



**CONSISTENTLY DELIVERING**

A collage of four images: top-left shows a large pile of reddish-brown earth with a yellow mining truck; top-center shows a long conveyor belt system over a large pile of dark material; top-right shows a close-up of hands holding wood chips; bottom-right shows an industrial facility with silos and machinery.

**Audited consolidated  
financial statements**  
for the year ended 29 February 2024

# Core message



Consistently delivering  
above average growth in  
earnings

Steady stream of growth  
and strategic projects to  
aid sustainability and  
diversification

Company culture and high standard of execution  
supports Group moats

**Resource X machines X people <sup>2</sup> = Unlocking Success**



1

# WHY WE EXIST

*Consciously making a difference  
through excellence with integrity*





**CARING  
ENVIRONMENT**



**ENTREPRENEURIAL  
DRIVE**



**TEAMWORK**



**RESULTS  
DRIVEN**



**HUMILITY  
AND BELIEF**



**EMPOWERING**



**SKILLS AND  
COMPETENCE**



**IMPORTANT  
RELATIONSHIPS**



**WINNING  
ATTITUDE**

**Excellence with Integrity**

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# WHAT WE DO

A photograph of a quarry or aggregate processing site. In the foreground, a yellow and black wheel loader is positioned on a pile of grey gravel. The loader's bucket is partially filled with the material. In the background, a conveyor belt system is visible, with a hopper at the top and a long belt extending across the site. The conveyor is supported by metal structures. The background shows a lush green hillside under a clear sky. The entire image is overlaid with a dark red diagonal graphic on the left side.

*A leading, empowered mid-tier  
mining and materials supply company*

# What we do

Growth through structured diversification



## Construction Materials \*



Aggregates | readymix | concrete products

- 35 active quarries
- 41 readymix concrete sites
- 6 brick-and-block operations
- 2 clinker sources
- 5 sand mines
- Cement | 1 integrated plant, 2 grinding plants, 2 depots
- Fly-ash (Lethabo and Matla)

## Industrial Minerals



Limestone | dolomite | industrial sands

- 2 limestone sources
- 2 dolomite sources
- 1 agricultural limestone mine

## Bulk Commodities



Iron ore | anthracite | manganese

- 3 iron ore mines
- 1 anthracite mine
- 1 manganese source

## Future Materials and Metals



Phosphate | rare earth elements

- Phosphate
- Rare earth minerals

\* Including Lafarge that was acquired post the year-end

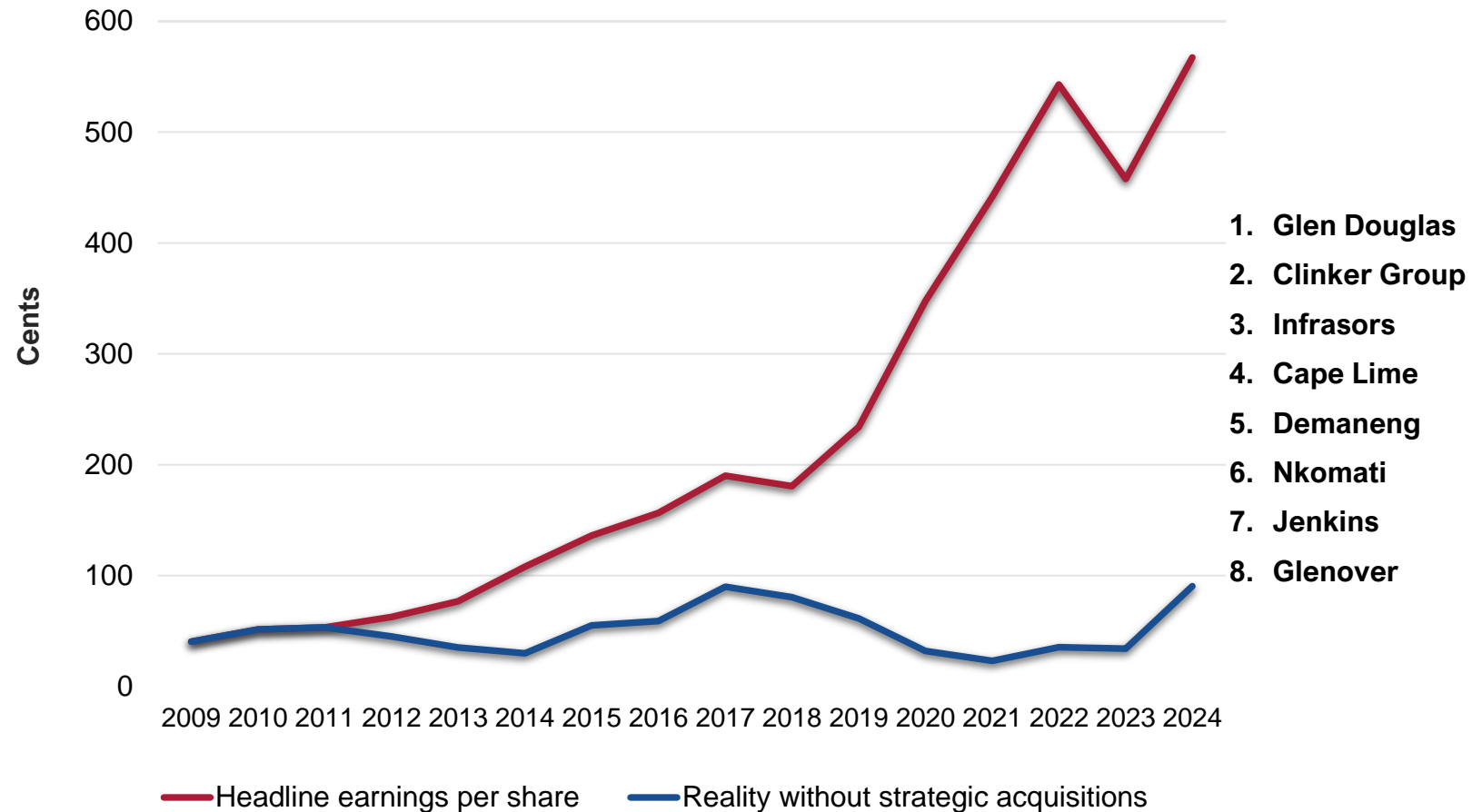
Track record of excellence and core competence in mid-tier mining and materials supply

Return on net operating assets 25,6% (2023: 24%)

# Rationale for and result of diversified structure

- Smooth growth for more than a decade
- Good blend of local and international priced commodities
- Exposure to different currencies and economic cycles
- Similar operational skills
- Creates many opportunities
- PAT CAGR of 19,0% (Feb 2009 – Feb 2024)

## Profit history with and without acquisitions



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## UNIQUE COMPETITIVE ADVANTAGE

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

2

## RESPECT FOR CAPITAL AND ITS ALLOCATION

- Strong balance sheet
- RONA of 25,6%
- Consistent cash generation

3

## EXECUTION

- Multi-discipline approach to project execution
  - Engineering, IT, finance, legal, community relations, authority relations, logistics, marketing, etc.
- Resilient, disciplined execution



# Short-term strategic focus

- Integration and turn-around of Lafarge
- Continuously improve performance from existing assets through operational efficiency
- Ensure continued sustainable value from Nkomati anthracite mine
  - Mine fully developed
- Optimise value from available iron ore sources
- Carefully advance strategy implementation and positioning at Glenover



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# HOW WE DO IT

*Culture of care in all that we do  
and a thriving entrepreneurial spirit*



Focus on job creation,  
staff training and  
ensuring a high standard  
of health and safety

Active community  
relations with investment  
in education, youth  
employment and  
infrastructure

ESG focus across 44 mining licenses, rehabilitation  
and carbon neutrality strategy





Growing with Afrimat

When you grow,  
we grow



*“The growth of Afrimat has always been linked with the growth of others.”*

– Jabu Motha

## Jabu’s Growth Journey


- May 2014 – Mine Engineering Intern
- May 2016 – Regional Mine Planner
- August 2016 – Acting Quarry Manager
- May 2017 – Quarry Manager
- Aug 2022 – Mining Engineer
- March 2024 – Operations Manager (Quarry, Ready mix, Brick & Block plant)

Before joining Afrimat, Jabu had obtained a BTech (Mine Engineering) degree from the University of Johannesburg.

Jabu, who hails from Daveyton in the East Rand, joined Afrimat as a Mine Engineering Intern on 5th of May 2014.

He was appointed permanently as a Regional Mine Planner on the 1st of May 2016. In this role, he was based in Vryheid and reported to the Regional Director.

# The value we place on care (cont.)



In person welcoming



6 days	Employees from 37 sites welcomed	Nationwide
14 Afrimat senior executives		



# People management



2 755 employees

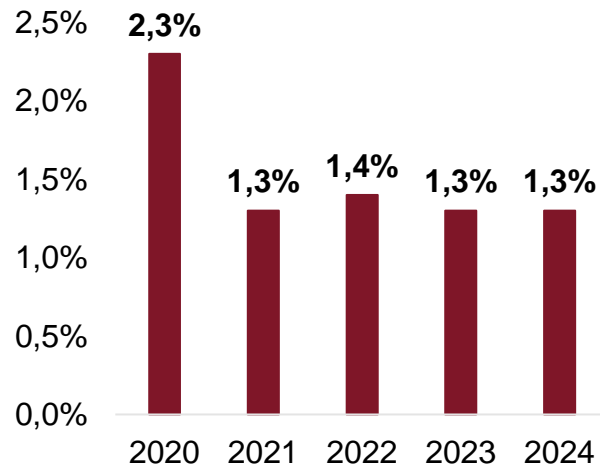
8 266 training days

756 new employees hired (224 FTC\*)

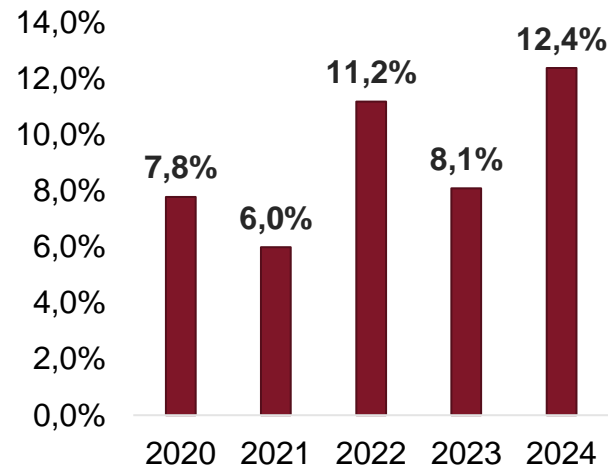
5.5% of total employees – learners, apprentices and interns

