Salungano
GROUP

Condensed consolidated financial statements

for the year ended 31 March 2022

Salient features

Revenue up 32% to
R5.139 billion
(FY21: R3.902 billion)

Mining ROM volumes of
8.2 million tonnes
(FY21: 7.7 million tonnes)

Gross profit up 34% to
R551 million
(FY21: R411 million)

EBITDA up 14% to
R646 million
(FY21: R569 million)

Operating expenses* up 14% to
R325 million
(FY21: R285 million)

Net loss after tax up 3% to
R37 million
(FY21: R36 million loss)

Headline earnings per share
6.13 cents
(FY21: 2.87 cents loss)

Gearing ratio
47%
(FY21: 55%)

Cash generated from operations
R672 million
(FY21: R773 million)

* *Excluding ECL (expected credit loss) movement and impairments.*

We at Salungano are proud to have achieved our 8mt annual production target in FY22, which occurred in a challenging local market, and which is being offset by the favourable global coal pricing environment. The recent bullish seaborne coal market came at a fitting time for the group, as we look to diversify our coal sales mix away from Eskom. We are therefore pleased to have secured our first export contracts and commenced coal shipments from the Durban port. We are also actively exploring opportunities to take the first steps in our journey to becoming a diversified investment company with a focus on agriculture and renewables.

Robinson Ramaite
Chief executive officer

Chairman's and chief executive officer's review

The year under review has been eventful for both the Group and the coal markets. While FY22 has been a year of volatile coal prices with the commodity trading at historic highs, this provided the Group with the opportune moment to enter the export market, enabling us to ship our first vessel of coal. We are also proud to have finalised our name change from Wescoal Holdings to Salungano Group Limited (''Salungano'') in March 2022. As the company looks to take its first steps on the journey of becoming a diversified investment company, we will remain substantially invested in the coal sector, as we embark on a just transition away from coal.

This move is in response to the global shift to cleaner energy sources, as the impact of climate change continues to be felt throughout the world. However, the balancing act of managing climate change goals with the world's increasing energy needs is creating an energy crisis, which in FY22 saw global coal prices reach record highs. South Africa also remains heavily dependent on coal for its electricity production, and as we witness many Western countries return to coal use to keep their lights on and energy affordable, in light of the Ukraine war, coal's importance to energy security and the care that needs to be exercised in phasing it out have been highlighted.

The favourable global coal pricing environment due to geopolitical and supply factors, has offered some support for Salungano as we are in the process of renewing long-term coal supply agreements ("CSA") with Eskom. In February 2022, the company took the difficult decision to place its Vanggatfontein Mine ("VGF") on care and maintenance due to discussions with Eskom on the CSA renewal not materialising. However, the group has been able to maintain production at other operations to take advantage of the high export coal price environment and the improving local market as domestic coal supply starts to dry up. The coal reserves within our portfolio position us well to supply into the local and export markets, which are currently both undersupplied. This shortage is negatively impacting the performance of industrial users and power producers alike.

Our greenfield Moabsvelden Mine, which is quickly approaching steady state production, continues to be a star performer in our portfolio. Its contribution to the total group production volumes was key in helping the group reach the milestone 8mt annual production target. At the Arnot Mine, where Salungano retains a 50% interest, supply to Eskom commenced via conveyor belt in February 2022 despite the various challenges that are being faced by the operation.

Capital structure

Net debt decreased to R706 million (FY21: R1.022 million), which in turn decreased the gearing ratio to 47% (FY21: 55%). The net debt includes a refinanced maturing term loan of R177 million (FY21: R418 million) and a refinanced revolving credit facility of R500 million (FY21: R500 million).

In June 2021, the quarterly capital repayments for the term loan resumed and have been met for all four quarters in the financial year. The company has also been able to repay R76 million towards the term loan which was deferred in the prior year due to the negative COVID-19 impact on the group's sales volumes during the prior financial year.

As at 31 March 2022, Salungano comfortably met all its financial covenants. However, the third amendments which rectify the breach that initially occurred at the year ended 31 March 2021, relating to two general and information undertakings in the lending arrangements, had not yet been signed. The lenders had already approved conditions contained in the third amendments and these were signed on 20 May 2022.

Salungano has invested R150 million into its operations as capital expenditure. This is a significant reduction from the prior year R420 million investment. The majority of the current year investment has been at Moabsvelden to complete its box cut. The net asset value per share reduced to 198 cents per share (FY21: 207 cents per share).

