CONSISTENTLY
DELIVERING

AFRIMAT
Limited

HIGHLIGHTS

Group revenue **up 29,9%** to R5,3 billion

Interim dividend per share of **20,0 cents**

Headline earnings per share ('HEPS') **up 92,3%** to 101,9 cents

Operating profit **up 29,8%** to R379,8 million

Net asset value ('NAV') per share **2 951 cents**

Unaudited condensed consolidated interim financial results

for the six months ended 31 August 2025

Afrimat Limited
('Afrimat' or 'the Company' or 'the Group including its subsidiaries')
(Incorporated in the Republic of South Africa)
(Registration number: 2006/022534/06)
Share code: AFT ISIN code: ZAE000086302

Commentary

Introduction

The focus for the period under review was on meticulous operational execution to ensure that Afrimat unlocks the full potential of its diversified asset base. The newly acquired assets from the troubled Lafarge South Africa have been fully integrated into Afrimat's structures and good progress was made with the turnaround of these businesses. The Group has made several key improvements, and the results of these interventions are now becoming tangible.

The first quarter ('Q1') reflected a continuation of the prior year's challenges; however, by the second quarter ('Q2'), the benefits of the implemented improvements began to gain momentum. A significant increase in local iron ore sales, coupled with satisfactory international sales, resulted in an overall strong performance from the iron ore component of the Bulk Commodities segment.

In the aggregates segment of the business, focus was placed on instilling the Afrimat Way within the quarries acquired and elevating the standard of product availability and customer service, ultimately leading to an improvement in aggregate sales volumes, accompanied by a corresponding increase in market share. This improvement was visible towards the end of Q2 after contending with excessive rainfall in Q1.

The turnaround of the ex-Lafarge cement factory in Lichtenburg gained momentum towards the end of the reporting period with a much-improved performance in the weeks after the reporting period, which is very encouraging and supports the strategic positioning of our low-cost cement products. Positive momentum has been established.

Financial results

Group revenue increased by 29,9% from R4,1 billion to R5,3 billion, supported by the integration of the Lafarge businesses and overall volume and sales increases from iron ore and cement.

During the current period, the comparative information relating to the gain on the bargain purchase of the Lafarge assets for August 2024 was retrospectively adjusted (refer to note 13.1).

Operating profit increased by 29,8% to R379,8 million (August 2024 (restated) R292,6 million), with an operating profit margin of 7,1%.

Despite finance costs increasing to R148,4 million, every effort is being made, including the sale of non-core and unprofitable assets, to ensure that debt is settled as quickly as possible. The sale process of assets, in accordance with the Competition Commission's requirements, is now at an advanced stage. All necessary efforts are being undertaken to ensure the transaction is concluded as efficiently and expeditiously as possible. Afrimat has also sold brick and block operations that it felt were no longer core to its Construction Materials businesses.

The net debt:equity position of the Group is 52,5%, representing a marginal increase compared to the position as at February 2025. This increase is the result of a further investment in working capital due to increased iron ore sales.

After the investment of both time and resources in integrating the Lafarge acquisition, fixing previously neglected Lafarge assets, turning the Nkomati business around, and ensuring a high-quality iron ore product, profit after tax improved by 78,9% to R173,5 million (August 2024 (restated): R96,9 million). This translated into improved earnings and headline earnings per share of 102,7 cents per share and 101,9 cents per share, respectively. (August 2024 (restated): 58,3 cents per share and 53,0 cents per share, respectively.)

Cash generated from operations improved significantly to R357,7 million compared to cash used in operations in the previous comparable period of R131,4 million. The increase was supported by increased sales volumes in cement and iron ore.

Operational review

All operating units are strategically positioned to deliver outstanding service to customers, whilst acting as an efficient hedge against volatile local business conditions. The product range is wide and diversified and is made up of Construction Materials consisting of aggregates, concrete-based products, fly-ash and cement; Industrial Minerals consisting of limestone and dolomite; and Bulk Commodities consisting of iron ore and anthracite. The Services segment consists of external logistical and mining services, while the Future Materials and Metals segment is made up of phosphate and rare earth elements.

Construction Materials

The aggregate and ash components of this segment were affected by excessive rainfall in the northern regions of South Africa during Q1, which limited orders of aggregates. During Q2, improved sales volumes were evident, with operational efficiency at the former Lafarge quarries leading to previously lost market share being regained. This was achieved by delivering better service and ensuring product availability for customers. The momentum is expected to continue into the second half of the year.

Revenue grew by 9,1% to R1,9 billion (August 2024: R1,8 billion), while the operating profit grew to R321,2 million (August 2024: R290,1 million). This is mainly due to the final integration and investment into the acquired Lafarge quarries. The fly-ash business and the readymix batching plants performed very well. All Holcim information systems were successfully migrated onto the Afrimat system at the end of August 2025, resulting in substantial monthly cost savings going forward.

Revenue for the cement business rose by 118,8% to R873,7 million, but it was loss-making at the operating profit level. Plant reliability showed a significant improvement towards the end of the reporting period, resulting in fewer production disruptions. The operation continues to benefit from strong product demand, and its strategic positioning as a low-carbon, high-quality cement remains effective. The Group remains excited about the potential of product innovation.

Bulk Commodities
The Bulk Commodities segment provided a healthy contribution to the Group. Both revenue and operating profit increased by 53,6% and 56,8%, respectively, from the previous period.

The iron ore mines' revenue increased by 77,9% to R1,7 billion (August 2024: R934,7 million). At an operating profit level, an increase of 73,5% was attained, resulting in an operating profit increase from R232,6 million to R403,5 million.

Iron ore – domestic
A significant increase in local iron ore sales volumes was recorded when compared to the comparative period. Afrimat has worked hard to ensure sustainable sources of supply and continues to meet the needs of its customers. Volumes increased to 830 662 tonnes (31 August 2024: 339 648 tonnes).

Iron ore – international
Total international iron ore export volumes increased to 396 384 tonnes (31 August 2024: 349 084 tonnes). The expectation is that the full-year volumes will be similar to the previous year, approximately 17,0% below Afrimat's yearly allocation of 870 000 tpa, primarily due to logistics availability on the Saldanha export line as a result of a maintenance shutdown of the line during the second half.

Anthracite – domestic
Operational improvements at Nkomati Anthracite Mine were successfully implemented, and with a full EIA in place, the mine processed 100 000 tonnes in July 2025. An assessment of underground viability led to the mothballing of the underground mining operation. Due to decreased demand from ferrochrome smelters during the period, volumes amounted to 136 216 tonnes (31 August 2024 volumes: 155 686 tonnes). Unfortunately, in August 2025, due to structural economic impediments in the local economy, all ferrochrome smelters were temporarily shut down.

Anthracite – international
The Mozambique border has reopened, and two shipments of anthracite were exported, totalling 61 861 tonnes when compared to the previous period (31 August 2024 volumes: 41 568 tonnes), with additional shipments expected for the remainder of the financial year.

Management is currently exploring all possible options, including significantly increased exports, to secure the mine's future in case of a prolonged shutdown of all ferrochrome smelters. Shareholders will be updated on the progress when there is better clarity.

Industrial Minerals
Although a very small part of the Group, this business unit was also impacted by the shutdown of the ferrochrome smelters and the closure of the Newcastle steelworks. Revenue declined by 16,8% to R270,6 million (August 2024: R325,1 million), and operating profit dropped to R22,5 million from R68,6 million in the previous period.

Future Materials and Metals
Exciting progress was made with test work to unlock the full potential of this unique reserve. Encouraged by promising applications in the battery and magnet markets, significant progress has been made with local operators and international partners to develop the business case, which should not require significant further capital investment from Afrimat.

Revenue from phosphate product sales increased to R53,7 million (August 2024: R38,9 million) but as the business is still ramping up, it incurred an operating loss of R24,8 million.

Business development

The Group's business development team remains a key component of the Group's strategy. The team continues to identify opportunities in existing markets, as well as in anticipated new high-growth areas in southern Africa.

Changes to Mineral Resources and Mineral Reserves

Afrimat's statement of Mineral Resources and Mineral Reserves as at 28 February 2025 is produced in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves ('SAMREC'). It should be noted that the Mineral Resources are reported inclusive of the Mineral Reserves. There has been no material change to Afrimat's Mineral Resources and Mineral Reserves as disclosed in the integrated annual report for the financial year ended 28 February 2025, other than depletion due to continued mining activities at the operations.

B-BBEE

Afrimat's BEE shareholding, which includes shares held by the Afrimat BEE Trust and previously held shares recognised in terms of paragraph 3.8 of the B-BBEE COGP, equates to 30,4%.

