

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 "Company" or "the Group")

**RESTATEMENT TO PRIOR PERIOD FINANCIAL RESULTS, TRADING STATEMENT,
RESTRUCTURING AND REFINANCING PROJECT UPDATE AND RENEWAL OF CAUTIONARY
ANNOUNCEMENT**

RESTATEMENT TO PRIOR PERIOD FINANCIAL RESULTS

Shareholders of the Company ("Shareholders") are referred to the announcements on the Stock Exchange News Services ("SENS") issued on 18 August 2020 and 30 September 2020. The Company wishes to advise Shareholders that all the 31 March 2020 prior period restatements identified also resulted in restatements of the 30 September 2019 results. The combined impact of these adjustments on earnings and headline earnings per share for the six months ended 30 September 2019 is an increase of 34 and 28 cents per share respectively. Net asset value as at 30 September 2019 is increased by R301 million to R7.7 billion.

An additional prior year error was identified relating to the 30 September 2019 results. At 30 September 2019 PPC adopted IAS 29 - Hyperinflation for the first time. During the 31 March 2020 year-end audit, a thorough review of the hyperinflation workings were undertaken and certain errors were identified and corrected in the 31 March 2020 results. This prompted management to review the 30 September 2019 workings and management noted similar errors were present. These errors related mainly to opening retained earnings and property, plant and equipment not being hyperinflated correctly. The impact of these adjustment on earnings and headline earnings per share for the six months ended 30 September 2019 is a decrease of 2 cents per share respectively. Net asset value as at 30 September 2019 is increased by R1.2 billion to R8.9 billion.

TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

PPC is finalising its consolidated financial results for the six months ended 30 September 2020 which will be announced on the SENS and the Company's website on or about 8 December 2020.

Shareholders are advised that consolidated Group revenue is expected to be 1% to 5% higher than the R4 948 million reported for the six months ended 30 September 2019 ("prior period"). EBITDA is expected to be 12 % to 17% higher than the R868 million reported for the prior period. Basic earnings per share (EPS) and headline earnings per share (HEPS) are expected to be between 18 and 21 cents per share, or 35% to 45%, lower than the 32 cents (restated) reported for the prior period. The decline in EPS and HEPS is primarily due to non-cash related items.

After a difficult start to FY21 as a result of the COVID-19 related trade restrictions imposed by authorities in most of the jurisdictions in which

the Group operates, the Group experienced a strong recovery in cement sales in Q2 of H1 FY 21 which contributed to the improved operating performance.

The financial information contained in this announcement has neither been reviewed nor reported on by the Company's external auditors.

RESTRUCTURING AND REFINANCING UPDATE

PPC continues to make good progress against key milestones in its restructuring and refinancing project ("Project") with the objective of implementing a sustainable capital structure and improving the investment prospects of the Group.

In South Africa, PPC has signed facilities agreements with its two primary South African lenders, who provide R1.85 billion of term loan and long term revolving credit facilities and R625 million of short term general banking facilities. The final terms of these agreements are substantially the same as those disclosed in note 36 to audited consolidated financial statements for the year ended 31 March 2020. PPC is also finalising documentation relating to the provision of security, including a security pool arrangement comprising immovable property, debtors and inventory.

PPC has also signed revised terms with its third South African lender for a working capital facility of R175 million, which has now removed the requirement of being part of the security pool arrangement.

In the DRC, PPC has signed a formal standstill agreement with the DRC Lenders. The final terms of the agreement are substantially the same as those of the term sheet agreed at the end of August 2020, as disclosed in note 36 to audited consolidated financial statements for the year ended 31 March 2020. PPC is actively engaging with the DRC Lenders, who have now appointed financial and legal advisors, on a detailed restructuring plan. PPC is targeting agreeing the basis of the restructuring plan with the DRC Lenders before the end of this calendar year.

Following a number of unsolicited approaches regarding PPC Lime, PPC has decided to accelerate the sale of PPC Lime and appointed financial advisors to manage a structured sales process of the business. PPC is targeting deal certainty by the end of Q1 2021.

RENEWAL OF CAUTIONARY ANNOUNCEMENT

Shareholders are advised to continue exercising caution when dealing in securities of PPC until the funding arrangements with its respective lenders are finalised and details of the proposed capital raise are published.

Sandton

2 December 2020

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