NON-EXECUTIVE DIRECTORS

Khotso Mokhele  Steve Dawson  Fikile De Buck  Walter Dissinger  Godfrey Gomwe

Jonathan Molapo  Allen Morgan  Rams Ramashia  Philisiwe Sibiya
INTRODUCTION: EXECUTIVE TEAM

Mark Dytor – CE
Mark Kathan – CFO
Edwin Ludick – Executive

Dean Mulqueeny – Executive
Dean Murray – Executive
Candice Watson – Group HC Executive
PERFORMANCE SUMMARY
PERFORMANCE SUMMARY

– Revenue +6% to R24 799m
  › Foreign and export revenue = 40% of total revenue
– EBITDA +26% to R3 326m
– Profit from operations growth trend maintained: +2,0% to R2 031m
  › R156m cost of strategic realignment projects recovered
  › R147m goodwill impairment at SCP
– EPS +30% to 1 223c
  › Proceeds from sale of 50% shareholding in Crest Chemicals
  › Land sale
– Solid HEPS growth: +10% to 1 150c
  › IFRS 16 negative impact of 24c
– Good cash generation from operations: R1 868m
– Final ordinary cash dividend of 414cps declared (570cps for FY19): +11% on FY18
– Excellent improvement in safety performance
  › **TRIR of 0.38**
– Air emissions abatement projects, Modderfontein
  › **R100m** spent in ’19 of total R180m investment
  › On track for completion in 3Q20
– Achieved **Level 2 B-BBEE** Contributor status in the year
– GCR rating upgraded to **A+** with stable outlook
SALE OF 50% SHAREHOLDING IN CREST CHEMICALS

* Incl. initial purchase price consideration of R390m and R40m purchase price adjustment on working capital, received in Feb ‘20

- Final adjusted purchase price: R430m
- >10X EBITDA: R196m
- Final adjusted purchase price: R234m
SAFETY: TRIR

* Excl. acquisitions
BUSINESS DRIVERS

ZAR/US$ exchange rate

Open Jan 18 = 12,31
Ave. 18 = 13,24
Open Jan 19 = 14,37
Ave. 19 = 14,45
Close Dec 19 = 14,03

Source: AECI Treasury, Bloomberg
BUSINESS DRIVERS

Gold

Source: Bloomberg
BUSINESS DRIVERS

PGMs

Source: Bloomberg
BUSINESS DRIVERS

Cobalt, copper and nickel

Source: Bloomberg
BUSINESS DRIVERS

Coal and iron ore

USS/t

Source: Bloomberg
BUSINESS DRIVERS

Brent crude oil

Ave. 18 = 71.19
Open Jan 18 = 66.80

Ave. 19 = 64.08
Open Jan 19 = 56.68

Close Dec 19 = 66.00

Source: AECI Treasury, Bloomberg
EARNINGS ANALYSED
EARNINGS ANALYSED

- Profit from operations +2% to R2 031m
  › Normalised: +9% to R2 178m
- Trading margin = 8,2% (’18: 8,6%)
- EBITDA +26% to R3 326m
  › Normalised: +23% to R3 239m
    » Goodwill impairment of R147m
    » R234m from sale of Crest
- EPS +30% to 1 223c
- HEPS +10% to 1 150c

- Tax rate 28% (’18: 34%)
  › Lower foreign withholding tax
  › Jurisdiction mix
- Final ordinary cash dividend of 414c declared
- Dividend cover of 2,0x for the year
EARNINGS ANALYSED

HEPS

<table>
<thead>
<tr>
<th>Year</th>
<th>FY (cps)</th>
<th>FY (dps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>385</td>
<td>894</td>
</tr>
<tr>
<td>2016</td>
<td>435</td>
<td>818</td>
</tr>
<tr>
<td>2017</td>
<td>478</td>
<td>959</td>
</tr>
<tr>
<td>2018</td>
<td>515</td>
<td>1,045</td>
</tr>
<tr>
<td>2019</td>
<td>570</td>
<td>1,150</td>
</tr>
</tbody>
</table>