Notwithstanding the fully empowered ownership structure aligned with the Mining Charter requirements, the Group remains committed to continuously advancing all aspects of B-BBEE. Afrimat embraces a bottom-up approach to transformation with a strong focus on sustained training, skills development and all-round employee upliftment in the financial year.

Dividend

An interim gross dividend of 20,0 cents per share (August 2024: 10,0 cents per share) for the period was declared on 22 October 2025. The dividend payable to shareholders who are subject to dividend tax is 16,0 cents per share (August 2024: 8,0 cents per share).

Prospects

The performance of the cement plant is expected to improve as reliability and throughput increase following a detailed strategic review of kiln performance. Demand for low-carbon, high-quality cement remains strong in both bagged and bulk formats.

The assets acquired in the Lafarge transaction are either profitable or demonstrating strong momentum. The fly-ash operations are highly profitable and Afrimat's cement extender strategy is gaining momentum. The grinding plant is profitable and the cement blending and packaging plants will be capable of supporting current and future volumes.

Post the interim period, the acquired Lafarge quarries are further increasing sales by regaining market share and developing new markets supported by a strong national presence. Afrimat is well-positioned to benefit from road and rail maintenance, private building projects, provincial maintenance, infrastructure projects, and large-scale infrastructure and building initiatives across our borders.

Afrimat expects domestic iron ore sales to be slightly lower in the second half of the financial year due to the closure of AMSA's Newcastle operation.

International iron ore sales are projected to remain at similar levels to the previous year. The recent rise in iron ore prices is a positive development.

Unfortunately, due to the possibility of ferrochrome smelter closures in South Africa, management is currently evaluating viable options for the Nkomati Anthracite Mine. What is encouraging is that the sector and the Government are in discussions to secure sustainable electricity tariffs, thus maintaining competitiveness. Afrimat remains hopeful that no further erosion of industrialisation will occur in South Africa.

Despite the structural economic challenges in South Africa, Afrimat's management is confident that the foundation and diversification of the Group are sound. The Group will continue to support its customers while also exploring alternative markets. The effort spent to ensure future performance is resilient, with continued investment in operational reliability supporting a positive outlook for improved returns.

These financial statements may contain forward-looking statements that have not been reviewed nor reported on by the Company's auditors.

On behalf of the Board

FM Louw
Chairman

AJ van Heerden
Chief Executive Officer

22 October 2025

Dividend Declaration

Notice is hereby given that an interim gross dividend, No. 37 of 20,0 cents per share, in respect of the six months ended 31 August 2025, was declared by the Board on Wednesday, 22 October 2025.

There are 160 297 456 shares in issue at the reporting date, of which 8 191 141 are held in treasury. The total dividend payable is R32,1 million (August 2024: R16,0 million).

The Board has confirmed that the solvency and liquidity test as contemplated by the Companies Act, No. 71 of 2008, has been duly considered, applied and satisfied. This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves. The South African dividend tax rate is 20,0%. The net dividend payable to shareholders who are subject to dividend tax and shareholders who are exempt from dividend tax is 16,0 cents and 20,0 cents per share, respectively. The income tax number of the Company is 9568738158.

Relevant dates of the interim dividend are as follows:

Last day to trade *cum* dividend	Tuesday, 18 November 2025
Commence trading *ex*-dividend	Wednesday, 19 November 2025
Record date	Friday, 21 November 2025
Dividend payable	Monday, 24 November 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 November and Friday, 21 November 2025, both dates inclusive.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Change %	Audited year ended 28 February 2025 R'000
Revenue	**5 330 059**	4 103 351	29.9	8 317 766
Cost of sales	**(4 289 057)**	(3 322 843)	29.1	(6 818 123)
Gross profit	**1 041 002**	780 508	33.4	1 499 643
Operating expenses	**(646 185)**	(550 153)	17.5	(1 203 374)
Other income	**18 302**	38 128		46 718
Other net gains and losses	**(31 169)**	15 814		89 022
Gain on bargain purchase (refer note 13.1)*	**–**	–		–
Profit on disposal of subsidiary (refer note 13.3)	**–**	–		36 541
Movement in expected credit loss allowance	**(2 122)**	8 336		9 185
Operating profit	**379 828**	292 633	29.8	477 735
Finance income	**34 624**	21 071		45 595
Finance costs	**(148 441)**	(93 929)		(221 251)
Profit before tax	**266 011**	219 775	21.0	302 079
Income tax expense	**(92 546)**	(122 837)		(188 569)
Profit for the period	**173 465**	96 938	78.9	113 510
Profit attributable to:				
Owners of the parent	**156 293**	88 299		95 562
Non-controlling interests	**17 172**	8 639		17 948
	173 465	96 938		113 510
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Exchange differences on translation of foreign operations	**(1 784)**	(1 112)		(373)
Items that will not be reclassified to profit or loss				
Net change in fair value of equity instruments at fair value through other comprehensive income	**5**	35		415
Income tax effect relating to these items	**(1)**	(10)		(92)
Other comprehensive loss for the period, net of tax	**(1 780)**	(1 087)		(50)
Total comprehensive income for the period	**171 685**	95 851	79.1	113 460
Total comprehensive income attributable to:				
Owners of the parent	**154 513**	87 212		95 512
Non-controlling interests	**17 172**	8 639		17 948
	171 685	95 851		113 460
Earnings per share:				
Earnings per ordinary share (cents) (refer note 6)*	**102.7**	58.3	76.2	63.0
Diluted earnings per ordinary share (cents) (refer note 6)*	**101.8**	57.5	77.0	62.2

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

Reconciliation of Headline Earnings

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Change %	Audited year ended 28 February 2025 R'000
Profit attributable to owners of the parent*	**156 293**	88 299		95 562
Profit on disposal of property, plant and equipment attributable to owners of the parent	**(1 735)**	(13 114)		(10 405)
Profit on disposal of subsidiary (refer note 13.3)	**–**	–		(36 541)
Loss on disposal of associate	**–**	1 557		1 557
Impairments (refer note 3)	**–**	–		69 429
Gain on bargain purchase (refer note 13.1)*	**–**	–		–
Total income tax effects of adjustments	**468**	3 541		(9 913)
Headline earnings	**155 026**	80 283	93.1	109 689
Headline earnings per ordinary share ('HEPS') (cents)	**101.9**	53.0	92.3	72.3
Diluted HEPS (cents)	**101.0**	52.3	93.1	71.4

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

Condensed Consolidated Statement of Financial Position

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
Assets			
Non-current assets			
Property, plant and equipment (refer note 4)*	**5 568 784**	5 503 249	5 665 172
Intangible assets*	**250 344**	287 197	256 029
Other financial assets (refer note 8)*	**178 090**	187 950	162 965
Deferred tax*	**284 412**	184 222	247 722
Inventories	**206 275**	212 643	210 141
Total non-current assets	**6 487 905**	6 375 261	6 542 029
Current assets			
Inventories*	**1 407 342**	1 188 541	1 101 387
Other financial assets (refer note 8)*	**310**	–	–
Current tax receivable	**4 810**	9 756	12 348
Trade and other receivables (refer note 10)*	**1 670 385**	1 296 711	1 169 291
Cash and cash equivalents*	**489 311**	523 261	301 329
Total current assets	**3 572 158**	3 018 269	2 584 355
Disposal group assets held for sale (refer note 13.4)	**82 891**	–	76 910
Total assets	**10 142 954**	9 393 530	9 203 294
Equity and liabilities			
Equity			
Stated capital	**858 555**	826 756	857 851
Treasury shares (refer note 5)	**(129 903)**	(123 573)	(123 713)
Net issued stated capital	**728 652**	703 183	734 138
Other reserves	**(71 062)**	(63 828)	(77 000)
Retained earnings*	**3 831 601**	3 704 262	3 698 942
Attributable to equity holders of the parent	**4 489 191**	4 343 617	4 356 080
Non-controlling interests*	**43 356**	52 347	32 180
Total equity	**4 532 547**	4 395 964	4 388 260
Liabilities			
Non-current liabilities			
Other financial liabilities (refer note 11)	**72 932**	–	86 875
Borrowings (refer note 9)*	**182 531**	216 126	193 852
Other liability	**21 031**	31 849	40 726
Provisions*	**283 561**	318 137	279 746
Deferred tax*	**378 515**	338 407	394 382
Total non-current liabilities	**938 570**	904 519	995 581
Current liabilities			
Other financial liabilities (refer note 11)	**37 019**	415 606	421 320
Borrowings (refer note 9)*#	**2 266 700**	1 679 076	1 665 415
Current tax payable*	**26 483**	31 205	8 262
Trade and other payables*	**2 021 086**	1 628 564	1 636 569
Bank overdraft*#	**309 469**	338 596	77 828
Total current liabilities	**4 660 757**	4 093 047	3 809 394
Disposal group liabilities held for sale (refer note 13.4)	**11 080**	–	10 059
Total liabilities	**5 610 407**	4 997 566	4 815 034
Total equity and liabilities	**10 142 954**	9 393 530	9 203 294