Staff wellness programme

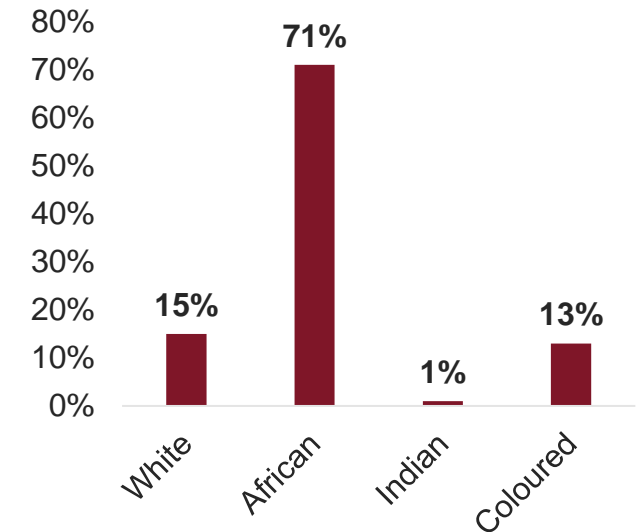
## Absenteeism



## Attrition

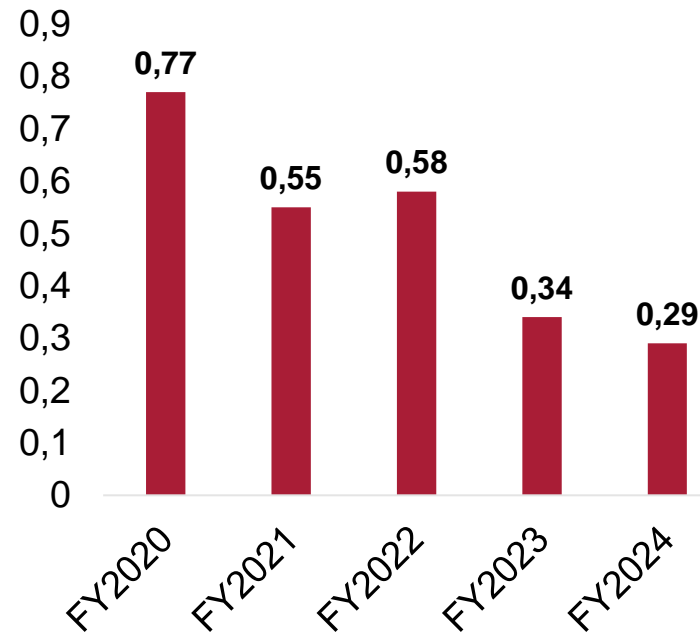


## Staff composition

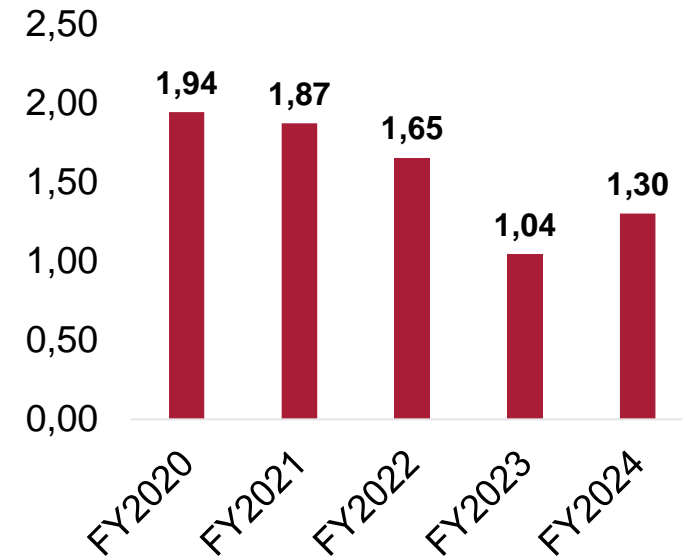


\* FTC – Fixed term contract

### LTIFR\* progress



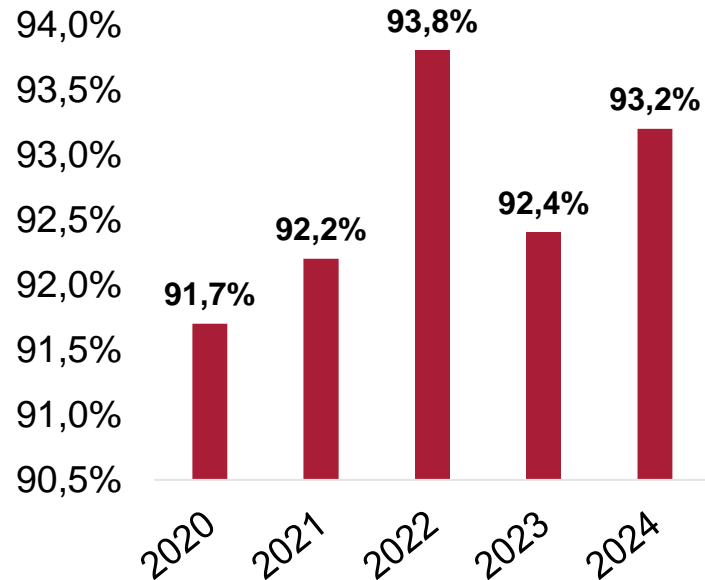
### TRIFR\*\* progress



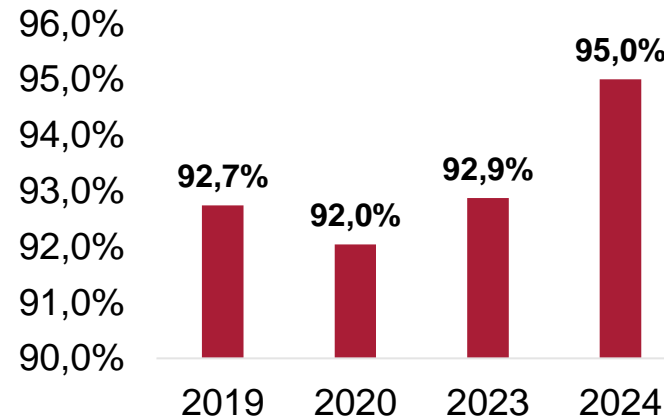
\* LTIFR – Lost time injury frequency rate

\*\* TRIFR – Total reportable injury frequency rate

## ASPASA ISHE Audits



## ASPASA environmental compliance audits



## Environmental Awards

- Hluhluwe - Best physical award – Top performer
- Dingwell- Most improved site
- Ashleigh - Outstanding commitment

## Safety Awards

- Afrimat QwaQwa - Top performer 97.59%
- Health and safety award for outstanding commitment - Anton Marnewick
- Health and Safety officer award - Marina Gricius
- Health and Safety Rep award – Donald Tsotetsi Afrimat QwaQwa



75 sites  
across  
South  
Africa

CSI spend  
in F2024  
R34,4m

## Extension and renovation of nutrition facilities in four primary schools in Macassar, Western Cape



- Oklahoma Primary (1 100 learners in the school and the nutrition facility feeds 104 learners per day)
- Macassar Primary (1 030 learners in the school and the nutrition facility feeds 450 learners per day)
- Marvin Park Primary (1 423 learners in the school and the nutrition facility feeds 300 learners per day)
- Firgrove Primary (948 learners in the school and the nutrition facility feeds 200 learners per day)

## Additional classroom at a primary school in Dundee (KZN)



- 350 learners at Morningside Primary school

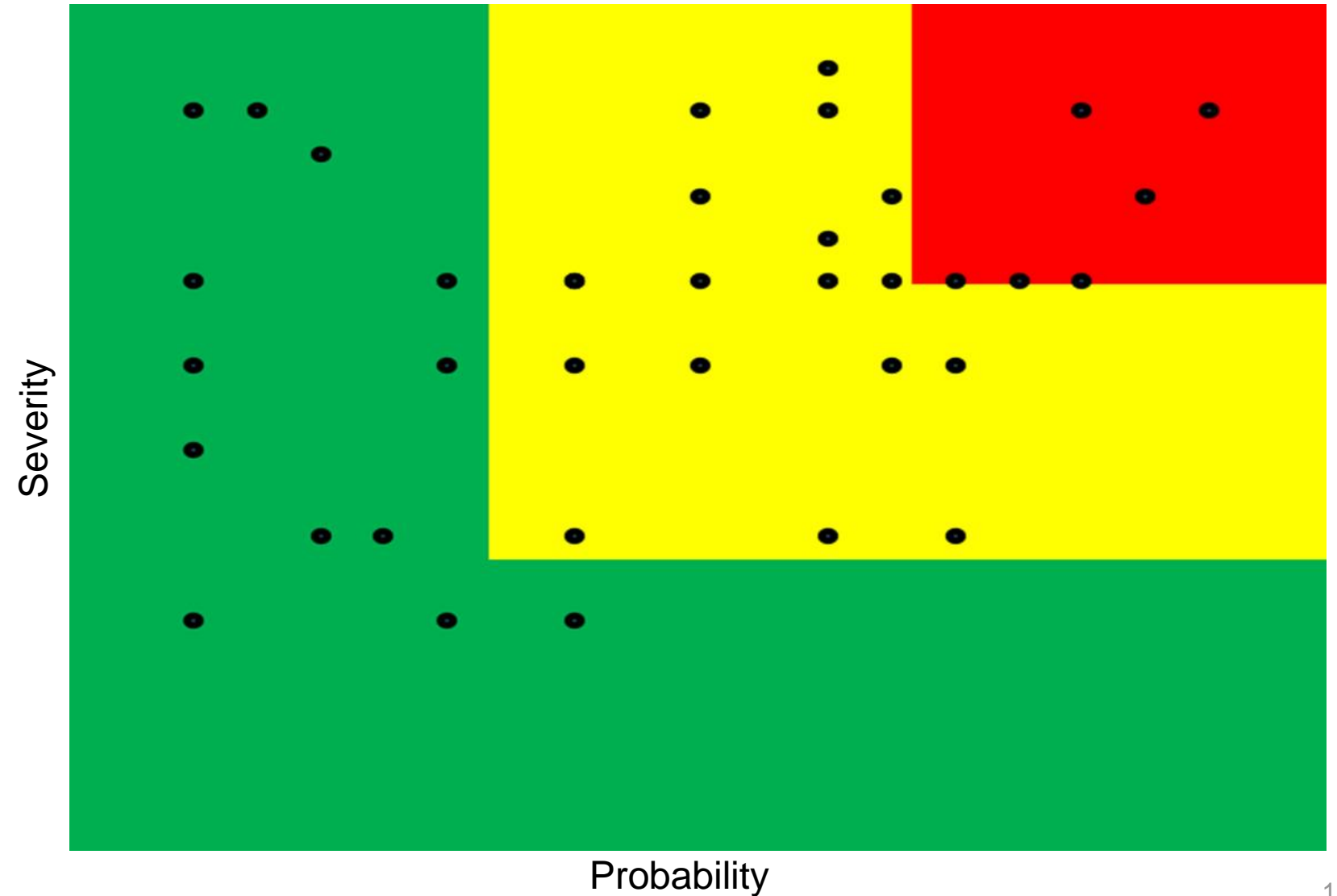


- 88 candidates trained in trackless mobile machinery
- 48 employed thus far

## Skills programme for unemployed youth in Steenbokpan (Limpopo)

# Community relations - Risk matrix

**Excellent relationships** with the communities surrounding our mining operations and production plants

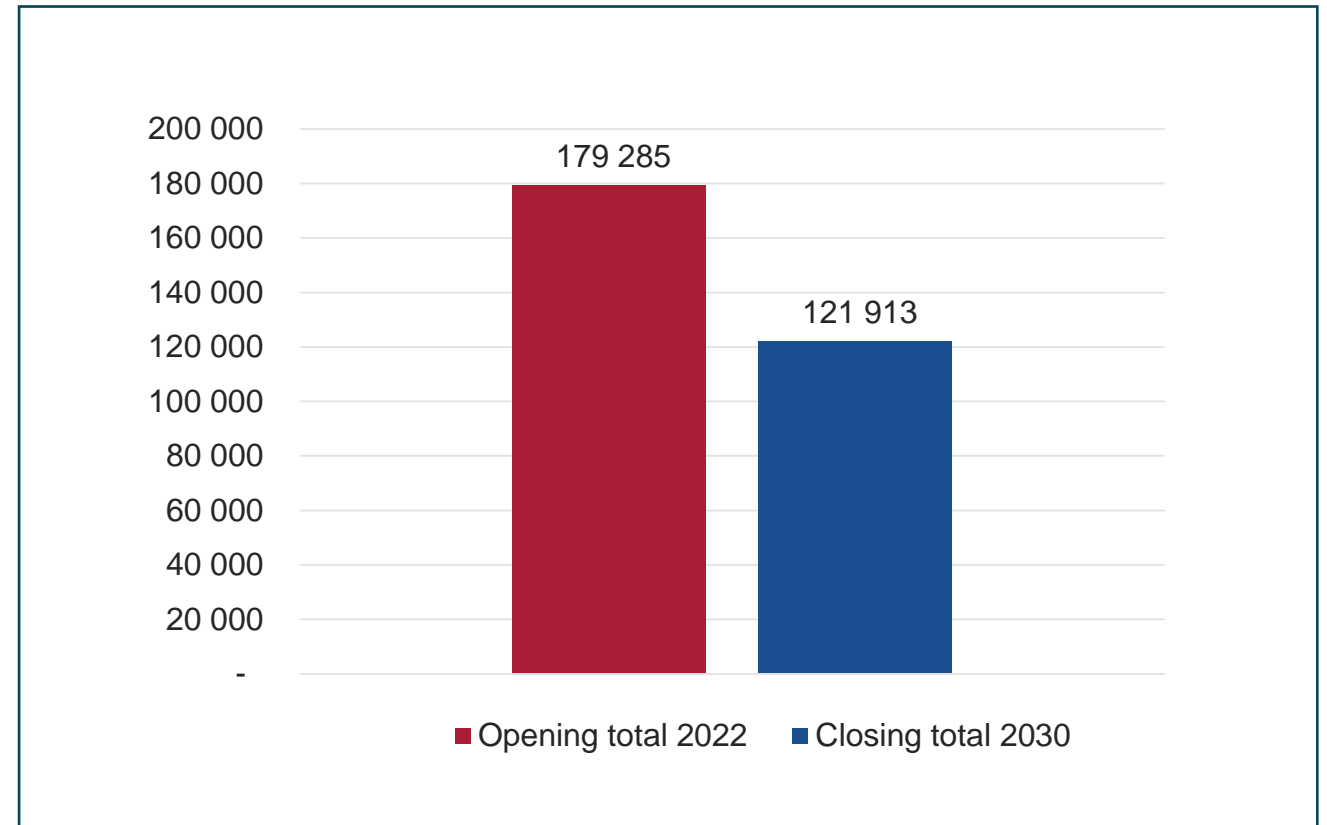


# Carbon neutral strategy

Reduce carbon emissions by 32% by 2030



- Reduction in line with UN SDG's
- 2050 target carbon neutrality across operations
- 2023 – Carbon emissions on target for 2030



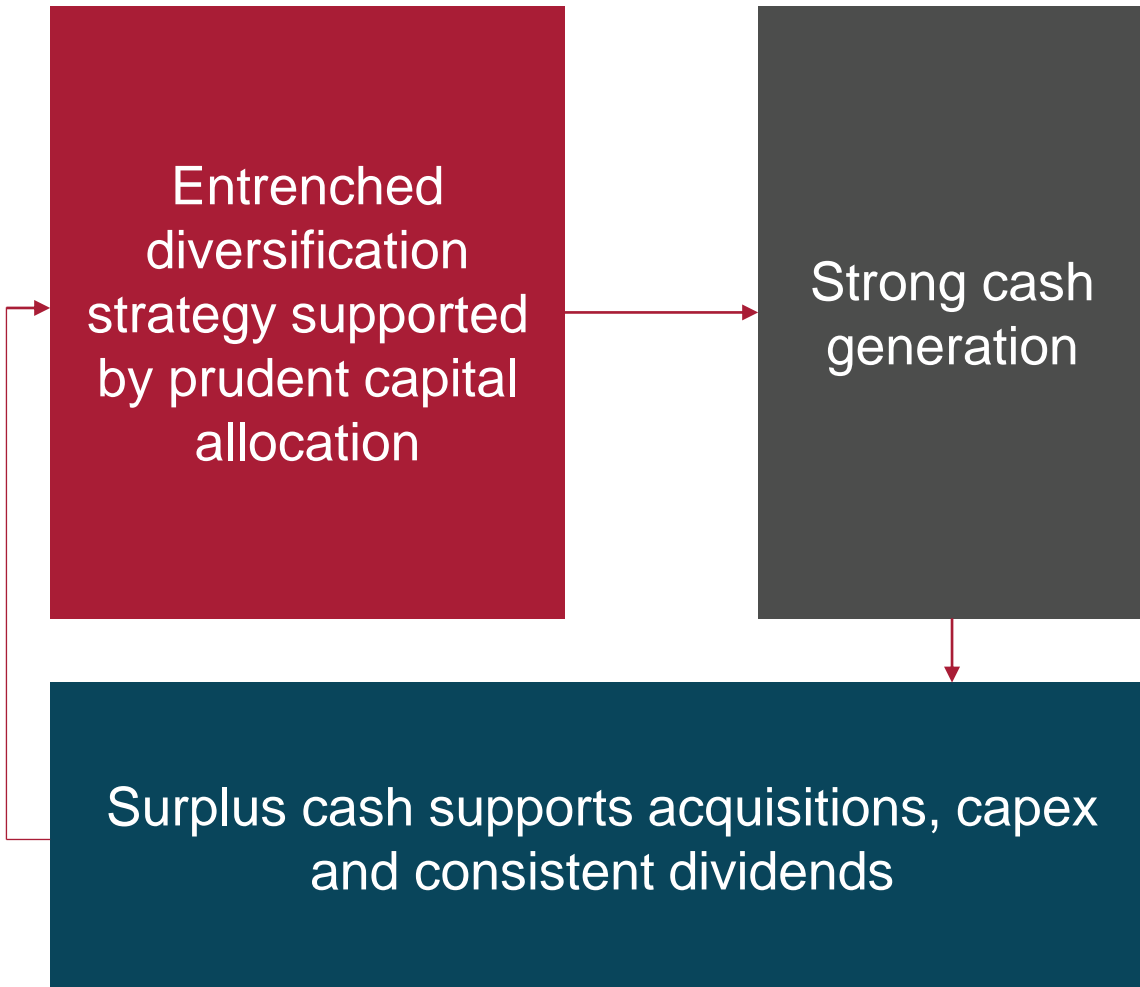
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# FINANCIAL OUTCOMES