The main financial focus for the group after cash generation has been to ensure that the group meets all its debt commitments and also the repayment of the R76 million term loan that had previously been deferred.

Strategic update

The company finalised its name change to Salungano in March 2022, in line with its medium- to long-term strategy to become a diversified investment company. Delivering sustainable growth, in a measured and responsibly managed way, remains a key focus for the group, and in FY22, Salungano delivered a good set of results on the back of consistent performances at all its coal operations.

Salungano will remain adaptable in these uncertain times in order to play a part in energy security by mining the coal reserves within its portfolio of assets as global politics continue to impact energy supply. The recently concluded export coal contracts in response to the high global coal price environment demonstrate management's ability to adapt.

Environmental, social and governance ("ESG")

The sustainability platform serves as a foundation for the transition by Salungano from coal to a multi-sectoral diversified capital investment entity. In line with this, the group has committed to producing its first sustainability report under the guidance of the ESG steering committee, as mandated by the board.

The group is applying Veriport* as a technology solution and independent performance management system which will assist in the preparation of disclosures for the sustainability report, working in line with Salungano's ESG Barometer, tracking and reporting, in real time, ESG KPI data at site and divisional levels across the group. In addition, KPMG has been engaged to deliver an Opinion Readiness Assessment of the Salungano ESG performance reporting framework.

During the year the ESG training programme was launched, marking an important step in our just transition framework, by providing staff the ability to grow and develop and remain relevant in the process of transformation.

ESG communication has been focused to ensure consistent Salungano brand messaging. Safety, health and environmental topics are communicated to sites, increasing the reach of the group's ESG message to contractors on site, visitors and our primary audience, the Salungano family tree.

Safety, health, environment and sustainability

Salungano cares for the well-being of all staff and stakeholders, and we recognise our employees as meaningful and important contributors towards our core business. It is the company's policy to use our health and safety management system to do all that is reasonably practical to prevent occupational diseases, personal injury, damage to property and to protect all employees, visitors, contractors, the public and interested and affected parties from foreseeable work hazards, insofar as they come into contact with the operations.

* *Veriport is a cloud-based technological system/solution for implementing ESG Strategy, carbon management, and sustainability/ESG reporting.*

We follow a proactive and participative approach towards health and safety management and endeavor to proactively identify and resolve potential health and safety risks before they manifest as accidents, incidents or compliance non-conformance.

There were no fatalities reported in the FY22 period. The Khanyisa Colliery won a safety award at Coal Safe Awards 2022 for lost time injury-free days. Khanyisa has achieved over 500 days lost time injury-free days. We further ensure quarterly contractors' management audits are conducted at all our operations to ensure compliance with Salungano Group standards.

COVID-19 and other factors that occurred during the year

Salungano Group continues to effectively manage the COVID-19 pandemic. There were zero COVID-19-related fatalities at all operations and limited business interruptions due to the outbreak. At the reporting date, Salungano Group had 194 reported cases of which all have fully recovered. Weekly COVID-19 statistics are being reported to the DMRE from the respective mining operations.

The civil unrest that occurred in the country during the financial year did not have a material impact on the group and no damage to property was experienced. There were limited occurrences where deliveries were delayed but these were rectified within the financial year.

The only impact that the Ukraine conflict has had on the group is the increase in diesel prices which has a direct impact on mining and transportation costs. The movement in diesel prices is passed onto Eskom and other customers.

Production and operational performance

In FY22, the group was able to achieve the 8mt annual run of mine ("ROM") target that it had set for itself in 2019. Although the operational performance in the second half of FY22 was lower than anticipated, the 4.8mt of coal that was mined across the group's operations in the first half of FY22 assisted Salungano in achieving this milestone. This proud achievement has been the result of a dedicated effort by the mining team and significant investment by the group into its existing operations and its greenfield Moabsvelden Project.

Sales and production performance across all the operations was lower in the second half of FY22 compared to HY22, due mainly to lower demand from Eskom. To mitigate against the risk being posed to the group by its heavy exposure to Eskom, and to participate in the high price export market, the company was able to conclude its first coal export shipment deal in Q4 FY22.