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

\# *The comparative information for August 2024 has been reclassified to present the bank overdraft under borrowings, consistent with the classification applied at year-end February 2025, refer note 9 for further disclosures.*

Condensed Consolidated Statement of Cash Flows

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
Cash flows from operating activities			
Cash generated from/(used in) operations (refer note 16)	**357 733**	(131 433)	571 591
Finance income received	**34 624**	21 071	45 595
Dividends received	**2**	1 551	1 551
Finance costs paid	**(137 933)**	(83 513)	(197 214)
Tax paid	**(119 517)**	(80 048)	(181 769)
Net cash inflow/(outflow) from operating activities	**134 909**	(272 372)	239 754
Cash flows from investing activities			
Acquisition of property, plant and equipment	**(219 974)**	(209 074)	(593 215)
Proceeds on disposal of property, plant and equipment	**15 154**	59 775	55 282
Acquisition of businesses (refer note 13.1)*	**–**	(374 808)	(380 808)
Acquisition of assets (refer note 13.2)	**–**	(148 845)	(148 845)
Proceeds on disposal of subsidiary (refer note 13.3)	**–**	–	44 000
Proceeds on disposal of associate	**–**	280	280
Purchase of other financial assets	**(36 466)**	(41 201)	(74 420)
Repayments from other financial assets	**25 896**	18 631	83 467
Net cash outflow from investing activities	**(215 390)**	(695 242)	(1 014 259)
Cash flows from financing activities			
Repurchase of Afrimat shares (refer note 5)	**(15 611)**	(17 890)	(23 021)
Proceeds from borrowings (refer note 9.2)	**504 802**	1 100 000	1 100 000
Repayment of borrowings (refer note 9.2)	**(96 193)**	(315 251)	(387 598)
Withdrawn funds in overdraft (refer note 9.2)*#	**866 575**	194 300	1 083 813
Repayment of bank overdraft (refer note 9.2)*#	**(740 899)**	(63 112)	(981 409)
Capital elements of lease payments (refer note 9.2)	**(15 751)**	(9 765)	(24 207)
Repayment of other financial liabilities	**(436 912)**	(240)	(15 985)
Dividends paid (refer note 15.2)	**(29 189)**	(240 441)	(258 265)
Net cash inflow from financing activities	**36 822**	647 601	493 328
Net decrease in cash, cash equivalents and bank overdrafts	**(43 659)**	(320 013)	(281 177)
Cash, cash equivalents and bank overdrafts at the beginning of the period	**223 501**	504 678	504 678
Cash, cash equivalents and bank overdrafts at the end of the period	**179 842**	184 665	223 501

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

The comparative information for August 2024 has been reclassified to present the bank overdraft under borrowings, consistent with the classification applied at year-end February 2025, refer note 9 for further disclosures.

Condensed Consolidated Statement of Changes in Equity

	Stated capital R'000	Treasury shares R'000	Other reserves R'000	Retained earnings R'000	Non-controlling interests R'000	Total equity R'000
Balance at 1 March 2024	901 082	(143 485)	(32 350)	3 815 802	21 992	4 563 041
Total comprehensive income						
Profit for the period*	–	–	–	88 299	8 639	96 938
Other comprehensive loss for the period	–	–	(1 087)	–	–	(1 087)
Net change in fair value of equity instruments at fair value through other comprehensive income	–	–	35	–	–	35
Income tax effect	–	–	(10)	–	–	(10)
Exchange differences on translation of foreign operations	–	–	(1 112)	–	–	(1 112)
Total comprehensive income	–	–	(1 087)	88 299	8 639	95 851
Transactions with owners of the parent						
Contributions and distributions						
Share-based payment expense for the period	–	–	12 061	–	–	12 061
Deferred taxation on share-based payments	–	–	(5 106)	–	–	(5 106)
Purchase of treasury shares (refer note 5)	–	(17 890)	–	–	–	(17 890)
Settlement of employee Share Appreciation Rights exercised, Forfeitable Share Plan vested and reserve transfer, net of tax	(74 326)	37 802	(37 346)	37 346	–	(36 524)
Dividends paid (refer note 15.2)	–	–	–	(237 185)	(3 256)	(240 441)
Total contributions and distributions	(74 326)	19 912	(30 391)	(199 839)	(3 256)	(287 900)
Additional non-controlling interest acquired through acquisition of businesses:						
– Ash Resources Proprietary Limited (refer note 13.1)*	–	–	–	–	24 972	24 972
Total changes in ownership interests	–	–	–	–	24 972	24 972
Total transactions with the owners of the parent	(74 326)	19 912	(30 391)	(199 839)	21 716	(262 928)
Balance at 31 August 2024	826 756	(123 573)	(63 828)	3 704 262	52 347	4 395 964
Balance at 1 March 2024	901 082	(143 485)	(32 350)	3 815 802	21 992	4 563 041
Total comprehensive income						
Profit for the year	–	–	–	95 562	17 948	113 510
Other comprehensive loss for the year	–	–	(50)	–	–	(50)
Net change in fair value of equity instruments at fair value through other comprehensive income	–	–	415	–	–	415
Income tax effect	–	–	(92)	–	–	(92)
Exchange differences on translation of foreign operations	–	–	(373)	–	–	(373)
Total comprehensive income	–	–	(50)	95 562	17 948	113 460
Transactions with owners of the parent						
Contributions and distributions						
Share-based payment expense for the year	–	–	16 803	–	–	16 803
Deferred taxation on share-based payments	–	–	(8 292)	–	–	(8 292)
Purchase of treasury shares (refer note 5)	–	(23 021)	–	–	–	(23 021)
Issue of stated capital	40 000	–	–	–	–	40 000
Settlement of employee Share Appreciation Rights exercised, Forfeitable Share Plan vested and reserve transfer, net of tax	(83 231)	42 793	(42 085)	42 085	–	(40 438)
Dividends paid (refer note 15.2)	–	–	–	(254 507)	(3 758)	(258 265)
Total contributions and distributions	(43 231)	19 772	(33 574)	(212 422)	(3 758)	(273 213)
Additional non-controlling interest acquired through acquisition of businesses:						
– Ash Resources Proprietary Limited (refer note 13.1)	–	–	–	–	24 972	24 972
Changes in ownership interests:						
– Ash Resources Proprietary Limited	–	–	(11 026)	–	(28 974)	(40 000)
Total changes in ownership interests	–	–	(11 026)	–	(4 002)	(15 028)
Total transactions with owners of the parent	(43 231)	19 772	(44 600)	(212 422)	(7 760)	(288 241)
Balance at 28 February 2025	857 851	(123 713)	(77 000)	3 698 942	32 180	4 388 260

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

	Stated capital R'000	Treasury shares R'000	Other reserves R'000	Retained earnings R'000	Non-controlling interests R'000	Total equity R'000
Balance at 1 March 2025	857 851	(123 713)	(77 000)	3 698 942	32 180	4 388 260
Total comprehensive income						
Profit for the period	–	–	–	156 293	17 172	173 465
Other comprehensive loss for the period	–	–	(1 780)	–	–	(1 780)
Net change in fair value of equity instruments at fair value through other comprehensive income	–	–	5	–	–	5
Income tax effect	–	–	(1)	–	–	(1)
Exchange differences on translation of foreign operations	–	–	(1 784)	–	–	(1 784)
Total comprehensive income	–	–	(1 780)	156 293	17 172	171 685
Transactions with owners of the parent						
Contributions and distributions						
Share-based payment expense for the period	–	–	7 449	–	–	7 449
Deferred taxation on share-based payments	–	–	(172)	–	–	(172)
Purchase of treasury shares (refer note 5)	–	(15 611)	–	–	–	(15 611)
Settlement of employee Share Appreciation Rights exercised, Forfeitable Share Plan vested and reserve transfer, net of tax	704	9 421	441	(441)	–	10 125
Dividends paid (refer note 15.2)	–	–	–	(23 193)	(5 996)	(29 189)
Total contributions and distributions	704	(6 190)	7 718	(23 634)	(5 996)	(27 398)
Total transactions with the owners of the parent	704	(6 190)	7 718	(23 634)	(5 996)	(27 398)
Balance at 31 August 2025	858 555	(129 903)	(71 062)	3 831 601	43 356	4 532 547

Notes

1. Basis of preparation

The unaudited condensed consolidated interim financial results ('financial statements') for the six months ended 31 August 2025 ('the period') are prepared in accordance with the requirements of the JSE Limited ('JSE') Listings Requirements ('the Listings Requirements') for interim results, and the requirements of the Companies Act. The Listings Requirements require interim results to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: *Interim Financial Reporting*. The accounting policies applied in the preparation of the financial statements are in terms of IFRS® Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements for the year ended 28 February 2025.