*The financial scorecard supports  
and encompasses the way we  
diligently and methodically do things*



# Core financial discipline to support growth



Continuous measurement against decisions taken



# Financial highlights



**Up 23,9% to R6,1 billion**

Group revenue

**24,0% improvement**

HEPS – 567,3 cents per share

**154,0 cents per share**

Final dividend

**18,9%**

Operating profit margin

**15,9% up to 3 004 cents**

Net asset value

**25,6%**

Return on net operating assets

**1,4%**

Net debt:equity ratio

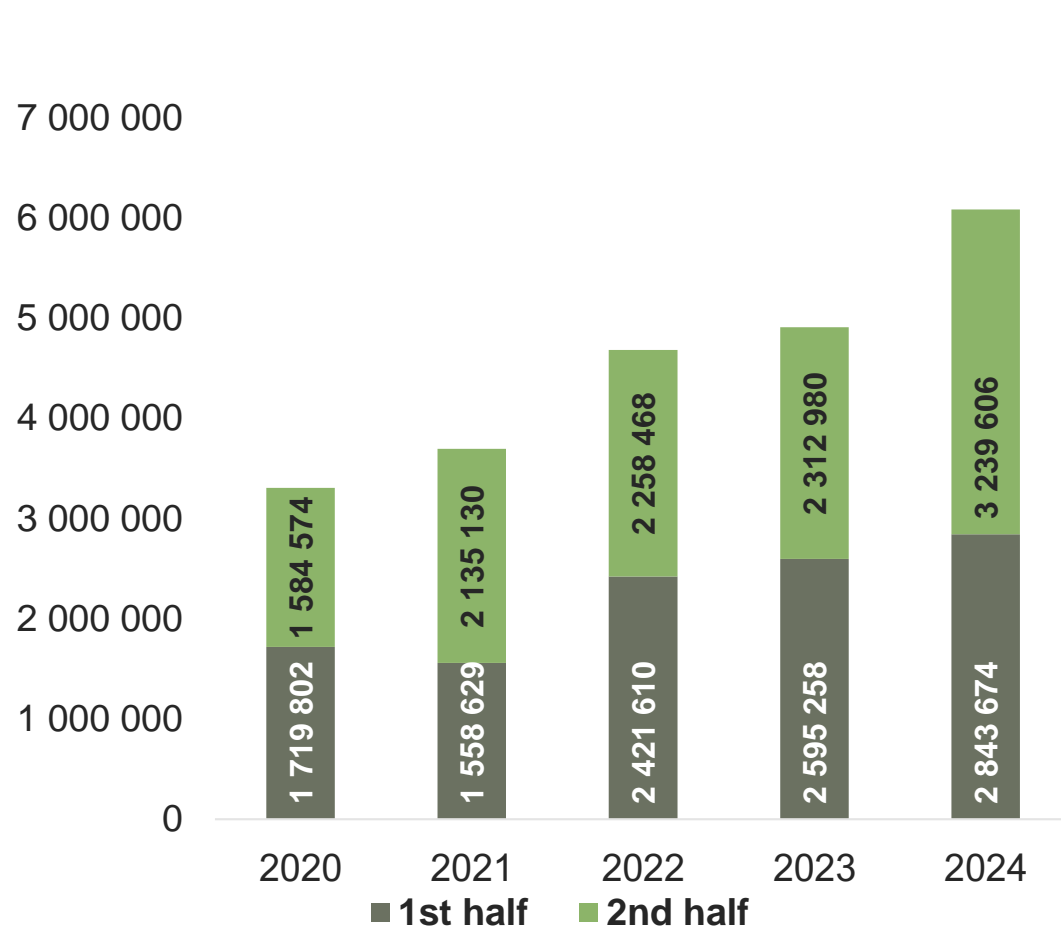
**25,3% up to R1,2 billion**

Net cash from operating activities

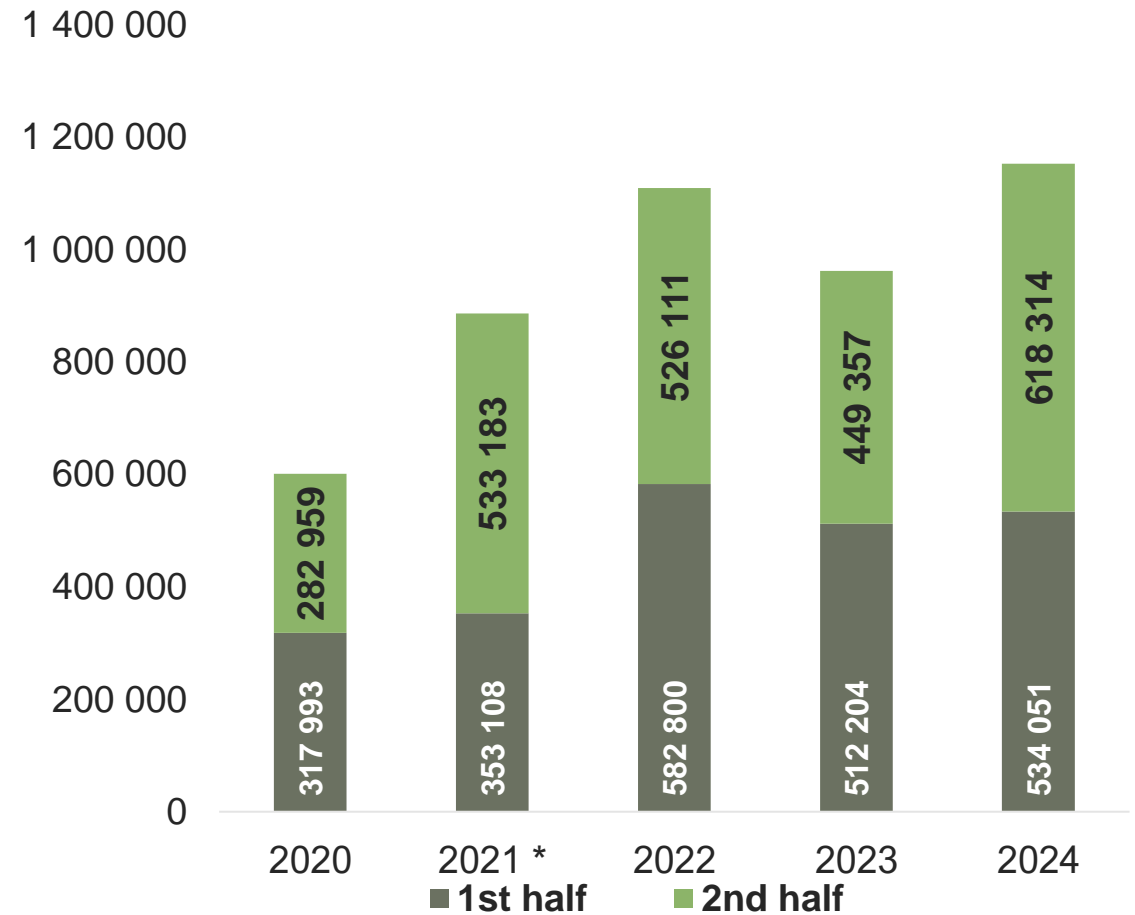


# Revenue and operating profit

## Revenue (R'000)



## Operating profit (R'000)



\* As previously reported



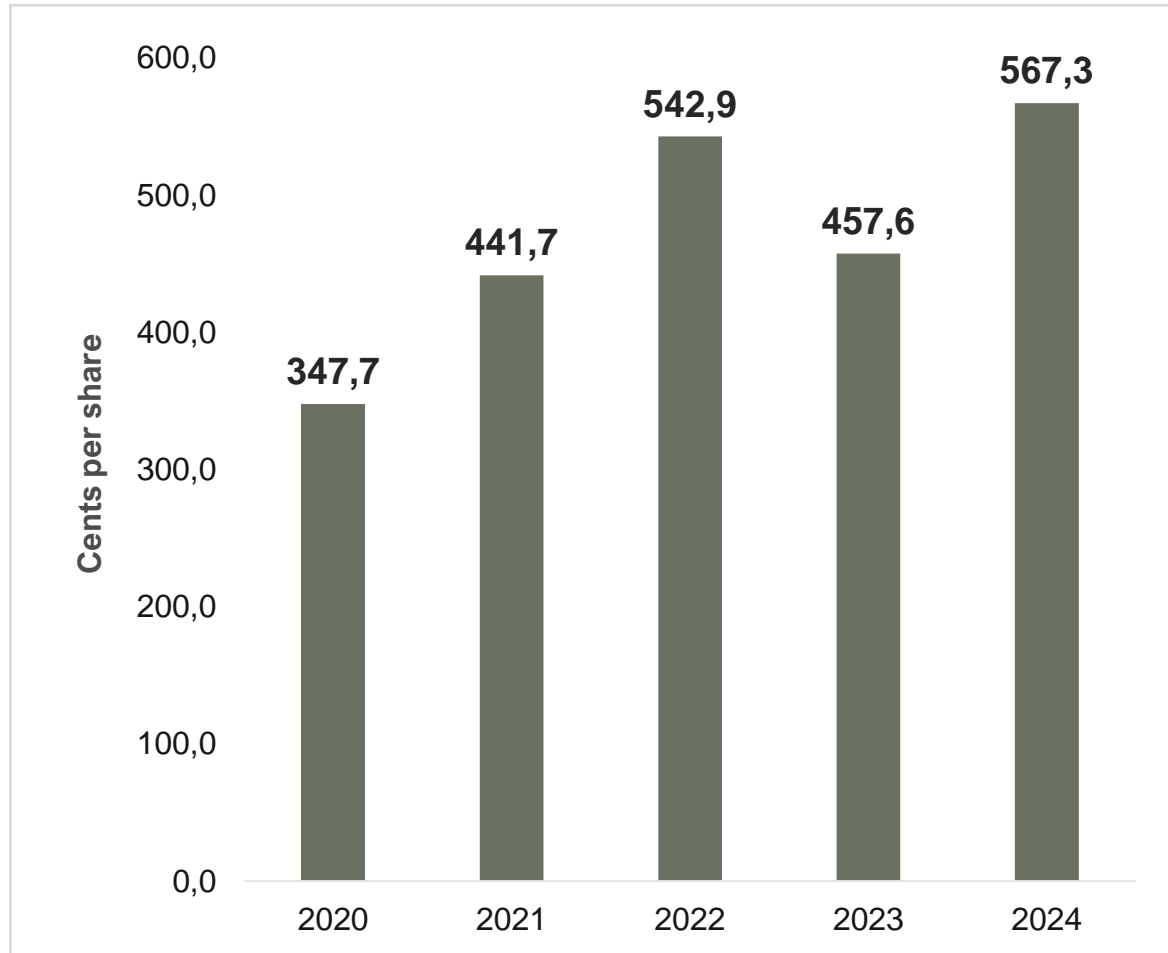
# Operating profit margin

Operating profit margin (%)	FY2024	FY2023
Construction Materials	12,4%	7,2%
Industrial Minerals	2,5%	8,9%
Bulk Commodities	32,4%	31,8%
Future Materials and Metals	(41,1%)	(45,4%)
Services	(24,4%)*	16,1%
<b>Overall</b>	<b>18,9%</b>	<b>19,6%</b>

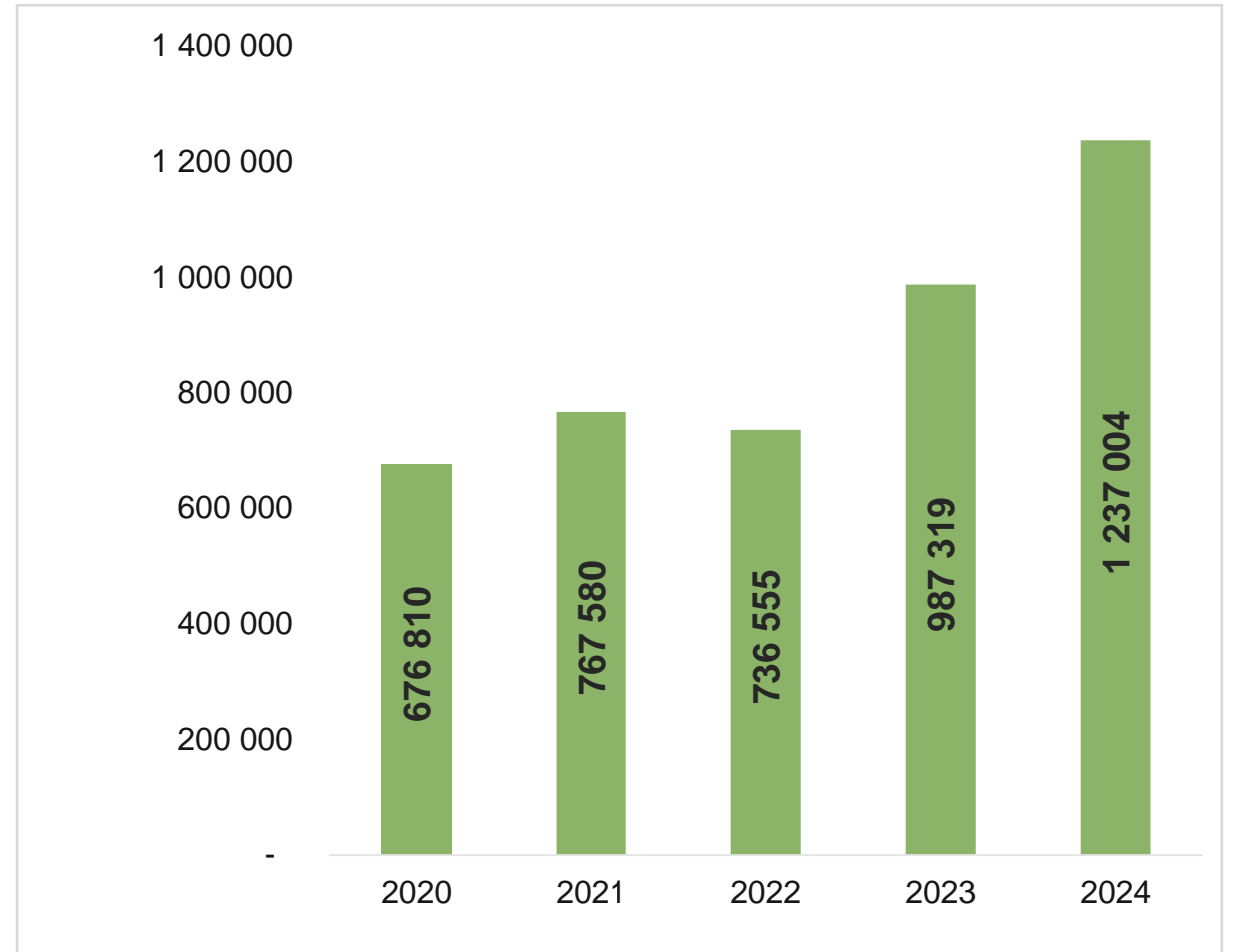
\* Loss on sale of Mozambique business



### HEPS (full year)



### Net cash from operating activities (R'000)



Effective tax rate FY2024: 29,2% (FY2023: 28,8%)

# Statement of financial position

## Assets



R'000	Audited Feb 2024	Audited Feb 2023 *	% Change
Property, plant and equipment	3 898 037	3 337 330	16,8
Intangible assets	234 728	254 385	(7,7)
Inventories	829 443	671 503	23,5
Trade and other receivables	773 973	739 961	4,6
Cash	504 678	280 817	79,7
Other assets / deferred tax	507 668	398 340	27,4
<b>Total assets</b>	<b>6 748 527</b>	<b>5 682 336</b>	<b>18,8</b>

\* Restated – measurement period adjustment – during the current year, the comparative information for February 2023 was retrospectively adjusted in the process of finalising the accounting for the business combinations.

