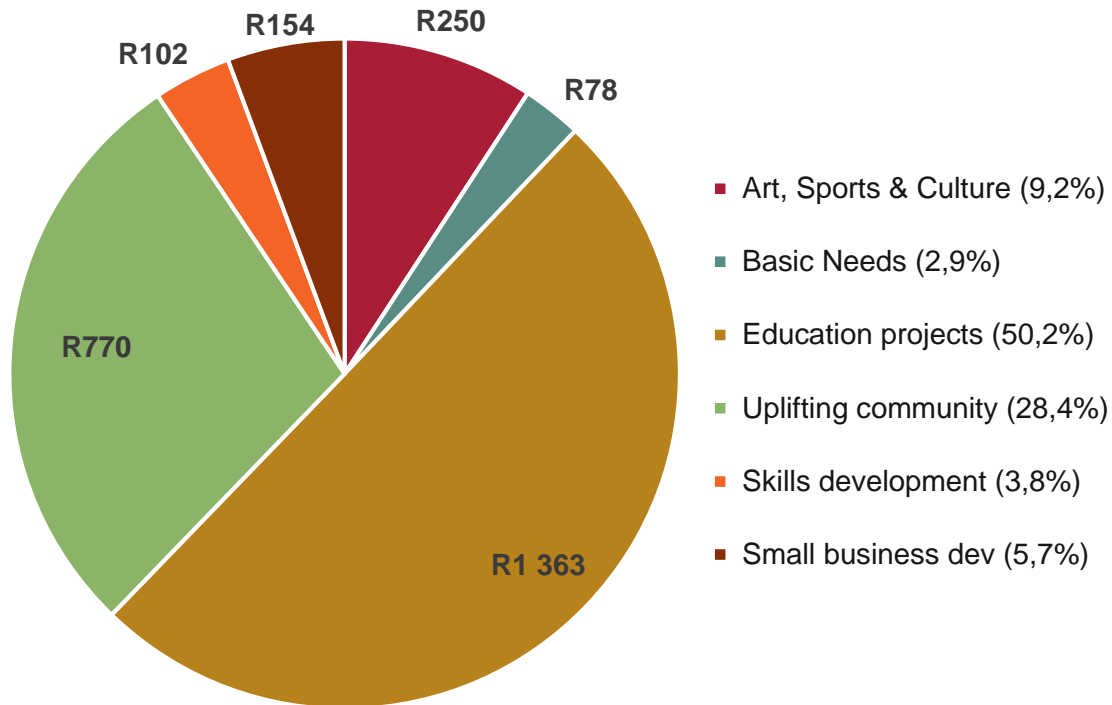
- Bursary/study loans
- Skills development department cost
- Internship remuneration
- Training costs
- Learnerships

R25,8 million (2020: R35,4 million) spent on skills development, bursaries, learnerships and internships for the year
83,0% of this expenditure was in respect of historically disadvantaged employees

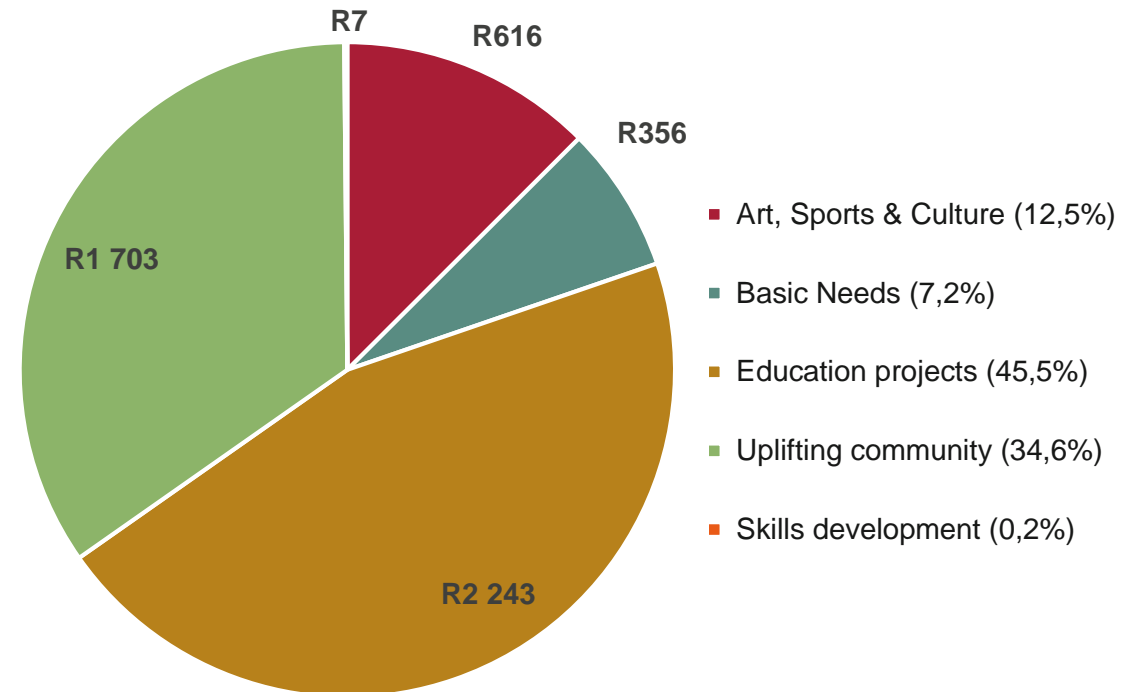
Community development

Categorisation spend (R'000)

F2021 (R'000)



FY 2020 (R'000)



R2,7 million (2020: R4,9 million) spend towards LED projects during the year

An aerial photograph of a golf course featuring a vibrant green fairway, a sand trap, and gravel paths. The image is overlaid with a series of semi-transparent, overlapping squares in shades of green and grey, creating a modern, geometric aesthetic. The text 'THE FUTURE' is prominently displayed in white, bold, sans-serif capital letters within a grey square on the right side of the image.

THE FUTURE

Looking ahead

- **Maintain excellent results from existing operations**
- **Remain vigilant, react quickly and keep employees safe should Covid-19 resurge**
- **Iron ore business to benefit from Jenkins iron ore mine**
- **Nkomati expected to contribute as from H2 of F2022**
- **Good cash flow**
- **Execute diligently on new expansion projects**

Contact details



Thank you for your attendance and participation

For any further investor relations questions please contact:

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