

AFRIMAT LIMITED

Incorporated in the Republic of South Africa

(Registration number: 2006/022534/06)

Share code: AFT

ISIN: ZAE000086302

("Afrimat" or "the Company")



ACQUISITION OF LAFARGE SOUTH AFRICA UNCONDITIONAL

Shareholders are referred to the SENS announcement released on 20 June 2023, wherein the Company advised that it had entered into a share purchase agreement ("**Share Purchase Agreement**") with a Holcim Group subsidiary, Caricement B.V. ("**Seller**"), in terms of which the Company will acquire 100% of the issued share capital of Lafarge South Africa Holdings Proprietary Limited ("**LSA**") held by the Seller and, as a consequence, all of LSA's subsidiaries ("**Acquisition**") and to the update announcement released on SENS on 22 January 2024.

The Company is pleased to confirm that the remaining condition precedent has been fulfilled, specifically:

- the approval of the Competition Authorities in South Africa (the Competition Tribunal approved the implementation of the Acquisition today, 10 April 2024).

Shareholders are accordingly advised that the Share Purchase Agreement has become unconditional on 10 April 2024, and the Acquisition will be closed by no later than 24 April 2024. The Company looks forward to the exciting opportunities and implementation that lies ahead.

Rationale and position of this acquisition from Andries van Heerden, CEO of Afrimat:

"This exciting deal forms part of the Afrimat Group's ongoing diversification strategy. It will increase Afrimat's offering in the construction materials space, by expanding the Group's quarry and ready-mix operations nationally.

Additionally, access to the fly ash operations provides a foothold into the cement extender market. The grinding plant will allow Afrimat to grind various materials as value-added products for our current and new customers, while the cement kilns allow the Group to enter the cement value chain competitively.

We believe our efficiency drives and breadth of marketing in the construction materials industry will ensure a contribution at an operating profit level, further diversifying the Group's profitability and ensuring long-term sustainability.

We have appointed our Chief Financial Officer, Pieter de Wit, as the full-time Integration Manager for this process, and he will, together with experienced leadership and the integration team, focus on ensuring this process is as transparent and uncomplicated as possible. We will ensure that we utilise the skills within both Afrimat and Lafarge SA during the integration

process to optimise efficiencies, productivity, and profitability.

The time is perfect for Afrimat to return to its roots of quarrying and aggregates to support long-term diversified sustainability across the Group.”

Cape Town

10 April 2024

Sponsor and corporate
advisor

 Valeo Capital