# Statement of financial position

## Equities and liabilities



R'000	Audited Feb 2024	Audited Feb 2023 *	% Change
Total equity	4 563 041	3 848 352	18,6
Borrowings	557 125	321 159	73,5
Provisions	279 939	298 574	(6,2)
Overdraft	-	1 578	(100,0)
Trade and other payables	940 777	691 066	36,1
Other liabilities / deferred tax	407 645	521 607	(21,8)
<b>Total equities and liabilities</b>	<b>6 748 527</b>	<b>5 682 336</b>	<b>18,8</b>

\* Restated – measurement period adjustment – during the current year, the comparative information for February 2023 was retrospectively adjusted in the process of finalising the accounting for the business combinations.

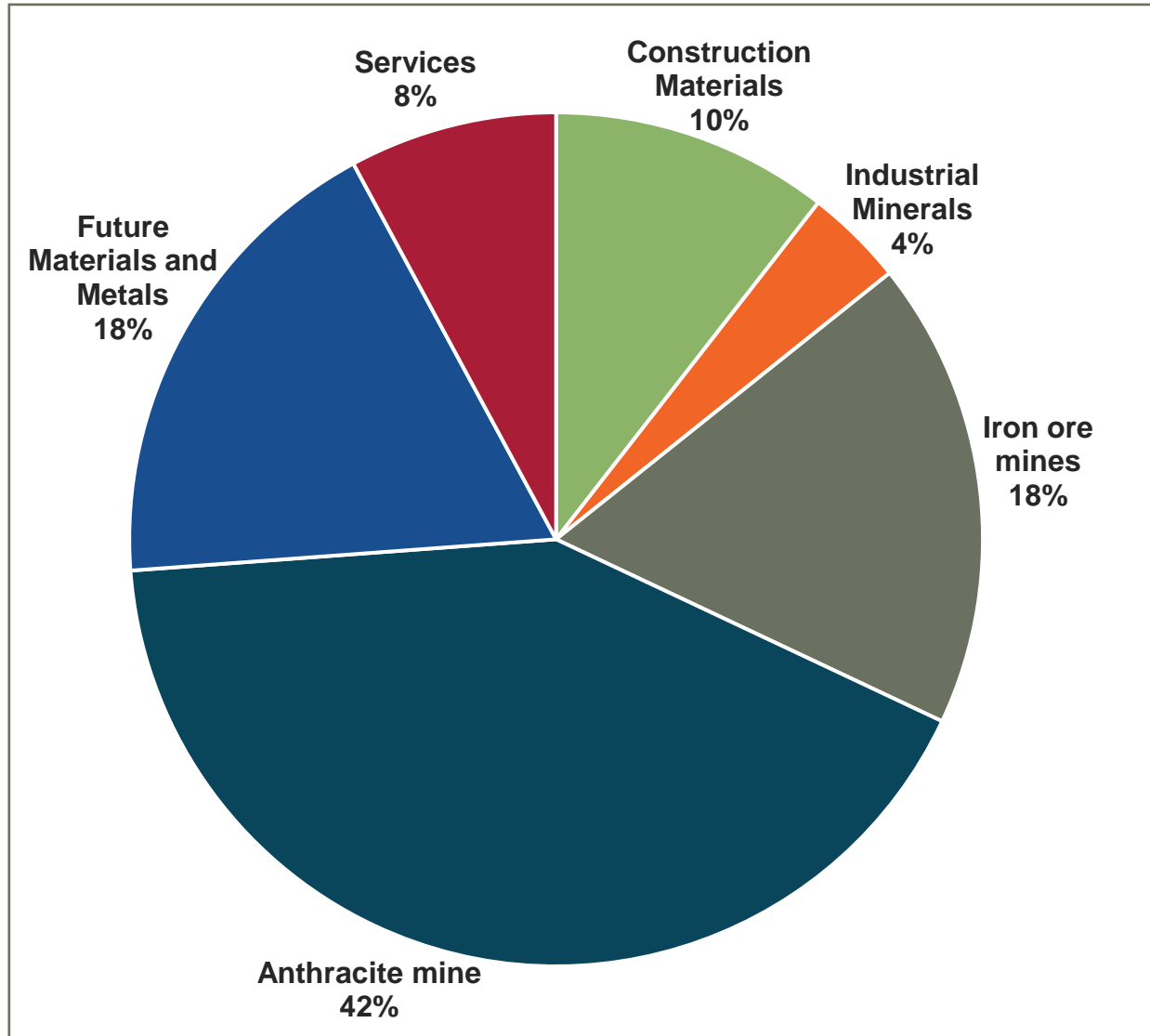
→ Debt:equity ratio FY2024: 1,4% (FY2023: 4,5%)

# Provision for iron ore pricing

Trade and other receivables (R'000)	Audited Feb 2024	Audited Feb 2023
Trade receivables – net	621 238	426 399
Trade receivables at fair value through profit or loss	120 997	160 355
Provision for final price adjustment	(43 806)	35 990
Other	75 544	117 217
<b>Total trade and other receivables</b>	<b>773 973</b>	<b>739 961</b>

	Feb 2024 Month/spot	Jan 2024 Month/spot	Dec 2023 Month/spot
Average actual iron ore price invoices at FOB (US\$)	114	107	119
Iron ore forward price at FOB (US\$)	91	105	101
Sales volume (tons)	54 990	78 920	44 690

# Total capital expenditure – FY2024



- **Site establishment and plant upgrades**

- R19,1 million – iron ore mines
- R10,0 million – anthracite mine
- R165,3 million – Afrimat Phosphates

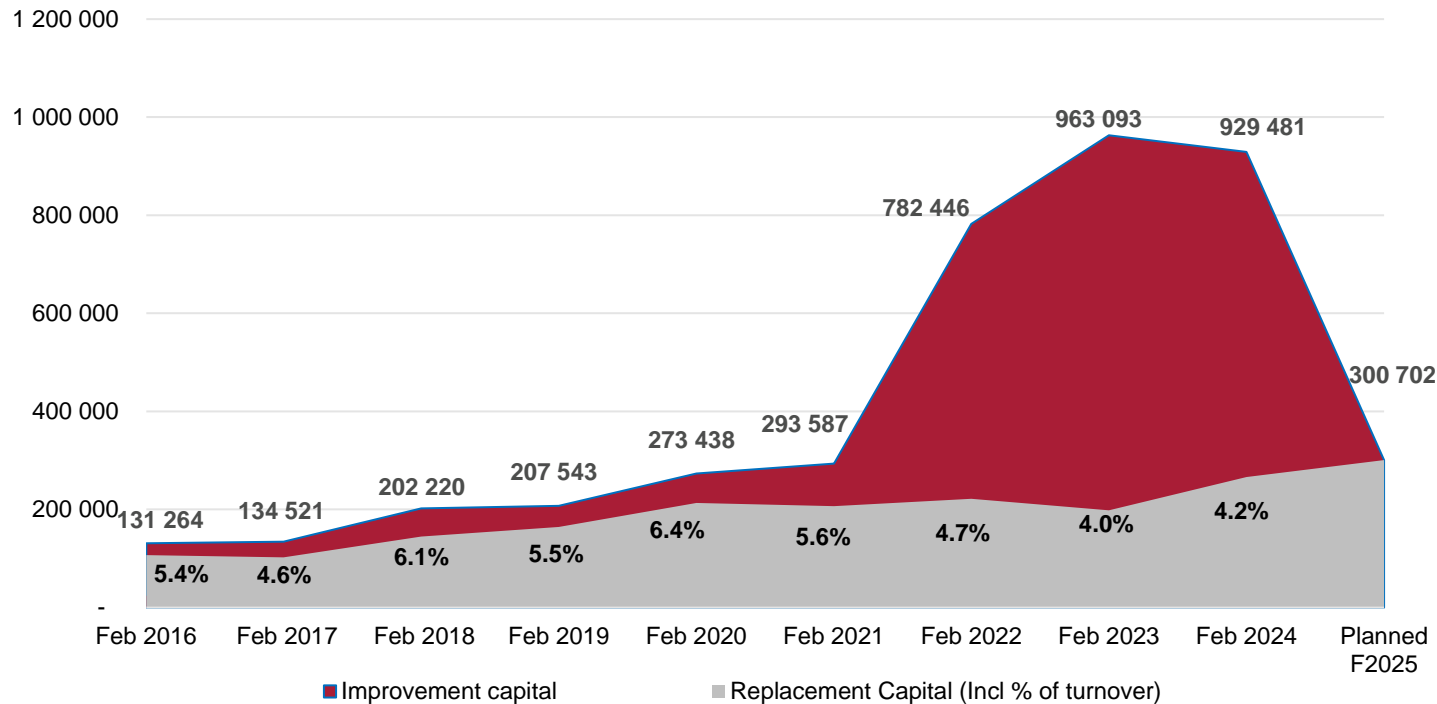
- **Capital expenditure**

- R141,2 million – iron ore mines
- R368,2 million – anthracite mine

# Total capital expenditure – FY2024



## Capital Expenditure 2016 - Planned 2025 (R'000)



Improvement capital	Feb 2024	Feb 2023
Nkomati (developing of underground mine and other mine development, etc.)	R356 m	R432 m
Jenkins	R22 m	R62 m
Demaneng	R84 m	R103 m
Afrimat Phosphates	R163 m	R118 m
Glen Douglas (solar plant)	-	R25 m
Other (<R20 mil)	R12 m	R23 m
<b>Total improvement capital</b>	<b>R637 m</b>	<b>R763 m</b>

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# SEGMENTAL PERFORMANCE

*The value of diversification*

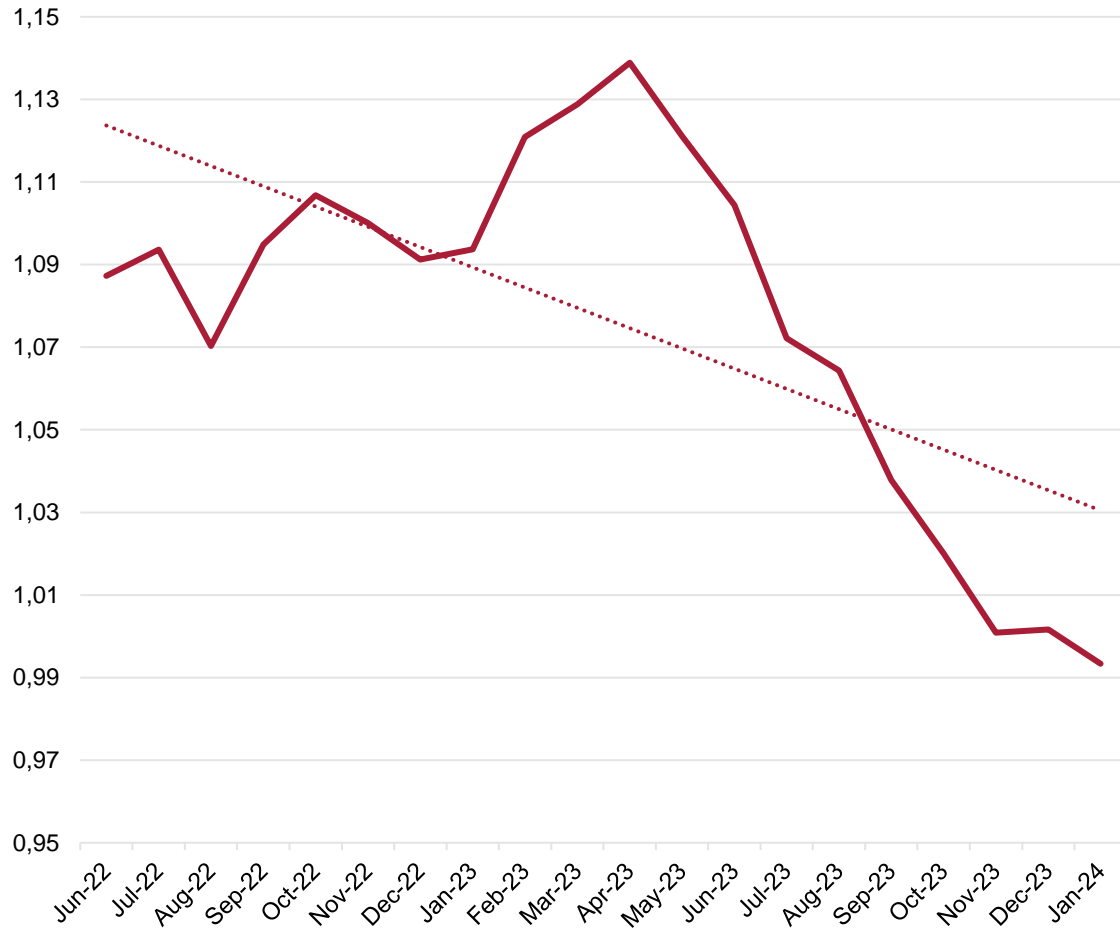




# Efficiency improvement at Nkomati anthracite mine



**Litre per cube mined  
(12 month average)**



## Litre per cube mined

### From baseline

- Nkomati has successfully reduced its diesel consumption per cube mined from a baseline average of 1.39 litres per cube to 0.98 litres per cube