Dividend

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>0</td>
</tr>
<tr>
<td>2016</td>
<td>100</td>
</tr>
<tr>
<td>2017</td>
<td>200</td>
</tr>
<tr>
<td>2018</td>
<td>300</td>
</tr>
<tr>
<td>2019</td>
<td>400</td>
</tr>
<tr>
<td>R millions</td>
<td>Profit from ops (Rm)</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Reported</td>
<td></td>
</tr>
<tr>
<td>Impairment of goodwill</td>
<td>147</td>
</tr>
<tr>
<td>Sale of Crest</td>
<td>–</td>
</tr>
<tr>
<td>Normalised</td>
<td></td>
</tr>
<tr>
<td>IFRS 16</td>
<td>(28)</td>
</tr>
<tr>
<td>Normalised, excl. IFRS 16</td>
<td>2 150</td>
</tr>
<tr>
<td>Growth (%)</td>
<td></td>
</tr>
</tbody>
</table>

|                      | 7,5                  | 13,6             | 12,3       |
— Capex of R833m vs depreciation of R736m
  › Expansion: R159m
  › Sustenance: R674m
    » Air emissions abatement: R100m
— NWC to revenue of 17,2% (16,0% in ’18)
  › Lower than expected sales in Dec.
  › Pre-payment to creditor for better prices
  › Lower inventory in Chemicals offset by increase in Mining Solutions
— Excl. IFRS 16 impact
  › Net borrowings of R3 454m
  › Gearing at 31% (41% in Dec. ’18)
— Cash interest cover at 7,8x
<table>
<thead>
<tr>
<th></th>
<th>At 31 Dec '18</th>
<th>Net cash generated from operations</th>
<th>Net interest paid</th>
<th>Tax paid</th>
<th>Net dividends paid</th>
<th>Working capital</th>
<th>Net capex</th>
<th>Proceeds from sale of land</th>
<th>Proceeds from sale of Crest</th>
<th>Lease payments</th>
<th>Other &amp; translation</th>
<th>At 31 Dec '19 Pre-IFRS 16</th>
<th>Finance lease liabilities</th>
<th>At 31 Dec '19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gearing:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>41%</td>
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<td>Gearing:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31%</td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Gearing:</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>36%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NET DEBT AND CASH UTILISATION**

At 31 Dec '18:
- Net cash generated from operations: 4,177
- Net interest paid: (3,262)
- Tax paid: 397
- Net dividends paid: 509
- Working capital: 538
- Net capex: 774
- Proceeds from sale of land: (64)
- Proceeds from sale of Crest: (390)
- Lease payments: 246
- Other & translation: (15)
- At 31 Dec '19 Pre-IFRS 16: 3,454
- Finance lease liabilities: 576
- At 31 Dec '19: 4,030

**Gearing:**
- At 31 Dec '18: 41%
- At 31 Dec '19: 31%
- At 31 Dec '19: 36%
NET DEBT ANALYSIS: PAYMENT PROFILE

Rm

<table>
<thead>
<tr>
<th></th>
<th>Dec '18</th>
<th>Dec '19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 725</td>
<td>2 671</td>
<td></td>
</tr>
<tr>
<td>716</td>
<td>710</td>
<td></td>
</tr>
<tr>
<td>1 861</td>
<td>1 856</td>
<td></td>
</tr>
<tr>
<td>173</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>(1 581)</td>
<td>(1 978)</td>
<td></td>
</tr>
</tbody>
</table>

Legend:
- Finance lease liabilities (IFRS 16)
- Term debt/repay 2023
- Term debt/repay 2022
- Term debt/repay 2021
- Term debt/repay 2020
- Short-term borrowings
- Cash
## Income statement