Elandspruit

The mine averaged just over 200kt of ROM production a month in FY22, recording its best performance in Q1 FY22, assisted by its highest monthly production in May 2021. The Q3 FY22 performance which was affected by rain and the December closure period was the most difficult period for the mine in FY22. The overall annual total production of 2.5mt was a satisfactory performance from the operation, which has become a consistent performer for the group.

Khanyisa

The mine recorded a consistent first half performance in FY22. However, heavy rain in the Mpumalanga region in November 2021 caused performance to slump, and December proved to be an even tougher month due to the holiday season. However, the operation has seen a steady increase in production since the beginning of the new calendar year. Although the mine is nearing its end-of-life, opportunities to extend its life exist and are currently being explored.

Vanggatfontein

Salungano's decision to place VGF on care and maintenance in March 2022 was due to discussions with Eskom on the coal supply agreement renewal not materialising at the time. Salungano therefore deemed it prudent to take this step due to the uncertainty about Eskom's position and to save both overhead costs and capital expenditure.

The ROM stockpile at VGF has continued to be processed and supplied into the domestic market. The washing plants at VGF have also been utilised to process coal from Moabsvelden Mine.

Salungano continues to engage Eskom and explore opportunities to supply coal from VGF into the domestic and export markets and is optimistic that the current favourable coal environment will allow the company to slowly return to production at the mine within the first half of 2023. The company remains committed to saving jobs and the economy of Victor Khanye Municipality and other beneficiaries.

Moabsvelden

As the mine approaches steady state, the group remains proud of its success in operationalising this greenfield project during the peak of the COVID-19 pandemic. Performance at the mine was consistent for most of FY22, with monthly production ranging between 150kt to 200kt a month. The contribution from this mine was also a key factor in the group achieving record production of 8.2mt in FY22.

Arnot

The Arnot mine commenced production activities in February 2022, and currently supplies the Arnot Power Station via conveyor belts in terms of a 10-year Eskom CSA awarded in November 2021. Currently, production is from the underground sections of the mine, and a strategy is in place for the development of opencast operations. This will help the mine to position itself as a multi-product asset supplying Eskom and export markets, thus taking advantage of the burgeoning export price environment. The business like many other junior miners is faced with challenges from a capital injection perspective from traditional financiers and is exploring various non-traditional funding sources including coal prepayments and strategic partnership funding models with contractors. Salungano, through its Mining Division has to date injected R120 million into the business which has assisted with the mine reestablishment and continues to provide the necessary management support services as the mine works towards steady state production. The investigations into allegations of misconduct and financial mismanagement by key executives is ongoing. Arnot remains a strategic investment for Salungano and its success is important for the Group.

Wescoal Trading

Sales volumes in the Trading segment decreased by 7.5% to 617kt (FY21: 667kt), while higher coal prices resulted in revenue increasing by 1.6% to R707 million (FY21: R696 million). Lower prices, because of extra coal availability in the local market through the first three quarters of FY22, resulted in depressed overall margins, while the unprecedented increase in export demand in Q4 FY22 affected coal availability in the local market negatively impacting sales volumes for the last quarter.

Financial overview

The improvement in sales volumes after the negative impact of COVID-19 and the ramp up of Moabsvelden has had a positive impact on the FY22 results. Revenue increased by 32% to R5.1 billion (FY21: R3.9 billion) and gross profit increased to R551 million (FY21: R411 million) resulting in a gross profit percentage of 10.7% (FY21: 10.5%).

During the year the balance of the investment in Arnot of R59 million was impaired due to uncertainties around timing of securing funding for the operation. Salungano has performed a valuation and still believes that there is significant value in the operation despite the current challenges. This impairment together with movement in credit losses has impacted the profitability of the group and resulted in operating profit of R138 million (FY21: R135 million). The operating profit is net of depreciation and amortisation of R446 million (FY21: R415 million). The group has delivered EBITDA of R646 million (FY21: R569 million) which has played a pivotal role in the company meeting its debt covenants.

Finance costs of R181 million (FY21: R181 million) remained primarily the same as the prior year due to unwinding of the rehabilitation provision and a fully utilised revolving credit facility. Of this total, the finance cost as a result of unwinding the rehabilitation provision is R91 million (FY21: R76 million), and the lending-related finance cost has reduced to R90 million (FY21: R104 million) due to a significant reduction in debt during the current financial year.