### Year on Year

- Nkomati improved from 1.09 litre per cube mined during FY23 to 0.98 litre per cube mined during FY24.
- A saving of 660,414 litres year on year

# Efficiency improvement at iron ore mines

**Litre per ton mined  
(12 month average)**



## Litre per ton mined

### From baseline

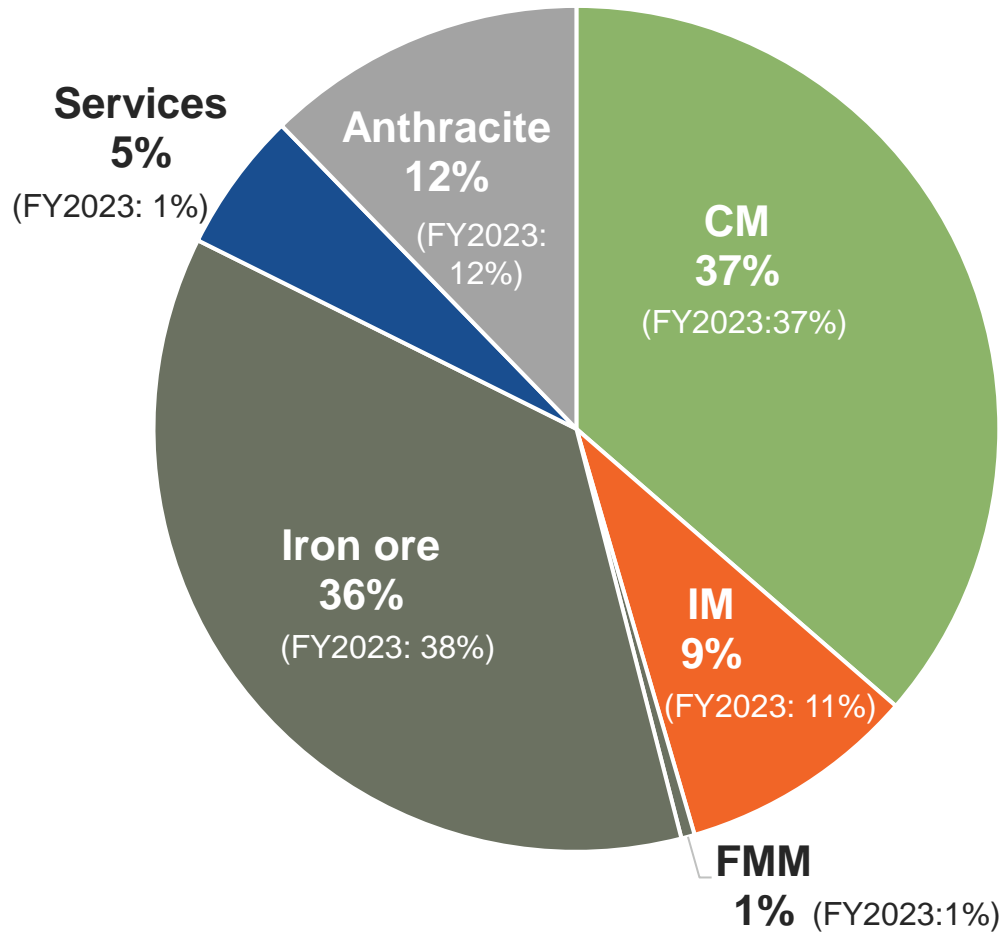
- **Demaneng** has successfully reduced its diesel consumption per ton mined from a baseline average of 0.63 litre per ton to 0.47 litre per ton
- **Jenkins** has successfully reduced its diesel consumption per ton mined from a baseline average of 0.66 litre per ton to 0.42 litre per ton

### Year on Year

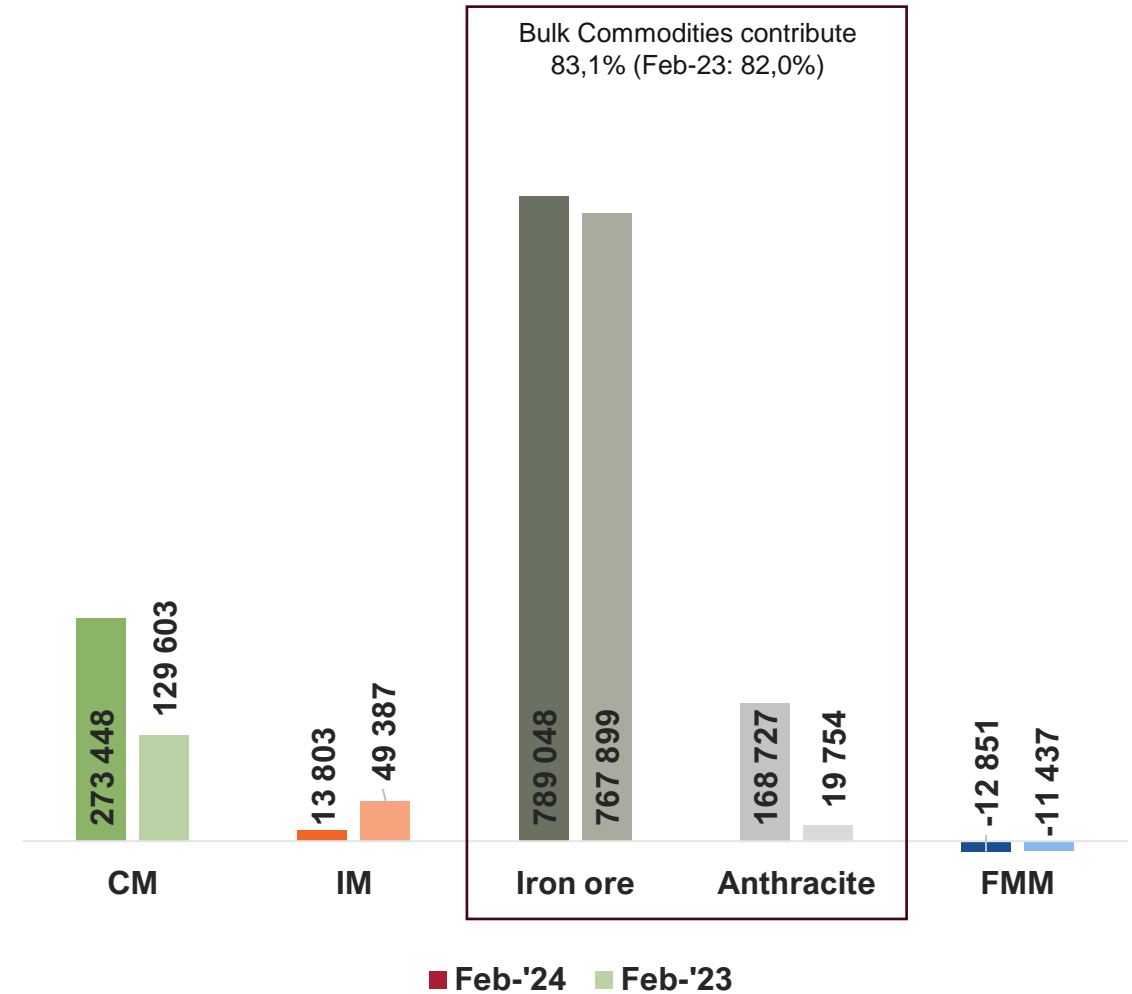
- **Demaneng** improved from 0.6 litre per ton mined during FY23 to 0.47 litres per ton mined during FY24
- During FY24 Demaneng saved 871 525 liters year on year
- **Jenkins** improved from 0.53 litre per ton mined during FY23 to 0.42 litre per ton mined during FY24
- During FY24 Jenkins saved 691,729 litres year on year

# Deep segmental diversification

FY2024 - revenue contribution

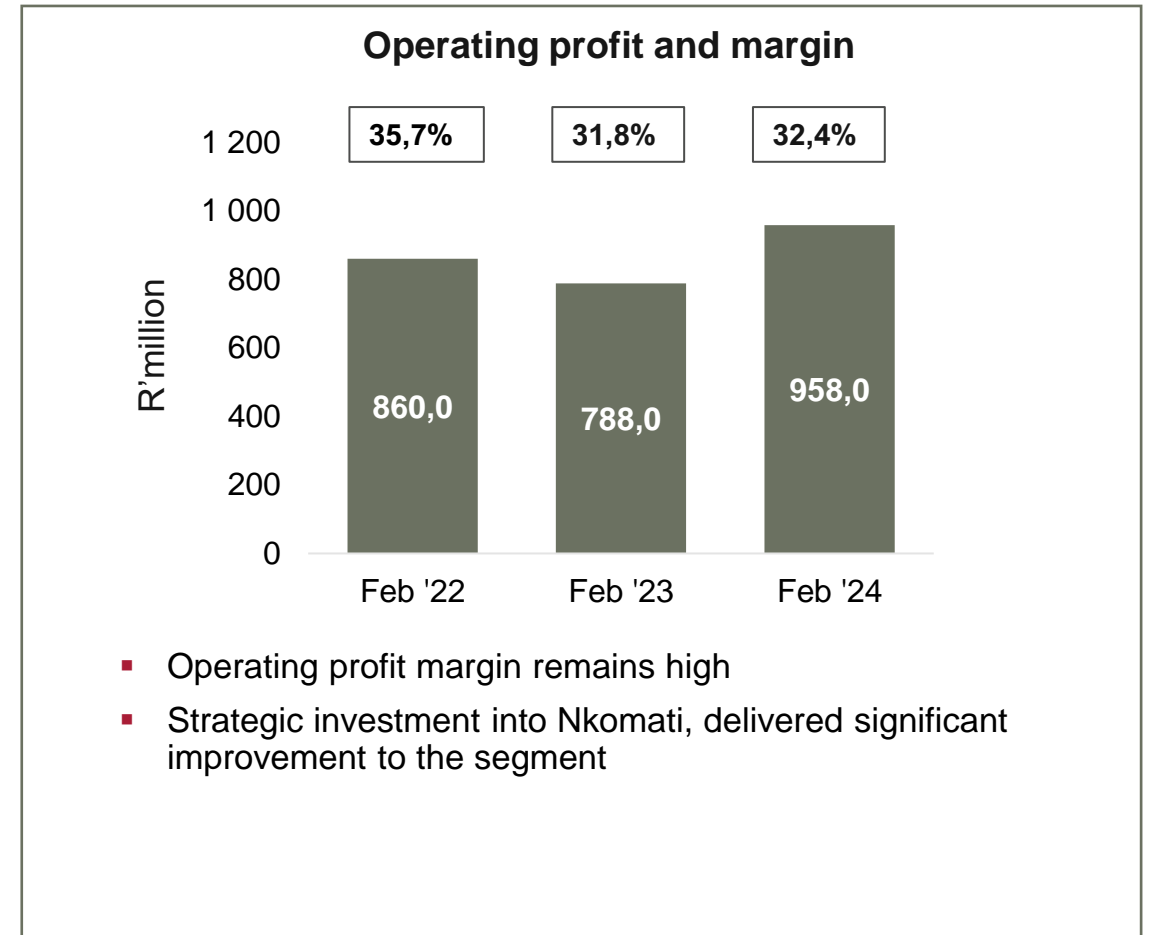
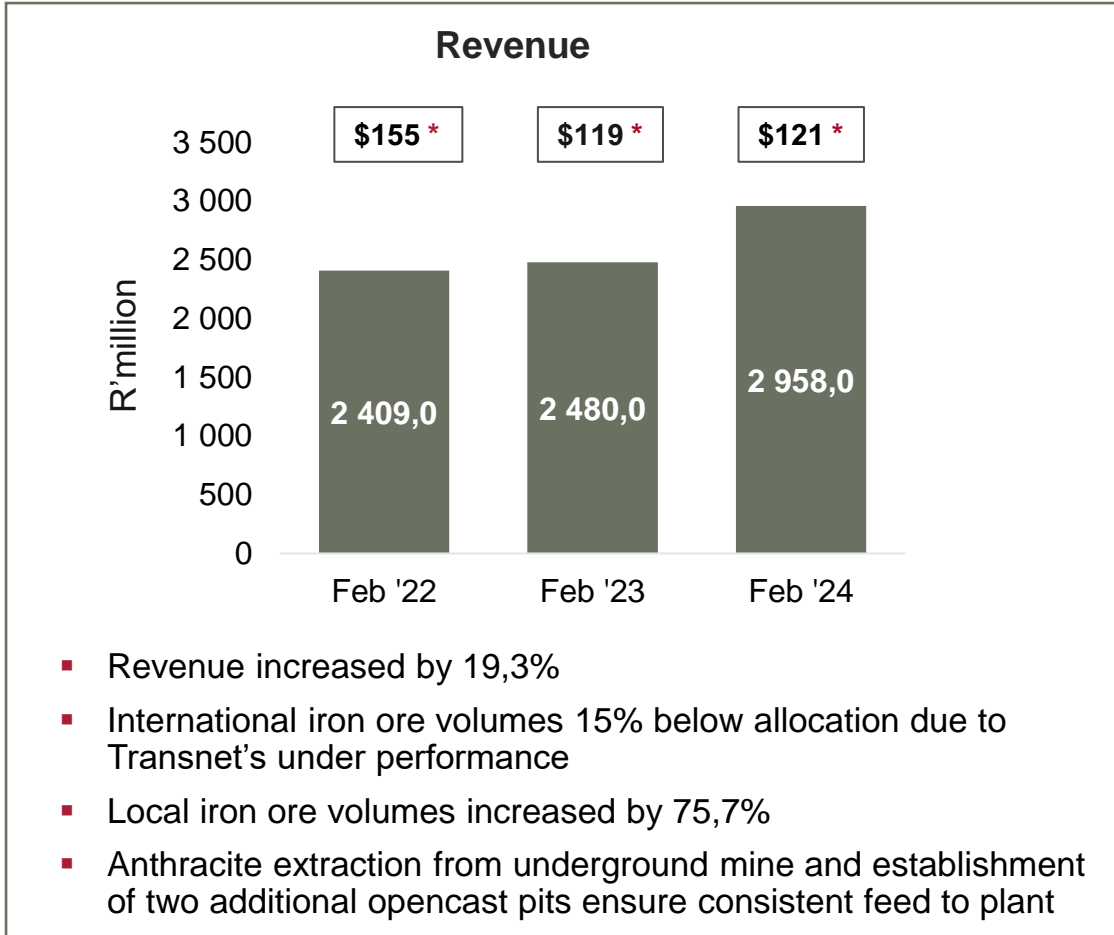