<table>
<thead>
<tr>
<th>Rm</th>
<th>% change</th>
<th>2018</th>
<th>2019</th>
<th>IFRS 16</th>
<th>FY19 underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,4</td>
<td>23 314</td>
<td><strong>24 799</strong></td>
<td>–</td>
<td>24 799</td>
</tr>
<tr>
<td>Trading profit</td>
<td>1,6</td>
<td>1 999</td>
<td><strong>2 031</strong></td>
<td>(28)</td>
<td>2 003</td>
</tr>
<tr>
<td>Trading margin (%)</td>
<td>(4,5)</td>
<td>8,6</td>
<td><strong>8,2</strong></td>
<td></td>
<td>8,1</td>
</tr>
<tr>
<td>Equity-accounted investees, net of tax</td>
<td>(438,5)</td>
<td>(78)</td>
<td><strong>264</strong></td>
<td>(1)</td>
<td>263</td>
</tr>
<tr>
<td>Finance costs</td>
<td>25,2</td>
<td>(365)</td>
<td><strong>(457)</strong></td>
<td>62</td>
<td>(395)</td>
</tr>
<tr>
<td>Tax</td>
<td>(3,4)</td>
<td>(529)</td>
<td><strong>(511)</strong></td>
<td>(10)</td>
<td>(521)</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>29,2</td>
<td>1 027</td>
<td><strong>1 327</strong></td>
<td>25</td>
<td>1 352</td>
</tr>
<tr>
<td>HEPS</td>
<td>10,0</td>
<td>1 045</td>
<td><strong>1 150</strong></td>
<td>24</td>
<td>1 174</td>
</tr>
<tr>
<td>EBITDA</td>
<td>26,4</td>
<td>2 631</td>
<td><strong>3 326</strong></td>
<td>(249)</td>
<td>3 077</td>
</tr>
</tbody>
</table>
## PERFORMANCE ANALYSED: IFRS 16 IMPACT

### Statement of financial position

<table>
<thead>
<tr>
<th>Rm</th>
<th>2018</th>
<th>2019</th>
<th>IFRS 16</th>
<th>2019 Underlying</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment and intangible assets</td>
<td>11 681</td>
<td>11 884</td>
<td>(597)</td>
<td>11 287</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>5 768</td>
<td>5 722</td>
<td>(592)</td>
<td>5 130</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>382</td>
<td>234</td>
<td>(6)</td>
<td>228</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>10 594</td>
<td>11 249</td>
<td>56</td>
<td>11 305</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1 581</td>
<td>1 978</td>
<td>–</td>
<td>1 978</td>
</tr>
<tr>
<td>Other current assets (incl. tax receivable)</td>
<td>9 013</td>
<td>9 271</td>
<td>56</td>
<td>9 327</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>(10 205)</td>
<td>(11 084)</td>
<td>(18)</td>
<td>(11 102)</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td>(12 070)</td>
<td>(12 049)</td>
<td>559</td>
<td>(11 490)</td>
</tr>
</tbody>
</table>
## PERFORMANCE EXCL. ACQUISITIONS

<table>
<thead>
<tr>
<th>Rm</th>
<th>Excl. acquisitions</th>
<th>Acquisitions</th>
<th>Reported</th>
<th>Excl. acquisitions</th>
<th>Acquisitions</th>
<th>Reported</th>
<th>Excl. acquisitions</th>
<th>Acquisitions</th>
<th>Reported</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>20 947</td>
<td>3 852</td>
<td>24 799</td>
<td>20 174</td>
<td>3 140</td>
<td>23 314</td>
<td>3,9</td>
<td>2,5</td>
<td>6,4</td>
<td></td>
</tr>
<tr>
<td>Profit from ops</td>
<td>1 795</td>
<td>236</td>
<td>2 031</td>
<td>1 868</td>
<td>131</td>
<td>1 999</td>
<td>(3,9)</td>
<td>5,5</td>
<td>1,6</td>
<td></td>
</tr>
<tr>
<td>HEPS (cps)</td>
<td>1 169</td>
<td>(19)</td>
<td>1 150</td>
<td>1 096</td>
<td>(51)</td>
<td>1 045</td>
<td>6,6</td>
<td>3,4</td>
<td>10,0</td>
<td></td>
</tr>
<tr>
<td>PPA effects (cps)</td>
<td>29</td>
<td>29</td>
<td></td>
<td>57</td>
<td>57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HEPS excl. PPA (cps)</td>
<td>1 169</td>
<td>10</td>
<td>1 179</td>
<td>1 096</td>
<td>6</td>
<td>1 102</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
– AECI subsidiary holds 9,755% of AECI’s listed ordinary shares
– Limits AECI’s capacity to repurchase shares
  › 10% limit for subsidiary companies
– Investigating a transaction to cancel these treasury shares
  › Without any negative impact on shareholders
  › At no cost to the Group
– Once all regulatory matters have been assessed and addressed, AECI intends implementing the transaction
### SUMMARY BY SEGMENT: REPORTED