These financial statements have not been audited or reported on by Afrimat's auditors, PricewaterhouseCoopers Inc., and have been prepared under the supervision of the Chief Financial Officer ('CFO'), PGS de Wit CA(SA).

2. Segment information

The segments of the Group have been identified by business segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors. Aggregation of segments has been determined on the basis of product outputs with similar attributes; by considering the nature of products and services, production processes and the type of class of customer for the product and services.

There are five main operational segments based on the market use of products.

The principal services and products of each of these segments are as follows:

- Construction Materials: Comprises aggregates, concrete-based products, fly-ash and cement;
- Industrial Minerals: Comprises limestone, dolomite and industrial sand;
- Bulk Commodities: Comprises iron ore and anthracite;
- Future Materials and Metals: Comprises phosphate; and
- Services: Comprises external logistical and mining services.

Centralised shared services costs comprises of central head office functions, corporate costs, and other support services that are not directly attributable to the operating segments. These costs are not allocated to the operating segments, as they are managed on a consolidated basis.

	Split six months ended 31 August 2025 %	**Unaudited six months ended 31 August 2025 R'000**	Split six months ended 31 August 2024 %	Unaudited six months ended 31 August 2024 R'000	Split year ended 28 February 2025 %	Audited year ended 28 February 2025 R'000
Revenue						
External revenue						
Construction Materials	**52.7**	**2 809 991**	53.0	2 173 735	54.7	4 552 667
– *Aggregates*		**1 936 323**		1 774 485		3 541 008
– *Cement*		**873 668**		399 250		1 011 659
Industrial Minerals	**5.1**	**270 580**	7.9	325 114	6.9	575 149
Bulk Commodities	**40.5**	**2 160 521**	34.3	1 406 314	34.0	2 825 071
– *Iron Ore*		**1 663 327**		934 726		1 995 991
– *Anthracite*		**497 194**		471 588		829 080
Future Materials and Metals	**1.0**	**53 676**	0.9	38 921	0.8	68 054
Services	**0.7**	**35 291**	3.9	159 267	3.6	296 825
		5 330 059		4 103 351		8 317 766
Inter-segmental revenue						
Construction Materials	**5.6**	**52 852**	9.0	34 077	15.0	120 575
Industrial Minerals	**0.4**	**3 314**	1.1	4 257	0.9	7 886
Bulk Commodities	**0.3**	**2 956**	–	–	–	–
Future Materials and Metals	**–**	**–**	–	–	–	–
Services	**93.7**	**876 168**	89.9	339 636	84.1	677 425
		935 290		377 970		805 886

2. Segment information
(continued)

	Split six months ended 31 August 2025 %	Unaudited six months ended 31 August 2025 R'000	Split six months ended 31 August 2024 %	Restated unaudited six months ended 31 August 2024* R'000	Split year ended 28 February 2025 %	Restated audited year ended 28 February 2025 R'000
Total revenue						
Construction Materials	**45.7**	**2 862 843**	49.3	2 207 812	51.2	4 673 242
– Aggregates		**1 979 309**		1 808 562		3 658 347
– Cement		**883 534**		399 250		1 014 895
Industrial Minerals	**4.4**	**273 894**	7.3	329 371	6.4	583 035
Bulk Commodities	**34.5**	**2 163 477**	31.4	1 406 314	31.0	2 825 071
– Iron Ore		**1 663 327**		934 726		1 995 991
– Anthracite		**500 150**		471 588		829 080
Future Materials and Metals	**0.9**	**53 676**	0.9	38 921	0.7	68 054
Services	**14.5**	**911 459**	11.1	498 903	10.7	974 250
		6 265 349		4 481 321		9 123 652
Operating profit#						
Construction Materials	**29.4**	**194 062**	32.6	174 260	32.7	330 554
– Aggregates		**321 178**		290 115		550 182
– Cement		**(127 116)**		(115 855)		(219 628)
Industrial Minerals	**3.4**	**22 483**	12.8	68 621	11.5	116 704
Bulk Commodities	**67.5**	**445 138**	53.1	283 968	48.1	486 886
– Iron Ore		**403 546**		232 552		434 359
– Anthracite		**41 592**		51 416		52 527
Future Materials and Metals	**(3.7)**	**(24 826)**	(4.0)	(21 108)	(3.5)	(34 980)
Services	**3.4**	**22 502**	5.5	29 419	11.2	113 098
		659 359		535 160		1 012 262
Centralised shared services costs		**(279 531)**		(242 527)		(534 527)
		379 828		292 633		477 735
Operating profit margin on external revenue (%)						
Construction Materials		**6.9**		8.0		7.3
– Aggregates		**16.6**		16.3		15.5
– Cement		**(14.5)**		(29.0)		(21.7)
Industrial Minerals		**8.3**		21.1		20.3
Bulk Commodities		**20.6**		20.2		17.2
– Iron Ore		**24.3**		24.9		21.8
– Anthracite		**8.4**		10.9		6.3
Future Materials and Metals		**(46.3)**		(54.2)		(51.4)
Overall contribution*		**7.1**		7.1		5.7

During the current period, the Group refined its basis of segmental allocation. Previously, certain centralised shared services costs were allocated to the operating segments. These costs are now presented within a separate 'centralised shared services' segment, which reflects the manner in which the Group's chief operating decision-maker monitors performance and allocates resources. Comparative information has been restated to align with the current period presentation. This change provides a more consistent representation of how segment performance is managed internally and enhances the usefulness of the disclosure to users of the financial statements. Refer note 20 for further disclosures.

2. Segment information (continued)

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
Assets			
Construction Materials*	**3 423 875**	3 328 182	3 270 460
Industrial Minerals	**448 036**	552 444	474 768
Bulk Commodities	**3 867 301**	3 137 825	3 236 309
Future Materials and Metals	**836 673**	866 752	843 995
Services	**225 815**	267 065	250 570
Unallocated*	**1 341 254**	1 241 262	1 127 192
	10 142 954	9 393 530	9 203 294
Liabilities			
Construction Materials*	**1 304 247**	1 524 929	1 162 730
Industrial Minerals	**84 382**	134 607	114 336
Bulk Commodities	**537 698**	298 543	392 775
Future Materials and Metals	**20 657**	20 940	12 683
Services	**274 668**	205 306	183 828
Unallocated*	**3 388 755**	2 813 241	2 948 682
	5 610 407	4 997 566	4 815 034
Depreciation and amortisation			
Construction Materials	**90 465**	75 819	168 895
Industrial Minerals	**17 282**	17 817	36 560
Bulk Commodities	**202 747**	130 040	302 251
Future Materials and Metals	**17 052**	13 481	30 731
Services	**40 983**	36 897	76 794
	368 529	274 054	615 231
Capital expenditure (excluding acquisitions through business combinations)			
Construction Materials	**75 622**	96 278	222 658
Industrial Minerals	**8 695**	17 612	19 778
Bulk Commodities	**164 410**	135 763	532 601
Future Materials and Metals	**7 259**	16 463	24 801
Services	**37 038**	70 221	113 547
	293 024	336 337	913 385

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

3. Impairments

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
Impairment of goodwill	**–**	–	22 310
Impairment of property, plant and equipment	**–**	–	47 119
	–	–	69 429

No impairments were recorded in the current period.

During the process of performing the annual goodwill impairment test in the prior year, it was identified that the carrying value of the Fincrete Proprietary Limited ('Fincrete') CGU exceeded its recoverable amount. This was mainly due to the shortfall in the anticipated market share of the resource, which resulted in the company not meeting its budget. As a result of the forementioned, a goodwill impairment of R22,3 million was recorded. Fincrete is included in the Industrial Minerals segment.

During the prior year, an impairment loss of R3,0 million was recognised for the stripping asset of the Nkomati mine. The updated LOM plan, as well as the expected average reserve life stripping ratio was reassessed which subsequently resulted in the impairment loss recorded. Furthermore, an impairment indicator was identified for the mining asset of Fincrete, following the impairment of goodwill allocated to the CGU. As a result, the Group performed an impairment assessment, which led to the recognition of an impairment loss on the mining asset. The recoverable amount of the asset was determined based on its value-in-use, using discounted cash flow projections. An impairment of R44,1 million has been recognised in profit or loss.