FY2024 - Operating profit (R'000)





## Solid performance based on product diversification



\* Average US\$ for each respective period

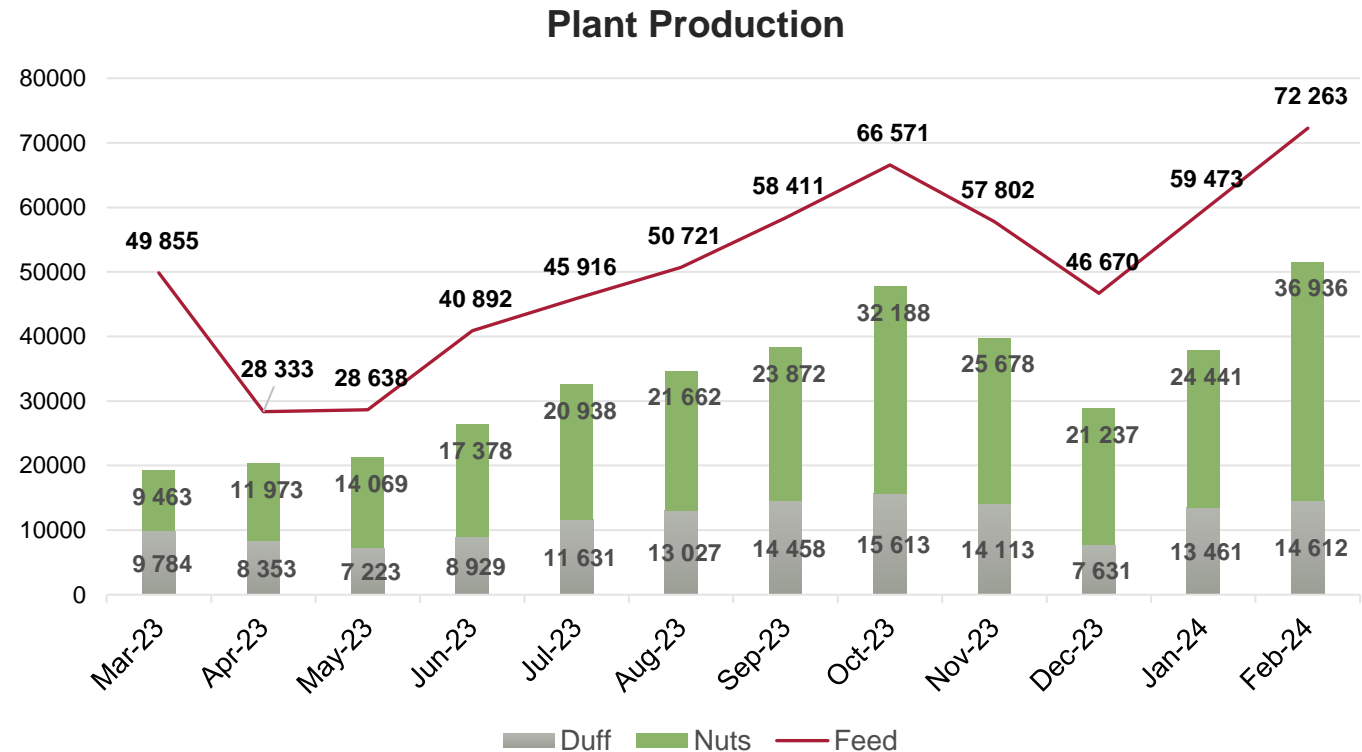
# Anthracite

Life of mine: 20 years  
 Market: Domestic  
 Location: Mpumalanga



- Underground mine established
- Long-term life of mine (two opencast pits and an underground operation) ensures sustainability
- Volumes are ramping up according to plan
- Fixed-price contract
- High Phos material exported

	Amount (R m)
Remaining planned spend	<b>91</b>
Capex spent (F2022)	<b>(54)</b>
Capex spent (F2023)	<b>(451)</b>
Capex spent (F2024)	<b>(377)</b>



# Iron ore

Life of mines:  
Market:  
Location:

20 years  
Domestic & international  
Northern Cape

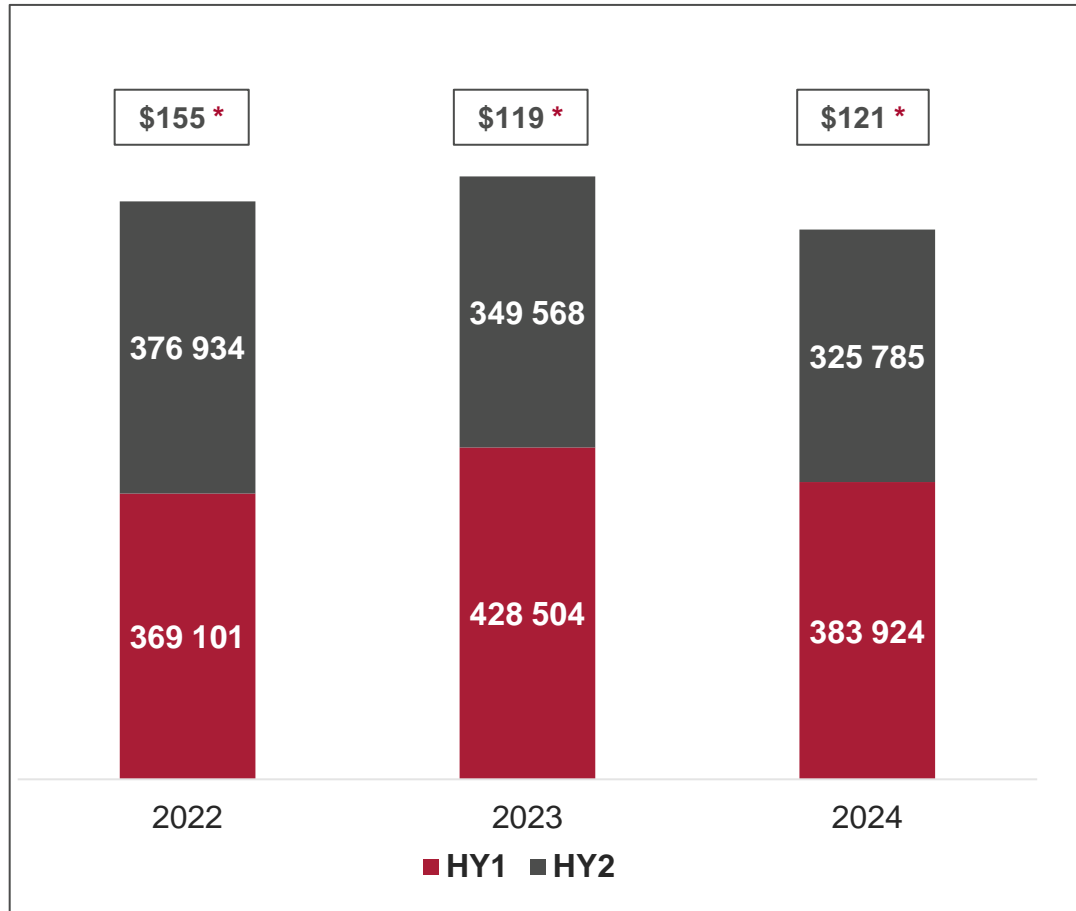


- Rand value sales realisation was good
- Lost roughly 15% in international volumes due to export rail system performance, partially compensated by Rand/US\$ exchange
- Group is actively involved with industry initiatives to improve export rail system

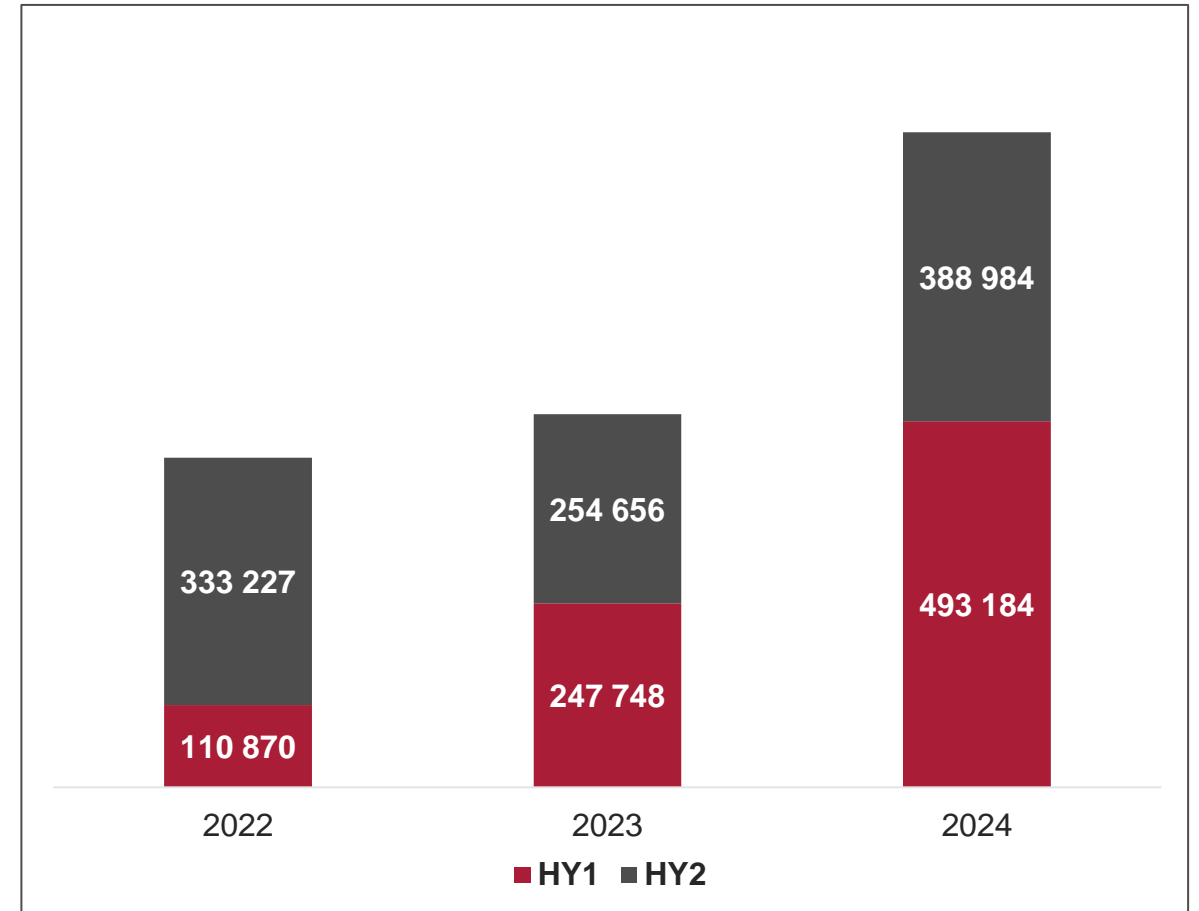
	Amount (R m)
Remaining capex spend	28
Capex spent (F2022)	(107)
Capex spent (F2023)	(214)
Capex spent (F2024)	(160)