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue</th>
<th>EBITDA</th>
<th>Profit from ops</th>
</tr>
</thead>
<tbody>
<tr>
<td>MINING SOLUTIONS</td>
<td>R11 537m</td>
<td>R1 923m</td>
<td>R1 305m</td>
</tr>
<tr>
<td></td>
<td>▲ 4,8%</td>
<td>▲ 25,6%</td>
<td>▲ 2,4%</td>
</tr>
<tr>
<td>WATER &amp; PROCESS</td>
<td>R1 452m</td>
<td>R229m</td>
<td>R190m</td>
</tr>
<tr>
<td></td>
<td>▲ 5,5%</td>
<td>▲ 38,8%</td>
<td>▲ 58,3%</td>
</tr>
<tr>
<td>PLANT &amp; ANIMAL HEALTH</td>
<td>R4 783m</td>
<td>R376m</td>
<td>R203m</td>
</tr>
<tr>
<td></td>
<td>▲ 8,1%</td>
<td>▲ 51,0%</td>
<td>▲ 70,6%</td>
</tr>
<tr>
<td>FOOD &amp; BEVERAGE</td>
<td>R1 466m</td>
<td>-R46m</td>
<td>-R88m</td>
</tr>
<tr>
<td></td>
<td>▲ 17,5%</td>
<td>▼ -151,1%</td>
<td>▼ -218,9%</td>
</tr>
<tr>
<td>CHEMICALS</td>
<td>R5 567m</td>
<td>R903m</td>
<td>R512m</td>
</tr>
<tr>
<td></td>
<td>▲ 5,7%</td>
<td>▲ 30,9 %</td>
<td>▼ -8,4%</td>
</tr>
<tr>
<td>GROUP</td>
<td>R24 799m</td>
<td>R3 326m</td>
<td>R2 031m</td>
</tr>
<tr>
<td></td>
<td>▲ 6,4%</td>
<td>▲ 26,4%</td>
<td>▲ 1,6%</td>
</tr>
</tbody>
</table>
MINING SOLUTIONS
Revenue by mineral mined (%)

- Gold: 23%
- PGMs: 22%
- Coal: 19%
- Copper: 18%
- Iron ore: 9%
- Diamond: 4%
- Uranium: 1%
- Other minerals: 4%
## MINING SOLUTIONS

<table>
<thead>
<tr>
<th>Volume</th>
<th>Revenue</th>
<th>Profit from ops</th>
<th>Margin</th>
<th>Trade WC</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>▼ 1,0%</td>
<td>▲ 4,8%</td>
<td>▲ 2,4%</td>
<td>11,3%</td>
<td>19,3%</td>
<td>▲ 25,6%</td>
</tr>
<tr>
<td>R11 537m</td>
<td>R1 305m</td>
<td></td>
<td>’18 11,6%</td>
<td>’18 16,0%</td>
<td>R1 923m</td>
</tr>
</tbody>
</table>

- Revenue growth in both Explosives and Mining Chemicals
  - Improved product mix
  - Weaker average ZAR/US$ exchange rate
    - Forex benefit offset ammonia price decline
  - Further growth on African continent, especially in West Africa
  - Good export sales for Mining Chemicals on back of improved plant utilisation

- Growth in foreign revenue: 59% of total revenue
- Profit from operations
  - Excellent cost control
  - R104m Explosives realignment project costs incurred in 1H recovered in 2H
  - R200m annualised project benefits still anticipated
    - “Get Healthy” phase completed; “Get Strong” and “Get Business” phases in progress
MINING SOLUTIONS CONT.