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
4. Property, plant and equipment			
Land and buildings*	**249 440**	245 208	257 511
Leasehold property	**11 789**	9 334	11 851
Plant and machinery*	**2 290 395**	2 391 722	2 308 974
Motor vehicles*	**596 311**	588 042	632 577
Office and computer equipment	**34 335**	31 639	34 184
Dismantling costs*	**23 921**	27 874	28 457
Mining assets*	**1 849 200**	1 819 854	1 927 329
Stripping assets	**458 938**	321 579	404 616
Right-of-use assets*	**54 455**	67 997	59 673
	5 568 784	5 503 249	5 665 172

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
Depreciation	**362 842**	273 121	605 442
Amortisation	**5 687**	933	9 789
	368 529	274 054	615 231

	Number of shares		
	Unaudited six months ended 31 August 2025	Unaudited six months ended 31 August 2024	Audited year ended 28 February 2025
5. Treasury shares			
Opening balance	**8 068 334**	8 509 520	8 509 520
Utilised for Share Appreciation Rights exercised	**–**	(449 208)	(520 555)
Utilised for Forfeitable Share Plan shares vested	**(187 193)**	(251 741)	(251 741)
Purchased during the period/year	**310 000**	258 139	331 110
Closing balance	**8 191 141**	8 066 710	8 068 334

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
Opening balance	**(123 713)**	(143 485)	(143 485)
Utilised for Share Appreciation Rights exercised	**–**	27 964	32 955
Utilised for Forfeitable Share Plan shares vested	**9 421**	9 838	9 838
Purchased during the period/year	**(15 611)**	(17 890)	(23 021)
Closing balance	**(129 903)**	(123 573)	(123 713)

The Afrimat BEE Trust (indirectly through Afrimat Empowerment Investments Proprietary Limited) holds, on an unencumbered basis, 6 882 804 (August 2024: 6 881 856) shares amounting to R71,3 million (August 2024: R71,2 million) representing 4,3% (August 2024: 4,3%) of the issued share capital of the Company.

Afrimat Management Services Proprietary Limited ('AMS') shareholding is as follows:
- 1 305 247 (August 2024: 1 175 598) shares, as nominee for the absolute benefit of the participants of the Company's Forfeitable Share Plan amounting to R58,5 million (August 2024: R51,8 million); and
- 3 090 (August 2024: 9 256) shares held in AMS are held for the purposes of the Company's Share Appreciation Rights scheme amounting to R0,2 million (August 2024: R0,6 million).

6. Earnings per share

	Unaudited six months ended 31 August 2025	Restated unaudited six months ended 31 August 2024*	Audited year ended 28 February 2025
Number of shares in issue			
Total shares in issue	**160 297 456**	159 690 957	160 297 456
Treasury shares (refer note 5)	**(8 191 141)**	(8 066 710)	(8 068 334)
Net shares in issue	**152 106 315**	151 624 247	152 229 122
Weighted average number of net shares in issue	**152 178 714**	151 469 282	151 698 141
Diluted weighted average number of shares	**153 495 957**	153 499 661	153 521 170
Profit attributable to ordinary shareholders (R'000)*	**156 293**	88 299	95 562
Earnings per ordinary share (cents)*	**102.7**	58.3	63.0
Diluted earnings per ordinary share (cents)*	**101.8**	57.5	62.2

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

7. Financial position ratios

	Unaudited six months ended 31 August 2025	Restated unaudited six months ended 31 August 2024*	Audited year ended 28 February 2025
7.1 Net asset value ('NAV') per share			
Number of shares in issue			
Total shares in issue	**160 297 456**	159 690 957	160 297 456
Treasury shares (refer note 5)	**(8 191 141)**	(8 066 710)	(8 068 334)
Net shares in issue	**152 106 315**	151 624 247	152 229 122
Shareholders' funds attributable to owners of the parent (R'000)*	**4 489 191**	4 343 617	4 356 080
Total NAV per share (cents)*	**2 951**	2 865	2 862
7.2 Tangible net asset value ('TNAV') per share			
Shareholders' funds attributable to owners of the parent (R'000)*	**4 489 191**	4 343 617	4 356 080
Intangible assets and goodwill (R'000)*	**(250 344)**	(287 197)	(256 029)
Total TNAV (R'000)*	**4 238 847**	4 056 420	4 100 051
Total TNAV per share (cents)*	**2 787**	2 675	2 693
7.3 Net debt:equity			
Total borrowings and other financial liabilities (R'000)*	**2 559 182**	2 310 808	2 367 462
Overdraft less cash and cash equivalents/(surplus cash) (R'000)*	**(179 842)**	(184 665)	(223 501)
Net debt (R'000)*	**2 379 340**	2 126 143	2 143 961
Net debt:equity ratio (%)*	**52.5**	48.4	48.9

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
8. Other financial assets			
Financial assets at fair value through other comprehensive income*	**22 050**	20 673	21 757
Financial assets at fair value through profit or loss	**110 516**	102 134	106 226
Financial assets at amortised cost*	**45 834**	65 143	34 982
	178 400	187 950	162 965
Non-current other financial assets*	**178 090**	187 950	162 965
Current other financial assets*	**310**	–	–
	178 400	187 950	162 965

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

Refer note 14 for fair value disclosure of other financial assets.

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
9. Borrowings			
9.1 Capital net movement			
Opening balance	**1 859 267**	557 125	557 125
New borrowings*	**1 442 807**	1 726 205	2 695 356
Finance cost	**3 364**	3 856	8 267
Repayments*	**(856 207)**	(391 984)	(1 401 481)
Closing balance	**2 449 231**	1 895 202	1 859 267
Analysis as per Statement of Financial Position:			
Borrowings non-current*	**182 531**	216 126	193 852
Borrowings current*	**2 266 700**	1 679 076	1 665 415
	2 449 231	1 895 202	1 859 267
9.2 Analysis as per Statement of Cash Flow			
Total opening balance borrowings	**1 859 267**	557 125	557 125
Borrowings raised	**504 802**	1 100 000	1 100 000
Withdrawn funds in overdraft#	**866 575**	194 300	1 083 813
Borrowings raised – non-cash*	**71 430**	431 905	511 543
Instalment sale agreements	**56 982**	100 947	175 112
Additions through business combinations (refer note 13.1)*	**–**	330 308	330 308
Lease liabilities	**14 448**	650	6 123
Repayments	**(852 843)**	(388 128)	(1 393 214)
Bank overdraft#	**(740 899)**	(63 112)	(981 409)
Instalment sale agreements and medium-term loan	**(96 193)**	(315 251)	(387 598)
Lease liabilities	**(15 751)**	(9 765)	(24 207)
Total closing balance borrowings	**2 449 231**	1 895 202	1 859 267

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

\# *The comparative information for August 2024 has been reclassified to present the bank overdraft under borrowings, consistent with the classification applied at year-end February 2025.*

During the current period, the Group increased the R1,1 billion revolving credit facility ('RCF') with Standard Bank of South Africa ('SBSA'), to R1,6 billion. The facility was fully utilised as at 31 August 2025 (28 February 2025: fully utilised). The facility bears interest at the three-month Jibar overnight deposit rate plus 1,6%, payable quarterly in arrears. The facility is repayable quarterly with the final repayment date of 11 August 2026.

On 20 May 2025, the Group entered into a RCF with Investec Bank (Mauritius) Limited amounting to US$5,0 million. The utilised portion of the facility was US$0,3 million as at 31 August 2025. The facility bears interest at the daily non-cumulative compounded Secured Overnight Financing Rate, plus a margin of 2,5%.

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
10. Trade and other receivables			
Trade receivables – net*	**1 434 155**	1 014 879	833 426
Trade receivables at fair value through profit or loss	**109 828**	111 258	123 686
Provision for final price adjustment	**4 083**	(37 294)	8 972
Other*	**122 319**	207 868	203 207
Total trade and other receivables	**1 670 385**	1 296 711	1 169 291

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

The provision for final price adjustment relates to the customer in Afrimat Iron Ore Proprietary Limited, Kumba International Trading S.A.R.L. In terms of the agreement, commodity prices used in the invoice issued at revenue recognition date (i.e. the designated point of delivery (FOB)) are based on the average daily prices with reference to the IODEX for the prior month. A final price adjustment is made, three months following revenue recognition based on the average market price of the third-month period.

The amount of revenue recognised is based on the best estimate of the amount expected to be received and therefore a monthly provision for the final price adjustment is recognised, based on the relevant forward-looking iron ore prices.