## International volumes achieved (tons)

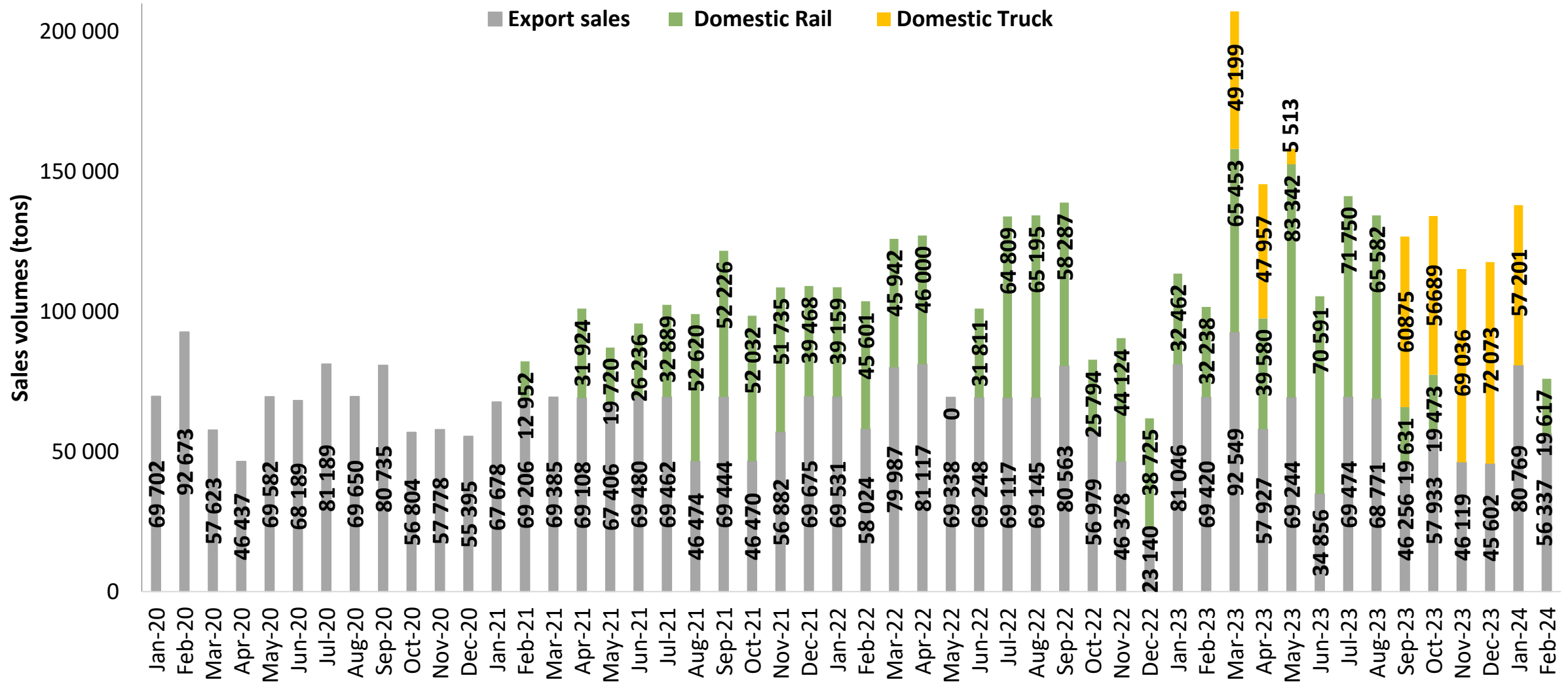


## Local volumes achieved (tons)



\* Average US\$ for each respective period

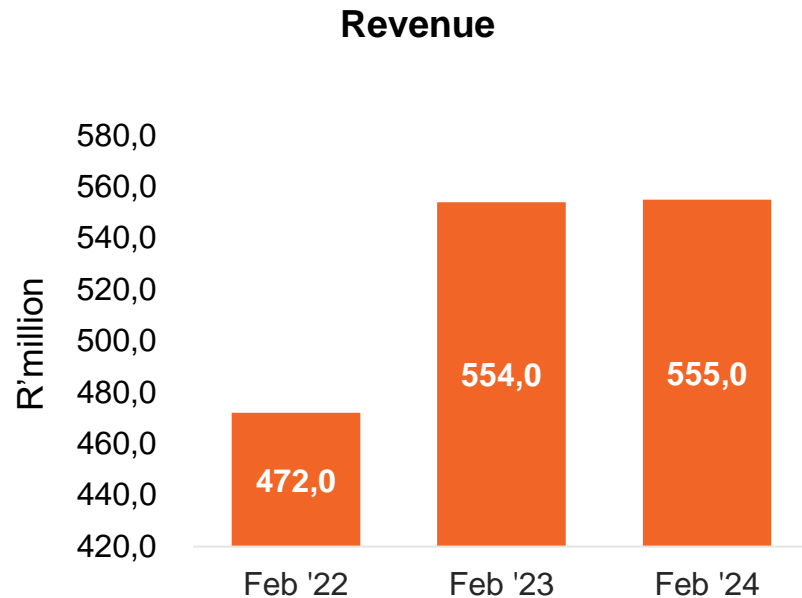
# International and local iron ore sales



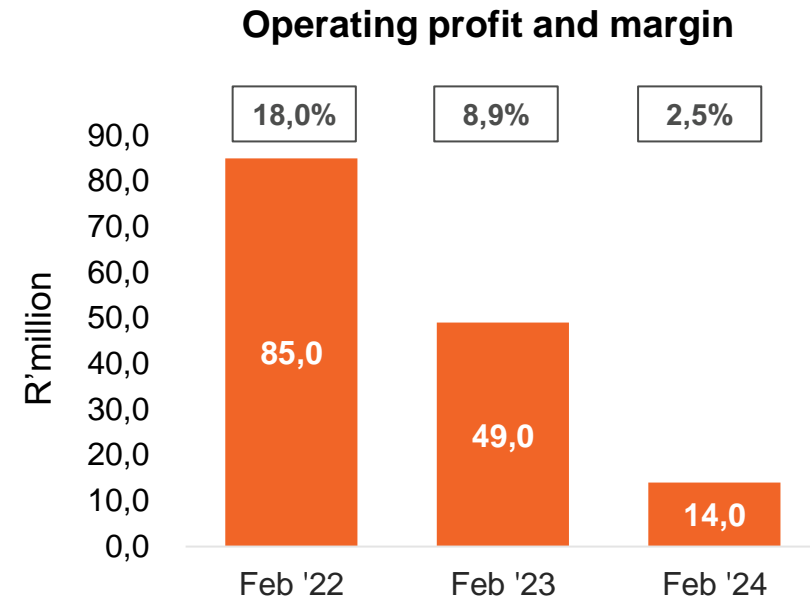




## Delivered disappointing results



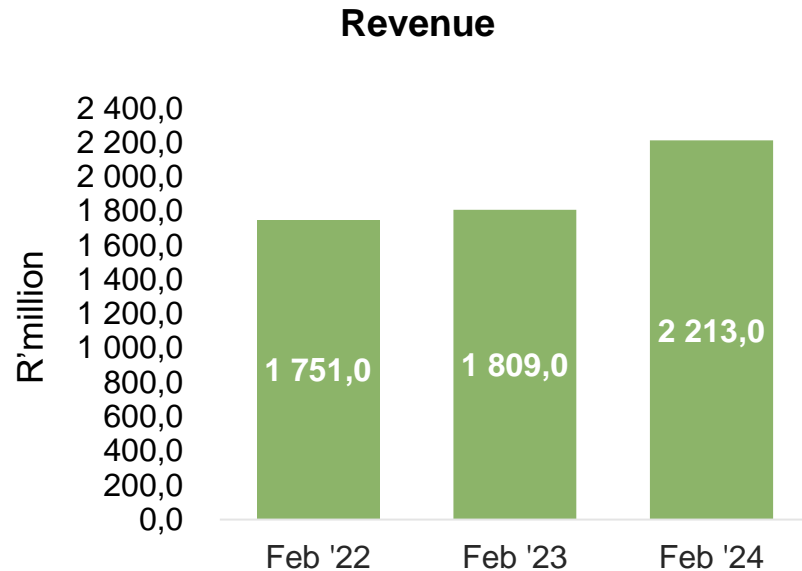
- Revenue flat
- Load shedding affected operations and indirectly client operations were also impacted
- Generators installed to overcome load shedding



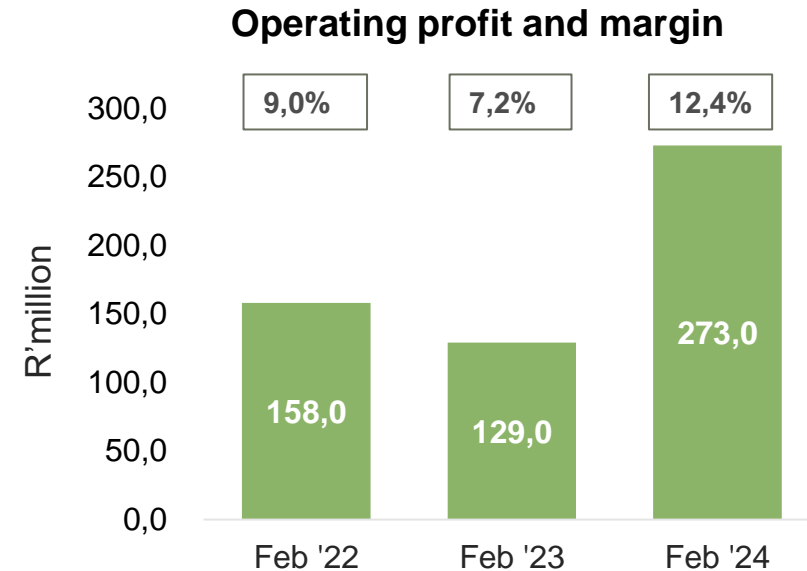
- Operating profit decreased by 72,1%



## Significant improvement in profitability supported by margin recovery

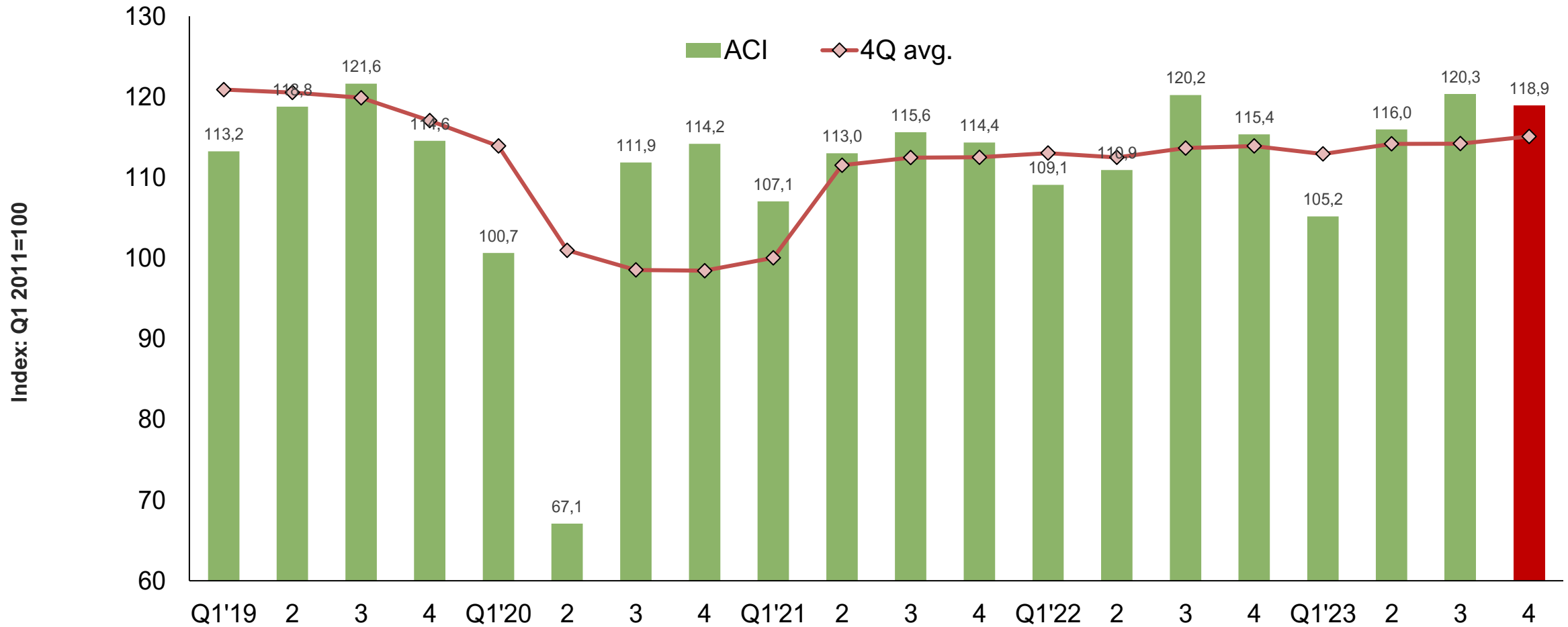


- Revenue increased by 22,3%
- Volume strength primarily in south of the country
- Continued to supply road and rail industries



- Operating profit improved by 111,0%
- Efficiency drive is rewarding

# Afrimat Construction Index – Q4 2023



## Assets

- Excellent quarries
- Very good fly-ash business
- Well-positioned cement grinding plants and depots
- Integrated cement plant
- Readymix batching plants

**Long life-of-mine assets**

**Well-designed, good quality plants  
and equipment**

## Transaction

- Purchase consideration: \$6,0 million
- Net asset value: R1,4 billion
- R500,0 million loan repayment on closing date
- R400,0 million loan repayment after 12 months
- Took control 23 April 2024

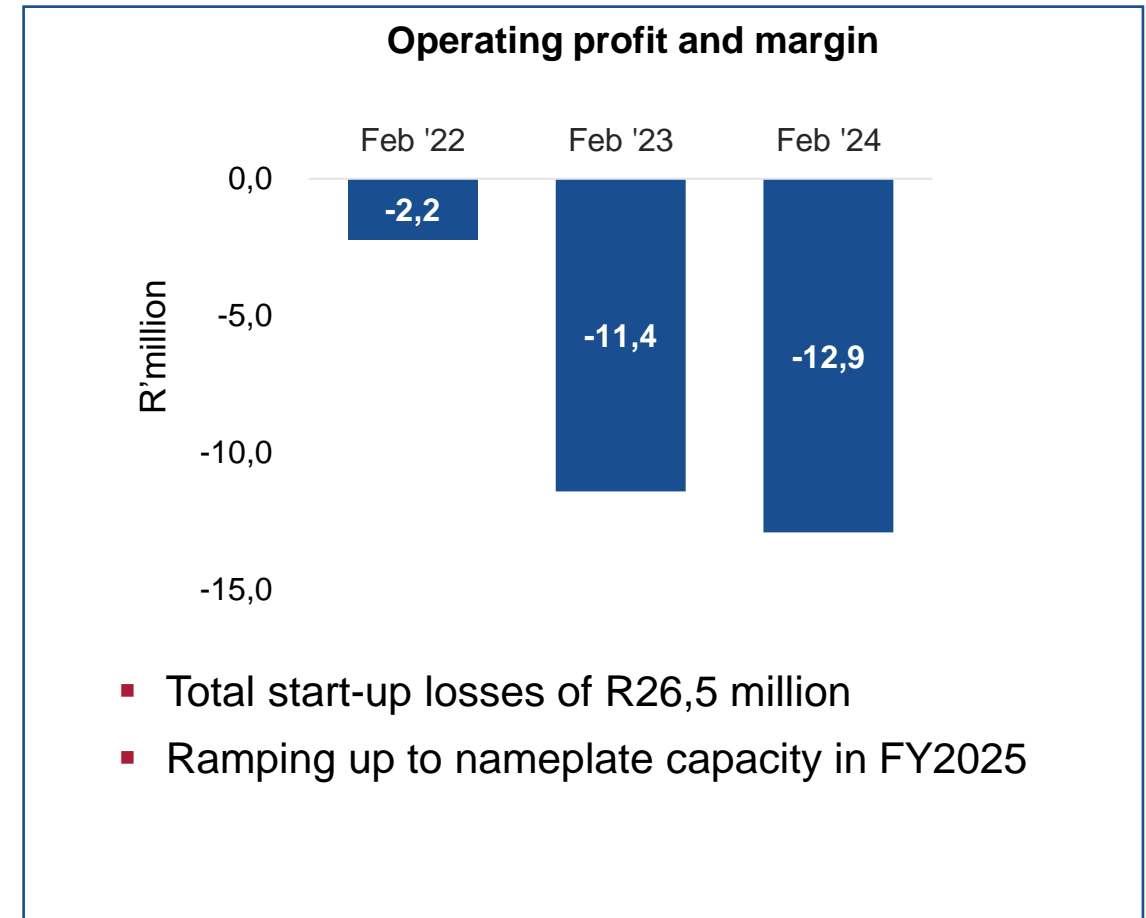
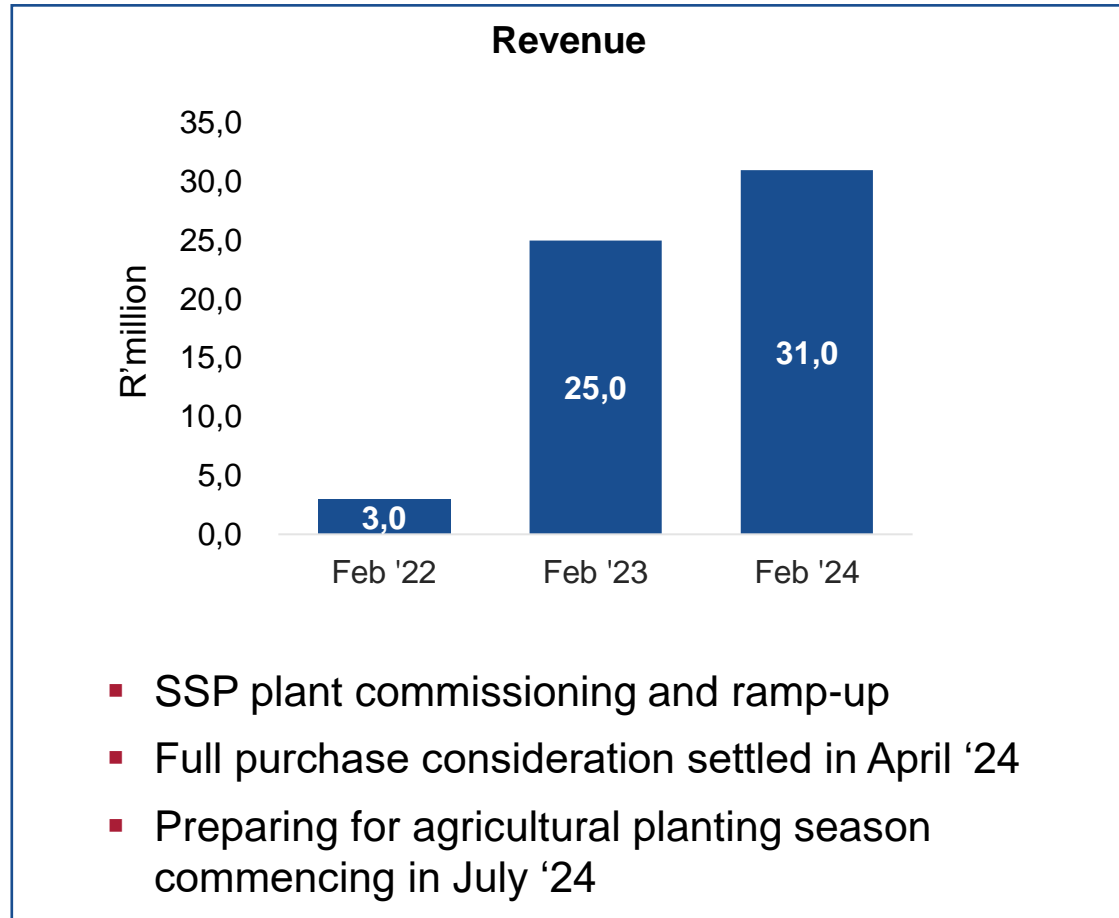
## Rationale

