

PPC Ltd

(Incorporated in the Republic of South Africa)

JSE ISIN: ZAE000170049

JSE code: PPC ZSE code: PPC

("PPC" or "the Company")



DISPOSAL OF VACANT LAND BY PPC ZIMBABWE LTD

1. INTRODUCTION

PPC shareholders are advised that the Company has on 20 August 2025 ("**Signature Date**") via its 88% held subsidiary, PPC Zimbabwe Ltd ("**PPCZ**"), concluded an agreement ("**the Disposal Agreement**") relating to the disposal of vacant immovable property situated in the District of Salisbury, Zimbabwe, known as the Arlington Estate ("**Arlington Property**") to a privately held Zimbabwean company (the "**Purchaser**"), for a cash consideration of US\$30 million (the "**Disposal Consideration**" and the "**Disposal**").

The Purchaser is a property development company with project execution expertise and is not a related party of PPC.

2. EFFECTIVE DATE

The Disposal will be implemented on the date of registration of the transfer of the Arlington Property from which date all legal risk in and all benefit attaching thereto, will pass to the Purchaser against payment of the Disposal Consideration ("**the Effective Date**").

3. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

PPCZ acquired the Arlington Property in 1990. The Arlington Property is zoned for residential, industrial and commercial activities. Subsequently PPCZ faced multiple state expropriation attempts, culminating in a final compulsory acquisition by the Government of Zimbabwe in 2010. Following extensive negotiations with various government Ministries and the Office of the President of Zimbabwe, PPCZ formally received the title deed to the Arlington Property (comprising some 418 hectares of land) in December 2024.

The Arlington Property does not contain any limestone deposits and PPCZ has no commercial use for the Arlington Property in its core cement producing business. Consequently, PPCZ conducted a comprehensive process to dispose of the Arlington Property at fair value.

The Disposal Consideration is payable in United States dollars and utilisation of the Disposal Consideration, when received, will be considered by PPC in terms of its capital allocation model and its optimal gearing levels.

4. CONDITIONS PRECEDENT

There are no conditions precedent to the Disposal. However, there are a number of milestone events that need to be met within defined timeframes, failing which the Disposal Agreement shall automatically lapse and become null and void with no further force or effect. The milestone events are *inter alia* the following:

- 4.1 PPCZ obtaining approval from the Reserve Bank of Zimbabwe within 45 days of the Signature Date to declare a special dividend, in the amount of the proceeds of the Disposal, to its shareholders and repatriate the amount due to PPC in South Africa;
- 4.2 The Purchaser paying the full Disposal Consideration plus VAT to the property conveyancer appointed by PPCZ within 60 days of the Signature Date; and
- 4.3 Registration of the transfer of the Arlington Property within 90 days of the Signature Date.

5. WARRANTIES AND OTHER MATERIAL TERMS

PPCZ has provided the Purchaser with such warranties as are considered standard for a transaction of this nature.

PPCZ and the Purchaser have also entered a further agreement in terms of which the Purchaser will purchase all of its cement requirements for any developments or infrastructure on the Arlington Property exclusively from PPCZ. This agreement will become effective on the Effective Date of the Disposal Agreement.

6. FINANCIAL INFORMATION

In its audited annual financial statements for the year ended 31 March 2025, PPCZ recognized the Arlington Property as a Government grant at a nominal value of R37 million.

7. CATEGORISATION

The Disposal is classified as a category 2 transaction in terms of the JSE Listings Requirements and, accordingly, does not require shareholder approval.

Dunkeld
21 August 2025

Sponsor



Questco Corporate Advisory Proprietary Limited