– Capex
  › On track to complete air emissions abatement compliance projects in 3Q20
    » R100m spent to date

– Disappointing working capital performance
  › Inventory increased ahead of air emissions shutdown
  › Unexpected slowdown in demand in 4Q19 in SA (especially in Dec.)
    » Power supply interruptions
    » Increased inventory ahead of work for emissions abatement

– Social and political challenges remain/heightened in some countries of operation
– Best-ever safety performance
– Excellent improvement in underlying profit from operations
– Overall bulk explosives volumes -0.6%
  › SA -15.5%
  › Rest of African continent +7.7%
    » West Africa: y-o-y growth, with new contracts
  › Asia Pacific flat overall
  › Strong recovery in 2H19 – MPUs placed
  › Successful entry into Western Australia
– Initiating systems volumes -7.2%
  › Protracted strike action in SA gold mining sector early in the year
  › Additional shaft closures, particularly in SA underground platinum mining sector
– Strategic realignment project: good support from customers
– Tender processes at major customers still not completed
LatAm

– Dinacon acquisition, Brazil
  › All key licences transferred in Jan ’20
  › Operations to commence on completion of final judicial process

– Chile
  › Capex approved for establishment of bulk emulsion production facility
  › Potential sites being assessed
– Growth momentum in specialty collector sales maintained
– Export volumes +12% and revenue +22%
  › Improved utilisation of production facilities
  › Higher volumes sold to customers on African continent, Eastern Europe and South America
– Local liquid xanthates sales declined
  › Negative effects of electricity supply constraints
  › 3 customer processing plant closures in SA
– Exports of surfactant chemicals to South America also improved
WATER & PROCESS
-- Very pleasing turnaround
-- Profit from operations +58%
   › Improved quality of business with lower cost to serve
   › Cost control initiatives
   › Significant portion of outstanding debt recovered
   › R52m business realignment project costs incurred in 1H recovered in 2H
   › R100m annualised project benefits still anticipated
      » “Get Healthy” phase completed; “Get Strong” and “Get Business” phases in progress

Export
-- Volume growth >10%
   › Tender in Ghana awarded and fulfilled
   › Increase in exports to Uganda and Rwanda

<table>
<thead>
<tr>
<th>Volume</th>
<th>Revenue</th>
<th>Profit from ops</th>
<th>Margin</th>
<th>Trade WC</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲ 1,1%</td>
<td>R1 452m</td>
<td>R190m</td>
<td>13,1%</td>
<td>19,1%</td>
<td>R229m</td>
</tr>
<tr>
<td>▲ 5,5%</td>
<td>▲ 58,3%</td>
<td></td>
<td>’18 8,7%</td>
<td>’18 20,7%</td>
<td>▲ 38,8%</td>
</tr>
</tbody>
</table>
South Africa

– Good performance overall
  › Market share gains
  › Volume recovery as drought effects dissipated
  › Water security – support for drought-stricken areas, such as Hammanskraal
Nulandis

– Significantly better performance
  › Good winter rainfall in Western Cape
  › But late onset of rains in Free State
  › Pleasing growth in Biocult sales and product approved in Canada
  › FOL (Malawi) also improved, notwithstanding market and political challenges

– Local sales of in-house products +14%
  › Assisted profitability improvement

– Roll-out of SupPlant smart technology commenced
  › Installations on 2 farms; another 4 planned for 1Q20
  › Early results show excellent improvements in crop yield
Schirm

– Good improvement in safety
– Investment case delivery delayed
  › Lower demand for agrochemicals in Germany
  › Insourcing of production in Russia
    » Import duties imposed on imports from EU
  › Once-off costs
  › Underutilisation of new synthesis plant
– New synthesis facility approved to manufacture herbicide (sugar beet) for blue-chip customer
  › Volumes to be fully ramped up by end-Jun ’20
– Very good performance from US business unit
FOOD & BEVERAGE
### FOOD & BEVERAGE