- Good time to act – market low but turning
- Good synergies exist
- Good investment return expected
- Very good assets, especially quarries and fly-ash

Business	Status	Actions
<b>Aggregates and Readymix</b>	<ul style="list-style-type: none"> <li>▪ Aggregates add 3 million tpa (divestiture assets volumes have been excluded)</li> <li>▪ Readymix add 260 000 m<sup>3</sup>/pa (divestiture assets volumes have been excluded)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total business review</li> <li>▪ Aim for similar margins as Afrimat's quarrying business</li> </ul>
<b>Ash</b>	<ul style="list-style-type: none"> <li>▪ Total volumes 2023 – 960 000</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attractive ash assets</li> <li>▪ Good market potential</li> </ul>
<b>Cement</b>	<ul style="list-style-type: none"> <li>▪ Total volumes 2023 – 877 000</li> <li>▪ Expected to increase to 1.2 million tons</li> </ul>	<ul style="list-style-type: none"> <li>▪ Turn loss-making cement operations around</li> <li>▪ Aim for profitability through innovation and operational efficiency as soon as possible</li> </ul>



## Ramp up of operation in progress





### High Grade Phosphate

- Small niche market
- Market constant on  $\pm 9\,000$  tons per annum (“tpa”)
- Linked to Phosphate Concentrate (“PConc”) price
- Similar operating profit margins to historic Industrial Minerals segment

#### Markets

- Direct Application Phosphate Rock
- Fertiliser blends

### Phosphate Concentrate

- Capacity  $\pm 60\,000$  tpa
- Feedstock for SSP (36 000 tpa)
- Market development for secondary processes
- Current PConc price  $\pm \$180$  per ton
- Similar operating profit margins to historic Industrial Minerals segment

#### Markets

- Secondary processes such as fertiliser and phosphoric acid production
- Fertiliser blends

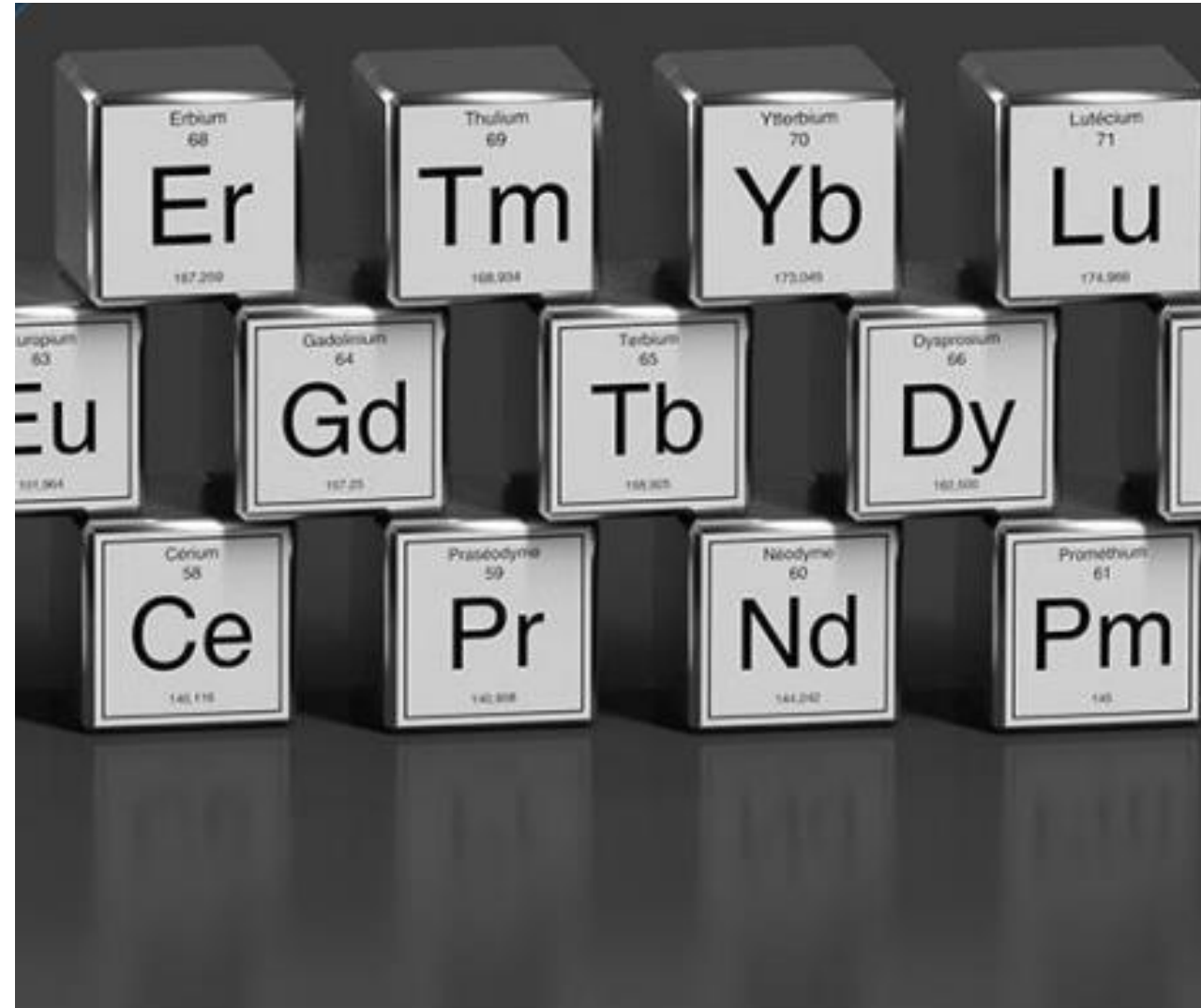
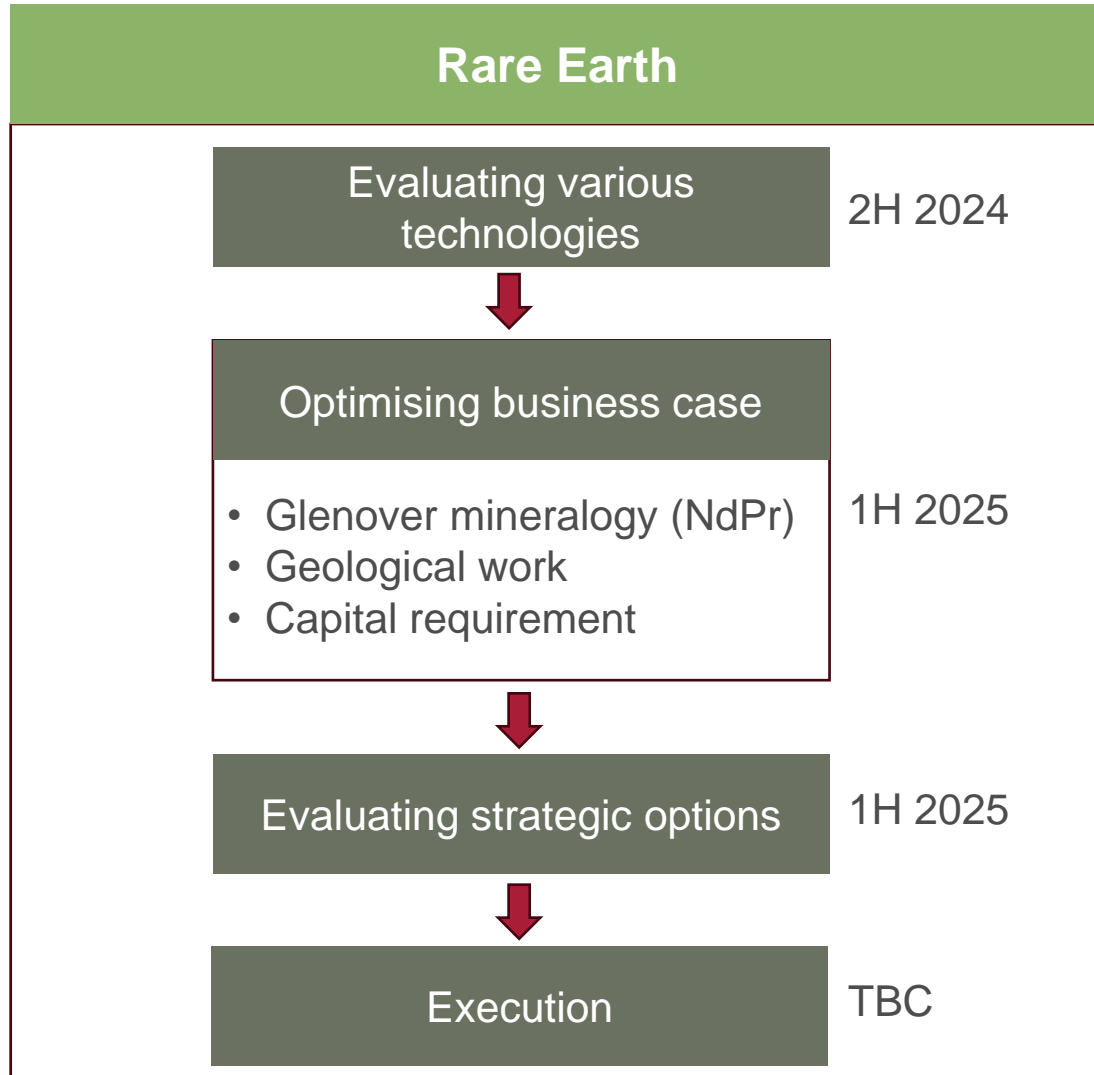
### Single Super Phosphate (“SSP”)

- Capacity  $\pm 60\,000$  tpa
- Commissioning in progress
- Linked to Mono Ammonium Phosphate (“MAP”) price
- Similar operating profit margins to historic Industrial Minerals segment

#### Markets

- Fertiliser producers
- Agents | Distributors
- Co-operations
- Farmers

# Glenover Stage 2



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# FUTURE OUTLOOK

A red and white Sandvik Leopard 650D drilling rig is positioned on a sandy beach. The rig's mast is extended vertically. The background features a sunset sky with orange and pink clouds. The rig has "SANDVIK" and "LEOPARD" branding visible on its side.

*An increase in volumes and more  
acquisition opportunities*

## Maintain strong growth rate across Group into future

- Lafarge integration – unlock the value
- Nkomati anthracite mine improving consistently towards steady state and to continue to deliver robust profits
- Maintain consistency in both local and international iron ore operations
- Efficiency drive and improved market should ensure solid performance in Construction Materials
- Drive Glenover steady, stable and profitable strategy. Glenover is a longer-term investment which will be carefully positioned for sustainability
- Industrial Minerals should recover
- Maintain good cash flow and capitalise on strategic initiatives and future opportunities

# Core message



Consistently delivering  
above average  
compound earnings

Steady stream of growth  
and strategic projects to  
aid sustainability and  
diversification

Company culture and high standard of execution  
supports Group moats

**Resource X machines X people<sup>2</sup> = Unlocking Success**



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April 2024 **Trading update**

May 2024 **Announcement of annual results**

12 June 2024 **Investor open day**

June 2024 **Integrated annual report posted**

August 2024 **Annual general meeting**

October 2024 **Trading update**

October 2024 **Announcement of interim results  
and interim dividend**

December 2024 **Interim dividend payment**

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