

AFRIMAT LIMITED

Incorporated in the Republic of South Africa
(Registration number: 2006/022534/06)
Share code: AFT
ISIN: ZAE000086302
("Afrimat" or "the Company")



VOLUNTARY TRADING STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2023

Shareholders are hereby advised that for the year ended 28 February 2023:

- earnings per share ("**EPS**") is expected to be between 448.6 cents and 476.6 cents, representing a decrease of between 15% and 20% compared to EPS of 560.7 cents reported for the year ended 28 February 2022; and
- headline earnings per share ("**HEPS**") is expected to be between 445.2 cents and 472.3 cents, representing a decrease of between 13% and 18% compared to HEPS of 542.9 cents reported for the year ended 28 February 2022.

Afrimat and its subsidiaries ("**the Group**") remain highly profitable, albeit at slightly lower levels than the previous year and debt free, with sufficient capital to execute its growth strategy. In this regard, both the Jenkins iron ore mine ("**Jenkins**") and the Nkomati anthracite mine ("**Nkomati**") contributed well to the results and are poised to increase volumes in the coming financial period.

The Group's plans to fully ramp up the anthracite operation are progressing very well. This is a purposeful strategy to support greater diversification across the Bulk Commodities segment in both product range and income streams.

The Demaneng iron ore mine continues to produce high quality iron ore for the export market, in line with its export allocation on the Saldanha rail line and with the allocation of trains from Transnet becoming more consistent. Increased volumes from Nkomati and Jenkins, which are not exposed to the volatile pricing, effectively buffers the Group against potential downturns in export iron ore prices.

The Construction Materials and Industrial Minerals segments were impacted by the economic slowdown. Cost reductions and efficiency improvement initiatives remain the cornerstone of the Group to counter these economic impacts.

The operating environment in South Africa remains challenging, but Afrimat continues to see value in its diversification strategy. The structural decline in the public sector's contribution to fixed investment and infrastructure remains a concern.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. The Company's financial results are expected to be released on or about 18 May 2023.

Cape Town
18 April 2023

Sponsor
Valeo Capital (Pty) Limited