<table>
<thead>
<tr>
<th>Volume</th>
<th>Revenue</th>
<th>Profit from ops</th>
<th>Margin</th>
<th>Trade WC</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲ 27,0%</td>
<td>R1 466m</td>
<td>▼ -R88m</td>
<td>-6,0%</td>
<td>20,2%</td>
<td>▼ -R46m</td>
</tr>
<tr>
<td>▲ 17,5%</td>
<td>▼ -218,9%</td>
<td>’18 5,9%</td>
<td>’18 23,2%</td>
<td>▼ -15,1%</td>
<td></td>
</tr>
<tr>
<td>R68m*</td>
<td>▼ -8,1%</td>
<td>4,6%*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▼ 22,2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excl. impairment and once-offs

- Good revenue and volume improvement
  - Juice-based products
  - Health & Nutrition and Commodities categories
- Extremely difficult trading environment
  - Extreme pressure on margins
  - R9m once-off inventory-related cost
  - Under-recovery of warehouse costs

- Focus
  - Strategic realignment project to address margins and costs (incl. warehouse recoveries)
CHEMICALS
### CHEMICALS

<table>
<thead>
<tr>
<th>Volume</th>
<th>Revenue</th>
<th>Profit from ops</th>
<th>Margin</th>
<th>Trade WC</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>▲ 25,8%</td>
<td>▲ 5,7%</td>
<td>▼ -8,4%</td>
<td>9,1%</td>
<td>11,5%</td>
<td>R903m</td>
</tr>
<tr>
<td></td>
<td>R5 567m</td>
<td>R512m</td>
<td>’18 10,6%</td>
<td>’18 13,0%</td>
<td>▲ 30,9%</td>
</tr>
</tbody>
</table>

#### Base business
- Manufacturing sector under severe pressure
- Poor market sentiment/investment and production rationalisation/closures at customers
- Key raw material shortages
- Volumes declined marginally

- Revenue -3%
- Profit from operations decline >20%
  - Margins under pressure
  - Less favourable product and customer mix
- Significant improvement in working capital control
- Good cash generation by operations

*R Excl. Crest sale

<table>
<thead>
<tr>
<th>Volume</th>
<th>Revenue</th>
<th>Profit from ops</th>
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<th>Trade WC</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>903m</td>
<td>30,9%</td>
<td>11,5%</td>
<td>12,5%</td>
<td>13,0%</td>
</tr>
<tr>
<td></td>
<td>25,8%</td>
<td>▲ 5,7%</td>
<td>▼ -8,4%</td>
<td>▲ 30,9%</td>
<td>▲ 3,0%</td>
</tr>
</tbody>
</table>
Much Asphalt

– Good overall performance in current market conditions
  › Significant contribution from bitumen emulsion business (SprayPave)
  › Benefits of geographic footprint
– Upturn in DoT and metropolitan authorities work
  › Albeit with some pressure on margins
– SANRAL: delays in project awards continued
– Working capital well below 10%
– Level 1 B-BBEE Contributor status maintained
OUTLOOK AND FOCUS
## Development stage

<table>
<thead>
<tr>
<th></th>
<th>Rest of Africa</th>
<th>South Africa</th>
<th>Indonesia</th>
<th>LATAM</th>
<th>Australia</th>
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</thead>
<tbody>
<tr>
<td>Exploration</td>
<td>1,494</td>
<td>301</td>
<td>231</td>
<td>2,253</td>
<td>3,645</td>
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<tr>
<td>Prefeasibility</td>
<td>73</td>
<td>40</td>
<td>6</td>
<td>142</td>
<td>142</td>
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<tr>
<td>Feasibility</td>
<td>173</td>
<td>77</td>
<td>37</td>
<td>167</td>
<td>295</td>
</tr>
<tr>
<td>Construction</td>
<td>40</td>
<td>10</td>
<td>19</td>
<td>51</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>1,780</td>
<td>428</td>
<td>293</td>
<td>2,613</td>
<td>4,115</td>
</tr>
</tbody>
</table>

*Extract GlobalData February 2020.*
EMULSION EXPLOSIVE: SURFACE RECEIVING

Delivery of emulsion explosives.
– Successful drop to 680m and then to 980m
– Delivered into MCUs
– Successful blasts at both levels
UBS growth in ’19