Extract of forward-looking variables applicable on 31 August 2025:

	August 2025	July 2025	June 2025
	Three-month/ spot	Two-month/ spot	One-month/ spot
Average actual iron ore price invoiced at FOB (US$)	**93**	86	91
Iron ore forward price at FOB (US$)	**92**	84	90
Sales volume (tonnes)	**68 002**	78 435	68 169

Refer note 14 for further details on fair value methodology.

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
11. Other financial liabilities			
Non-current liabilities			
Financial liabilities at fair value through profit or loss	**72 932**	–	86 875
Current liabilities			
Financial liabilities at fair value through profit or loss	**28 454**	–	29 611
Net capital proceeds owing to Afrimat BEE Trust participants	**6 562**	6 493	6 559
Other financial liabilities	**2 003**	3 113	2 836
Consideration payable: minority (refer note 13.1)	**–**	6 000	–
Consideration payable: Caricement B.V. (refer note 13.1)	**–**	400 000	382 314
Closing balance	**109 951**	415 606	508 195

As part of the purchase consideration, the Company has agreed to repay or procure the loan amounts owing by Lafarge to Holcim Group subsidiary, Caricement B.V. ('seller') equating to R900,0 million. The Company paid R500,0 million in cash to the seller, on 15 April 2024, and the outstanding R400,0 million was interest free and payable no later than 12 months after the closing date, converted into euro. This liability was settled on 30 April 2025. Refer note 13.1 for further details on the Lafarge acquisition.

Financial liabilities at fair value through profit or loss relates to a deferred consideration for the acquisition of an iron ore mining resource purchased during the prior year. It represents the present value of future payments determined in accordance with a formula linked to the volume of iron ore extracted, Platts index and the USD/ZAR exchange rate.

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
12. Authorised capital expenditure			
Contracted after year-end, but not provided for			
Property, plant and equipment	**38 896**	6 494	7 479
Not yet contracted for			
Property, plant and equipment	**116 415**	161 194	292 521
Total authorised capital expenditure	**155 311**	167 688	300 000

Authorised capital expenditure is to be funded from surplus cash and bank financing.

13. Business combinations

Acquisition of businesses

13.1 Lafarge South Africa Holdings Proprietary Limited ('Lafarge')

As per the SENS announcement on 20 June 2023, in terms of which Afrimat announced that it entered into a share purchase agreement, in terms of which the Company will acquire 100,0% of the issued share capital of Lafarge and, as a consequence, all of Lafarge's subsidiaries (collectively 'Lafarge Group') from the Holcim Group subsidiary, Caricement B.V. ('seller').

The Lafarge Group is a leading provider of construction materials in South Africa, offering a wide range of products to the construction industry, including aggregates, concrete, cement and fly-ash that meet the industry's need for products with reliable quality and high performance. In addition, a key focus of the Afrimat Group is its operational efficiency initiatives, which are aimed at expanding volumes, reducing costs and developing the required skill levels across all staffing categories. Consequently, the acquisition is in line with the Afrimat Group's strategy to expand the current national footprint and products and to drive efficiencies within the Construction Materials segment.

The Construction Materials segment of the Afrimat Group supplies a wide variety of aggregates and concrete-based products to the market, and the Group, in response to customer demand, continues to focus on market and product development within this segment.

All conditions precedent were met to acquire 100,0% of the shares in Lafarge on 10 April 2024 and the acquisition became effective from 23 April 2024.

The purchase consideration was structured as follows:

- $6,0 million less any amounts categorised as leakage under the share purchase agreement ('Sale Price'). The Sale Price was paid on 17 April 2024; and
- Loan amounts owing by Lafarge to the seller, equating to R900,0 million. The Company paid the seller an amount of R500,0 million in cash, on 15 April 2024. The R400,0 million was interest free and payable by no later than 12 months after the closing date, be converted into euro. This was paid on 30 April 2025.

Details of the purchase consideration are as follows:

	As originally presented total 2025 R'000	Measurement period adjustments 2025* R'000	Adjusted total 2025 R'000
Cash paid ($6 million)	113 880	–	113 880
Cash paid (loan)	500 000	–	500 000
Consideration payable (loan)	400 000	–	400 000
Cash paid (minority)**	6 000	–	6 000
Leakage claim***	–	(50 466)	(50 466)
Total purchase consideration	1 019 880	(50 466)	969 414

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination at year-end 28 February 2025.*

** *Additional consideration of R6,0 million for the acquisition of the minority shareholding of Afrimat Industries South Africa Proprietary Limited and Afrimat Quarrying South Africa Proprietary Limited (previously known as Lafarge Industries South Africa Proprietary Limited and Lafarge Mining South Africa Proprietary Limited, respectively), this was paid on 5 September 2024.*

*** *The contract included a provision allowing for an adjustment to the consideration payable through a leakage adjustment within six months following the closing date. An amount of R50,5 million was received on 30 April 2025.*

13. Business combinations (continued)

Acquisition of businesses (continued)

13.1 Lafarge South Africa Holdings Proprietary Limited ('Lafarge') (continued)

Details of the acquisition are as follows:

	As originally presented total 2025 R'000	Measurement period adjustments 2025* R'000	Adjusted total 2025 R'000
Carrying amount/fair value of net assets acquired – Lafarge			
Property, plant and equipment[1]	1 691 631	(390 631)	1 301 000
Intangible assets[2]	100 700	(47 300)	53 400
Inventories[3]	336 892	(15 991)	320 901
Trade and other receivables[4]	306 637	(714)	305 923
Other financial assets	1 071	8 976	10 047
Deferred tax asset	84 168	(35 704)	48 464
Cash and cash equivalents	(30 614)	269 686	239 072
Borrowings	(58 778)	(271 530)	(330 308)
Provisions	(73 883)	1 488	(72 395)
Trade and other payables	(1 045 719)	170 468	(875 251)
Current tax payable	(4 884)	(1 583)	(6 467)
Net assets – Lafarge	1 307 221	(312 835)	994 386
Less: Non-controlling interests	(24 598)	(374)	(24 972)
Gain on bargain purchase	(262 743)	262 743	–
Total purchase consideration	1 019 880	(50 466)	969 414
Total revenue assuming the business combination for the full period	1 439 984		1 439 984
Total loss after tax assuming the business combination for the full period	(64 368)		(64 368)
Revenue included in results	991 029		991 029
Loss after tax included in results	(116 614)		(116 614)
Acquisition cost included in 'operating expenses' for the F2024/F2025 year	7 985		7 985
Analysis as per Statement of Cash Flows for the period ending 31 August 2024:			
Total consideration (fair value)	(1 019 880)	50 466	(969 414)
Consideration payable (minority – paid on 5 September 2024)	6 000	–	6 000
Consideration payable (loan)	400 000	–	400 000
Leakage claim	–	(50 466)	(50 466)
Cash and cash equivalents[#]	(30 614)	269 686	239 072
Cash outflow	(644 494)	269 686	(374 808)

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination.*

[#] *The comparative information for August 2024 has been reclassified to present the bank overdraft under borrowings, consistent with the classification applied at year-end February 2025.*

1. *The fair value of the Cement Plant was determined by applying an income approach using a discounted cash flow ('DCF') model and taking into account 100% of the attributable cash flows and a discount rate of 18,1%, long-term growth rate of 4,6% and sales volumes growth rate of between 3,0% and 5,1%. For other property, plant and equipment, a combination of depreciated replacement cost ('DRC') valuation method and market value was used.*
2. *Intangible assets consist of R15,9 million for the DuraPozz brand and R37,5 million for the customer relationships of the Ash business. The fair value of the DuraPozz brand was calculated by applying the determined royalty rate to the forecasted revenues and discounting the after tax royalties at the calculated cost of equity. For the customer relationships a variation of the income method, namely the multi-period excess earnings method ('MEEM'), was applied to determine the fair value.*
3. *The fair value of inventories was based on an assessment of net realisable value, taking into account the quantity of tonnes included in the various inventory categories (raw materials, finished goods and production supplies).*
4. *Trade receivables comprise gross contractual amounts due of R251,3 million. An expected credit loss allowance of R7,0 million was raised at the date of acquisition.*

At the acquisition date, a bargain purchase gain was provisionally recognised, primarily due to the acquired company being loss-making, which resulted in the fair value of the identifiable net assets acquired exceeding the consideration transferred. Subsequent to the provisional recognition, and within the measurement period as permitted under IFRS 3, the Group performed a reassessment of the fair values of the identifiable net assets acquired. This reassessment resulted in a downward adjustment to the fair value of certain assets, reflecting updated information about conditions that existed at the acquisition date. As a result of this fair value adjustment, the previously recognised bargain purchase gain was derecognised, and the final purchase price allocation no longer resulted in a gain on bargain purchase.