The group did not experience major COVID-19 challenges to sales volumes to the extent of the first half of FY21. However, it did experience challenges with two Eskom CSAs (Vanggatfontein and Elandspruit) that expired in the current financial year. New CSAs have not yet been awarded even though the group responded to Eskom tenders in prior financial years. Both Elandspruit and Vanggatfontein have still supplied sales volumes to Eskom beyond the date of expiry of the CSAs through rectification into the Moabsvelden contract. This has had an impact on sales in the second half of the year although export commenced in the last month of the financial year. The total external sales volumes are at 7.7 mt (FY21: 6.9 mt) and contributed significantly in the cash generation of R672 million (FY21: R773 million). The prior year cash generation is inclusive of a late payment from Eskom of R297 million which was meant to be received in FY20.

The current year performance has resulted in headline earnings of 6.13 cents per share (FY21: 2.87 cents loss per share), an improvement of 314%.

Resource and reserve statements

The most recent SAMREC-compliant resource and reserve statements of the group are available on the Salungano website at www.salunganogroup.com. The respective resource and reserve statements contain details of all competent persons, their professional memberships, qualifications and experience.

Dividends

After careful consideration of the financial position, performance of the group and macroeconomic conditions, the board resolved not to declare a final dividend for 2022. The board remains committed to delivering shareholder value and is currently prioritising capital allocation to the repayment of debt and ensuring the completion and ramp up of the development of the Moabsvelden Project.

Outlook statement

The group's immediate priorities are to resume production at VGF, ramp up supply to Eskom from Arnot, which commenced supply to Eskom via conveyor belt in February 2022, and increase coal supply into the export market.

The stability that comes with supply to Eskom in terms of the long-term CSA that is in place at Moabsvelden, combined with flexibility to ramp up production at non-Eskom-tied mines, like Elandspruit, puts Salungano in a good position to deliver good returns for shareholders in the current favourable coal pricing environment. This is as the group looks to mine-out the current coal resources within its portfolio.

Salungano will also continue to evaluate various growth opportunities in line with its strategy to become a diversified investment company. Its focus in terms of this strategy is to play a part in the shift to cleaner energy sources in South Africa as the country undergoes a just transition. The transition strategy of the group is guided by its ESG principles. While numerous opportunities are being assessed against the group's investment philosophy and criteria, no imminent announcement should be expected in this regard. The group remains committed to ensuring that it contributes to government's net zero carbon emissions commitments through implementing ESG-compliant technologies, such as the Acrux Sorting Technologies, which enable us to produce more environmentally friendly products, at a lower cost of production per tonne, thus aiding the energy transition.

Basis of preparation

The condensed consolidated financial information for the year ended 31 March 2022 has been summarised from the audited financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, the Companies Act of South Africa, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements and Financial Reporting Pronouncements as issued by the Financial Reporting Council. The condensed consolidated financial information must be read in conjunction with the audited financial statements. The accounting policies used in the preparation of the financial statements are consistent with those of the previous financial statements. Any reference to future financial performance has not been reviewed or reported on by the group's auditor. The directors are of the opinion that the group has adequate resources to continue in operation for the foreseeable future and, accordingly, the condensed consolidated financial results have been prepared on a going concern basis. The condensed consolidated financial statements have been prepared jointly by Ms HT Kganane CA(SA) and HTCO Auditors, under the supervision of Ms JM Speckman CA(SA).

Independent audit opinion

This summarised report is extracted from audited information but is not itself audited. The financial statements were audited by KPMG Inc., who expressed an unmodified opinion thereon. The audited financial statements and the auditor's report thereon are available for inspection at the company's registered office as well as on Salungano's website https://salunganogroup.com/wp-content/uploads/2022/06/salungano-group-2022-annual-financial-statement.pdf provided. The directors take full responsibility for the preparation of the abridged report and that the financial information has been correctly extracted from the underlying financial statements.