– >300% volume growth in emulsion
– 746 PCU pumps deployed since Jan ’19 and another 300 to be deployed in next 3 months
– Conversion from Anfex to underground bulk emulsion
  › Customer commitment to safety and performance
– Some leading mining houses already committed to full conversion, others in progress
– R100m annualised benefit of realignment project
– Continue to enhance go-to-market model
  › Capabilities and service delivery
– 100% flocculant supply to major water board
– Sales to rest of the continent
  › Investigating local blending/manufacturing opportunities in certain countries
– Additional water treatment technologies under investigation
  › Greener solutions
– Opportunities in water infrastructure projects
– Water and food security imperatives
Nulandis
– Further growth in in-house product sales
– Further expansion of strategic agent network
– Continue roll-out of SupPlant technology
– Permits for Biocult obtained for Canadian market
  › Trials in progress
– Collaboration/investment in disruptive digital farming platform
  › Connects Nulandis to emerging farmer market

Schirm
– Ramp-up new synthesis facility – 50% capacity absorbed by sugar beet herbicide
– New customer contract at Wolfenbüttel to offset volume loss
– Returns from Blender capex in Bar-Ebenhausen
– Cost reduction project in place
– Healthy sales pipeline
Increased activity in SANRAL contracts
› Mostly light rehabilitation holding action work at this time
  » Bitumen emulsions
› Eastern Cape – rehabilitation of sections of N2
› Mpumalanga – N4 and coal haul routes note
› KZN – N2/N3: 5 packages let but no awards yet

DoT and metropolitan authorities
› Good levels of activity in some provinces

Namibia
› Upturn in general rehabilitation work for City of Windhoek
› Repairs to Eros Airport out on tender

Timing: from 2H20

OUTLOOK: MUCH ASPHALT
OUTLOOK: CHEMICALS BASE BUSINESS

– No significant short-term improvement expected in SA manufacturing sector
– Portfolio strategic realignment project initiated
  › Chemicals base business and Food & Beverage affected
  › Costs and internal processes in finalisation
  › Cash costs of realignment to be realised over the full year
– Financial Shared Services Centre to be established
INNOVATION UPDATE: BUSINESS OF TODAY

The BIGGER Idea

– 55 Business of Today (internally generated) ideas launched to date

– 25 implemented in ’19
  › R48m profit/savings to be realised in ’20
INNOVATION UPDATE: PROJECT PURPOSE

- Lead in quest for Sustainable Water and Food Security solutions in Africa
- Active participation in Private Public Partnerships
- Supportive of localisation and community upliftment
- Commitment to local investment and co-investment
- “Stronger Together”
  › Skills development
  › Latest global technology adapted for African-based solutions
- Water security tackled on multiple fronts
  › Recycle, reuse and repurpose
  › Alternative water solutions
HAMMANSKRAAL: BEFORE AND AFTER
Global
– Uncertainty created by shifts in world trading relationships
– Effects of COVID-19
– Effects of extreme weather events
– Socio-political instability on the continent
– Mining sector remains robust

SA
– Reliability of electricity supply
– Service delivery
– Low GDP growth and investment levels
– Depressed manufacturing sector
– Sustainability of underground mining sector
– Loss of skills
OBJECTIVES FOR 2020

– Improve safety performance further and continue implementing Zero Harm strategy

– Progress further the achievement of the investment case objectives of Schirm and Much Asphalt

– Ensure delivery of expected annualised benefits from strategic realignment projects in Mining Solutions and Water & Process

– Execute the strategic realignment project initiated in Chemicals and realise anticipated benefits over the full year

– Integrate the Brazilian explosives business acquired as soon as the judicial process has been complete

– Establish explosives manufacturing facility in Chile
OBJECTIVES FOR 2020 CONT.

– Continue to leverage existing geographic footprint
– Continue to explore and pursue growth opportunities identified through AECI’s Growth and Innovation office
– Develop Water and Food security strategy further
– Diligent management of cash
THANK YOU