13. Business combinations (continued)

Acquisition of assets

13.2 Glenover Phosphates Proprietary Limited ('Glenover')

The Glenover acquisition includes phosphate stockpiles (purchased in F2022 for R215,1 million) and a rare earth, phosphate and vermiculite bearing mining right (subordinate Vermiculite Mining Right purchased in F2023 for R34,9 million), which positions the Group to enter new commodities aligned with global trends relating to food security and the advancement of technology. The implementation of the initial phases of this acquisition have progressed well with the Group selling high-grade phosphate into the organic phosphate market.

This acquisition did not include any workforce or processes and therefore does not constitute a business as defined in IFRS 3.

On 9 December 2021, Afrimat announced that it had purchased an option, for R5,0 million, to acquire 100,0% of the shares ('Sale Shares') in Glenover. Subsequently this option was exercised on 19 October 2022.

On 30 April 2024, all conditions precedent were fulfilled and the acquisition became effective.

The purchase consideration of Sale Shares and Sale Claims of R300,0 million was settled as follows:

- A first tranche payment of R150,0 million in respect of the Sale Claims payable through an issue of Afrimat Limited shares equivalent to R150,0 million, calculated on a 30-day volume weighted average price ('VWAP') on the first tranche payment date being 15 business days after signature of the Addendum;
- A second tranche payment of R147,0 million in respect of the Sale Claims payable in cash on 30 April 2024; and
- A cash consideration of R3,0 million payable in respect of the Sale Shares, on fulfilment of the suspensive conditions.

The purchase consideration in respect of the Sale Shares was settled in full.

Details of the purchase consideration are as follows:

	Total 2025 R'000
Cash paid	155 000
Afrimat Limited shares issued	150 000
Total purchase consideration	305 000

Details of the acquisition are as follows:

	Total 2025 R'000
Carrying amount/fair value of net assets acquired – Glenover	
Property, plant and equipment	315 508
Trade and other receivables	71
Deferred tax asset	73
Cash and cash equivalents	1 155
Provisions	(10 622)
Trade and other payables	(94)
Current tax payable	(1 091)
Net assets – Glenover	305 000
Analysis as per Statement of Cash Flows:	
Total consideration (fair value)	(305 000)
Shares issued	150 000
Cash paid: Option (F2023)	5 000
Cash and cash equivalents	1 155
Cash outflow	(148 845)

13. Business combinations (continued)

Disposal of businesses

13.3 SA Block Proprietary Limited

During the prior year, the Group entered into an agreement to dispose of its total shareholding in SA Block Proprietary Limited ('SAB') for a total purchase consideration of R44,0 million. The Group subsequently lost effective control over SAB on 1 February 2025. The company was previously included in the Construction Materials segment.

Details of the disposal are as follows:

	Total 2025 R'000
Carrying amount/fair value of net assets over which control was lost	
Property, plant and equipment	4 212
Inventories	3 575
Deferred tax liability	(328)
Net assets disposed of	7 459
Profit on disposal of subsidiary	
Consideration	44 000
Net assets disposed of	(7 459)
Profit on disposal	36 541
Analysis as per Statement of Cash Flows:	
Total cash flow on disposal of subsidiary	44 000
Cash inflow	44 000

13.4 Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale:

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
Assets classified as held for sale			
Property, plant and equipment	**50 234**	–	53 505
Inventories	**32 657**	–	23 405
Total assets of disposal group held for sale	**82 891**	–	76 910
Liabilities directly associated with assets classified as held for sale			
Provisions	**(11 080)**	–	(10 059)
Total liabilities of disposal group held for sale	**(11 080)**	–	(10 059)
	71 811	–	66 851

As part of the acquisition of the Lafarge business combination during the prior financial year, the Group was required by the Competition Commission to dispose of certain operations in order for the transaction to proceed. The condition was a prerequisite for regulatory approval and stipulates that the specified operations must be sold within a 12-month period.

In line with this requirement, the Group has committed to a plan to sell the relevant operations and has actively commenced the sale process. A potential buyer has been identified, and negotiations are at an advanced stage. As such, the criteria in IFRS 5: *Non-current Assets Held for Sale and Discontinued Operations* have been met. The disposal group is included in the Construction Materials segment.

Accordingly, the assets and liabilities of these operations have been classified as a disposal group held for sale.

The sale is expected to be finalised within the next 12-month period.

14. Fair value estimation

Fair value determination

The following table presents the financial assets and liabilities that are measured at fair value:

	Level 1 R'000	Level 2 R'000	Level 3 R'000
At 31 August 2025			
Assets			
At fair value through other comprehensive income			
Equity securities*	**10 133**	**–**	**–**
Environmental funds**	**–**	**11 917**	**–**
At fair value through profit or loss			
Unit trusts**	**–**	**110 516**	**–**
Trade receivables***	**–**	**113 911**	**–**
Total assets	**10 133**	**236 344**	**–**
Liabilities			
Other liability*#	**(21 031)**	**–**	**–**
Other financial liabilities****	**–**	**–**	**(101 386)**
Total liabilities	**(21 031)**	**–**	**(101 386)**
At 31 August 2024			
Assets			
At fair value through other comprehensive income			
Equity securities*^	10 126	–	–
Environmental funds**	–	10 547	–
At fair value through profit or loss			
Unit trusts**	–	102 134	–
Trade receivables***	–	73 964	–
Total assets	10 126	186 645	–
Liabilities			
Other liability*#	(31 849)	–	–
Total liabilities	(31 849)	–	–
At 28 February 2025			
Assets			
At fair value through other comprehensive income			
Equity securities*	10 128	–	–
Environmental funds**	–	11 629	–
At fair value through profit or loss			
Unit trusts**	–	106 226	–
Trade receivables***	–	132 658	–
Total assets	10 128	250 513	–
Liabilities			
Other liability*#	(40 726)	–	–
Other financial liabilities****	–	–	(116 486)
Total liabilities	(40 726)	–	(116 486)

^ *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

Other liability relates to the cash-settled Forfeitable Share Plan of the Group.

* *The fair value was based on quoted market prices at the end of the reporting period.*

** *The fair value was derived using the adjusted net asset method. The adjusted net asset method determines the fair value of the investment by reference to the fair value of the individual assets and liabilities recognised in the unit trust's/environmental fund's Statement of Financial Position.*

*** *Trade receivables/payables measured at fair value relates to Afrimat Iron Ore Proprietary Limited. The fair value was determined using the three-month forward-looking iron ore prices and foreign exchange rates as at the end of the reporting period (refer note 10).*

**** *The fair value of the other financial liability (deferred payment liability) was determined using a Level 3 discounted cash flow model, incorporating unobservable inputs including forecast Platts index pricing and USD/ZAR exchange rates over the remaining term of the liability. The model discounts expected future cash outflows using a market-related discount rate reflective of the Group's credit risk.*

	Unaudited six months ended 31 August 2025 R'000	Unaudited six months ended 31 August 2024 R'000	Audited year ended 28 February 2025 R'000
15. Dividends			
15.1 Afrimat Limited dividends paid/declared in respect of the current year profits			
Interim dividend declared/paid	**32 060**	15 969	17 875
Final dividend declared	**–**	–	245 903
	32 060	15 969	263 778
15.2 Dividends cash flow			
Current year interim dividend paid	**–**	–	17 875
Previous year final dividend paid	**24 043**	245 924	245 903
Dividends received on treasury shares	**(850)**	(8 739)	(9 271)
	23 193	237 185	254 507
Dividends paid by subsidiaries to non-controlling shareholders	**5 996**	3 256	3 758
	29 189	240 441	258 265

	Unaudited six months ended 31 August 2025 R'000	Restated unaudited six months ended 31 August 2024 R'000*	Audited year ended 28 February 2025 R'000
16. Cash generated from/(used in) operations			
Profit before tax*	**266 011**	219 775	302 079
Adjustments for:			
Depreciation and amortisation	**368 529**	274 054	615 231
Gain on bargain purchase (refer note 13.1)*	**–**	–	–
Other non-cash items	**151 961**	(15 585)	27 385
Changes in working capital:			
Increase in inventories	**(311 341)**	(250 841)	(198 474)
Increase in trade and other receivables	**(501 094)**	(171 277)	(43 857)
Increase/(decrease) in trade and other payables	**383 667**	(187 559)	(130 773)
	357 733	(131 433)	571 591

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

17. Events after reporting date

No events have occurred between the reporting date and the date of approval of these interim financial statements that require adjustment or disclosure.

18. Going concern

The directors have assessed the Group's ability to continue as a going concern, as the current liabilities exceed current assets. The directors believe that the Group has adequate cash flow resources to meet its short-term obligations. The revolving credit facility ('RCF') which is included in current liabilities, due to its interest and repayment period being calculated quarterly, is available to the Company for a term of five years. Additionally the Group has access to undrawn financing facilities of R1,4 billion. Based on these factors, the directors is satisfied that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The following impacts, outside of the control of management, have been considered:

Ferrochrome industry

The South African ferrochrome industry is currently experiencing significant operational and financial pressures, primarily driven by escalating energy costs, unreliable power supply, and subdued global demand. These challenges have the potential to materially affect certain operations within the Afrimat Group, notably Nkomati Anthracite Proprietary Limited and certain entities within the Industrial Minerals segment.

Although the South African government has introduced various support mechanisms, including tariff re-alignments, export controls, and special economic zone incentives, these interventions have not yet resulted in substantive relief for the industry. In light of these developments, management has undertaken a comprehensive assessment of the potential impact on the Group's financial position and operational sustainability. While certain segments may face headwinds, the Group remains committed to supporting its customer base and maintaining operational continuity.

Afrimat's Business Development team continues to play a pivotal role in identifying and securing alternative market opportunities, both domestically and internationally. This proactive approach is a key strength of the Group, enabling it to adapt to changing market dynamics and mitigate risk exposure. Management will continue to monitor the situation closely and implement strategic measures to safeguard the Group's long-term viability. Shareholders will be updated on the progress when there is better clarity.

19. Contingencies

Guarantees

Guarantees to the value of R141,9 million (August 2024: R608,8 million) were supplied by SBSA to various parties, including the Department of Mineral Resources and Energy ('DMRE') and Eskom, respectively during the period under review. The decrease in guarantees from SBSA relates to the settlement of the loan payable to Holderfin B.V. (sole shareholder of Caricement – previous shareholders of Lafarge), refer notes 11 and 13.1.

Guarantees to the value of R298,4 million (August 2024: R25,6 million) were supplied by First National Bank Limited ('FNB') to various parties, including the DMRE and Eskom, during the period under review. The increase in the guarantees from FNB relates to R141,0 million attributable to the acquisition of Lafarge, whose existing guarantees were assumed as part of the transaction and R125,0 million relating to a sale of assets agreement entered into by the Group.

Guarantees to the value of R0,9 million (August 2024: R0,9 million) by ABSA Bank Limited ('ABSA'), R480,4 million (August 2024: R444,7 million) by Centriq Insurance Innovation ('Centriq') and R2,7 million (August 2024: R2,7 million) by SGI Guarantee Acceptances Proprietary Limited were supplied to various parties, including the DMRE, Eskom and Chevron South Africa Proprietary Limited. The value of Centriq guarantees has increased due to the proportionate increase in quantum calculations affected by National Environmental Management Act ('NEMA') requirements.

The majority of these guarantees are in respect of environmental rehabilitation and will only be payable in the event of default by the Group.

Other

A contingent liability exists due to the uncertain timing of cash flows with regards to future local economic development ('LED') commitments made to the DMRE in respect of companies with mining rights. These commitments are dependent on the realisation of the future agreed upon LED projects. Future commitments amount to R33,2 million (August 2024: R16,6 million). An accrual has been raised in respect of commitments made up to the end of the reporting period.

The Company received notice on 31 March 2017 from the Competition Commissioner that it had referred a complaint to the Competition Tribunal, alleging that the Company, through its wholly owned subsidiary, Clinker Supplies Proprietary Limited ('Clinker'), had engaged in an abuse of dominance by allegedly charging excessive prices. After taking legal advice and considering the complaint, the Company is of the opinion that there is no merit to the complaint and will therefore vigorously defend itself before the Competition Tribunal. The Competition Commission is ordering an administrative penalty equal to 10% of affected turnover for F2016 which equates to R16,3 million. The Tribunal has indicated that the next available date for the hearing will be between August to November 2026.

During 20 to 24 February 2023, Labour Court Proceedings took place in terms of which the Association of Mineworkers and Construction Union 'AMCU', claims unfair dismissal of a number of Nkomati employees. Judgement in this matter was handed down on 11 October 2024. The court found in favour of AMCU and ordered that all dismissed employees be reinstated and that Nkomati should reimburse employees from whom moneys were deducted, on the basis that these deductions were unlawful. Nkomati was also ordered to pay AMCU legal costs. Nkomati is appealing the judgement. The appeal has suspended the operation of the judgement. Management estimates that the total legal fees and disbursements and pay-out to AMCU will be in order of R8,0 million.

20. Restatement of comparative segment information

During the prior period the Group completed an acquisition which resulted in a restructuring of its business units and the way in which centralised shared services costs are monitored. Following this restructuring, the Group's chief operating decision-maker now reviews the performance of the operating segments separately from the centralised costs, which are managed on a consolidated basis.

Accordingly, the segment presentation has been revised to enhance disclosure and to align with the manner in which the chief operating decision-maker allocates resources and assesses performance. Centralised shared services costs and support functions are now disclosed within a separate 'Centralised shared services costs' segment rather than being allocated across the operating segments.

Comparative information has been restated to reflect this revised basis of segmentation. The impact of this restatement on the previously reported segment information is presented below:

	As originally presented unaudited six months ended 31 August 2024 R'000	Adjustment for reallocation of centralised shared services costs	Measurement period adjustments R'000*	**Restated Unaudited six months ended 31 August 2024 R'000**
Operating profit				
Construction Materials	71 411	102 849	–	**174 260**
– *Aggregates*	217 589	72 526	–	**290 115**
– *Cement*	(146 178)	30 323	–	**(115 855)**
Industrial Minerals	49 521	19 100	–	**68 621**
Bulk Commodities	182 807	101 161	–	**283 968**
– *Iron Ore*	148 062	84 490	–	**232 552**
– *Anthracite*	34 745	16 671	–	**51 416**
Future Materials and Metals	(21 108)	–	–	**(21 108)**
Services	272 745	19 417	(262 743)	**29 419**
Centralised shared services costs	–	(242 527)	–	**(242 527)**
	555 376	–	(262 743)	**292 633**

* *Measurement period adjustment – during the current period, the comparative information for August 2024 was retrospectively adjusted in the process of finalising the accounting for the business combination, refer note 13.1 for further disclosures.*

	As originally presented audited year ended 28 February 2025 R'000	Adjustment for reallocation of centralised shared services costs	Measurement period adjustments R'000*	**Restated audited year ended 28 February 2025 R'000**
Operating profit				
Construction Materials	98 030	232 524	–	**330 554**
– *Aggregates*	383 458	166 724	–	**550 182**
– *Cement*	(285 428)	65 800	–	**(219 628)**
Industrial Minerals	58 759	57 945	–	**116 704**
Bulk Commodities	286 666	200 220	–	**486 886**
– *Iron Ore*	238 092	196 267	–	**434 359**
– *Anthracite*	48 574	3 953	–	**52 527**
Future Materials and Metals	(34 980)	–	–	**(34 980)**
Services	69 260	43 838	–	**113 098**
Centralised shared services costs	–	(534 527)	–	**(534 527)**
	477 735	–	–	**477 735**

Directors
J Breytenbach*#
PGS de Wit◊ (CFO)
L Dotwana*
P Joubert*#
NAS Kruger*#
FM Louw*# (Chairman)
MG Odendaal◊
C Ramukhubathi◊
PRE Tsukudu*#
S Tuku*#
JF van der Merwe*# (Lead Independent Director)
JHP van der Merwe*#
AJ van Heerden◊ (CEO)
* *Non-executive director*
\# *Independent*
◊ *Executive director*

Registered office
Tyger Valley Office Park No. 2
Corner Willie van Schoor Avenue and Old Oak Road
Tyger Valley, 7530
(PO Box 5278, Tyger Valley, 7536)

Sponsor
Valeo Capital Proprietary Limited
Unit G02, Skyfall Building, De Beers Avenue,
Paardevlei, 7130

Auditor
PricewaterhouseCoopers Inc.
1st Floor, Trumali Forum Building, Trumali Park
Corner Trumali Street and R44
Stellenbosch, 7600
(PO Box 57, Stellenbosch, 7599)

Transfer secretaries
Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Company secretary
C Burger
Tyger Valley Office Park No. 2
Corner Willie van Schoor Avenue and Old Oak Road
Tyger Valley, 7530
(PO Box 5278, Tyger Valley, 7536)

Announcement date
23 October 2025

www.afrimat.co.za

maxx