By order of the board

Dr Humphrey Mathe
Non-executive chairman

Robinson Ramaite
Group Chief executive officer

4 July 2022

Condensed consolidated statements of financial position

as at 31 March 2022

	2022 R'000	2021 R'000
Assets		
Non-current assets	**3 048 238**	2 848 954
Property, plant and equipment	**2 504 013**	2 449 938
Right-of-use assets	**4 291**	6 673
Investment property	**709**	709
Goodwill	**49 660**	52 611
Intangible assets	**13 248**	9 451
Investments in joint ventures	**–**	27 548
Loan to joint venture	**23 751**	–
Restricted investments	**115 983**	81 529
Loans to group companies	**–**	–
Other receivables	**63 105**	–
Lease receivables	**176 363**	183 606
Deferred tax	**86 241**	26 799
Prepaid royalty	**2 559**	3 346
Restricted cash	**8 315**	6 744
Current assets	**1 382 777**	1 189 593
Inventories	**421 380**	265 700
Trade and other receivables	**679 803**	558 558
Other receivables	**–**	55 906
Lease receivables	**9 192**	62 299
Prepaid royalty	**1 281**	1 478
Current tax receivable	**267**	7 087
Cash and cash equivalents	**270 854**	238 565
Total assets	**4 431 015**	4 038 547

	2022 R'000	2021 R'000
Equity and liabilities		
Equity	**812 272**	848 751
Share capital	**630 372**	629 838
Reserves	**(12 263)**	(12 421)
Retained income/(accumulated loss)	**194 163**	231 334
Liabilities		
Non-current liabilities	**1 719 723**	1 420 950
Lease liabilities	**124 606**	191 100
Deferred tax	**205 377**	231 044
Environmental rehabilitation provision	**1 389 740**	998 806
Current liabilities	**1 899 020**	1 768 846
Trade and other payables	**1 033 652**	689 883
Interest-bearing borrowings	**678 873**	926 606
Financial liabilities at amortised cost	**–**	1 090
Lease liabilities	**75 454**	69 200
Current tax payable	**12 623**	8 056
Environmental rehabilitation provision	**–**	947
Bank overdraft	**98 418**	73 064
Total liabilities	**3 618 743**	3 189 796
Total equity and liabilities	**4 431 015**	4 038 547

Condensed consolidated statements of profit or loss and other comprehensive income

for the year ended 31 March 2022

	2022 R'000	2021 R'000
Revenue	**5 138 882**	3 902 631
Cost of sales	**(4 587 856)**	(3 491 248)
Gross profit	**551 026**	411 383
Operating income	**29 182**	35 599
Movement in credit loss allowances	**(54 873)**	(1 715)
Operating expenses	**(324 868)**	(285 298)
Loss on disposal of assets	**–**	(3 884)
Impairment of goodwill	**(2 951)**	(21 026)
Impairment of investments in Joint ventures	**(59 390)**	–
Operating profit/(loss)	**138 126**	135 059
Interest income	**22 790**	26 425
Finance costs	**(180 983)**	(180 939)
Loss from equity-accounted investments	**(17 458)**	(307)
Loss before taxation	**(37 525)**	(19 762)
Taxation	**354**	(16 064)
Loss for the year	**(37 171)**	(35 826)
Other comprehensive income	**–**	–
Total comprehensive loss for the year	**(37 171)**	(35 826)
Earnings per share		
Per share information		
Basic earnings/(loss) per share (cents)	**(9.06)**	(8.74)
Diluted earnings/(loss) per share (cents)	**(9.06)**	(8.74)

Condensed consolidated statements of cash flows

for the year ended 31 March 2022

	2022 R'000	2021 R'000
Cash flows from operating activities		
Cash generated from/(used in) operations	**671 655**	773 202
Interest income received	**14 575**	20 050
Finance costs paid	**(96 633)**	(109 330)
Tax paid	**(73 368)**	(50 371)
Net cash from operating activities	**516 229**	633 551
Cash flows from investing activities		
Purchase of property, plant and equipment	**(150 087)**	(419 539)
Proceeds on sale of property, plant and equipment	**42**	2
Purchase of other intangible assets	**(4 114)**	(2 236)
Lease payments received	**60 960**	60 349
Purchase of rehabilitation investment	**(32 586)**	(23 660)
Loan advanced to joint venture	**(32 012)**	–
Purchase of investment in joint venture	**(49 300)**	–
Net cash from investing activities	**(207 097)**	(385 084)
Cash flows from financing activities		
Proceeds on share options exercised	**534**	–
Proceeds from borrowings	**–**	120 000
Repayment of borrowings	**(242 491)**	(76 769)
Repayment of other financial liabilities	**–**	(1 997)
Repayment of lease liabilities	**(60 240)**	(55 243)
Acquisition of additional shares in subsidiary from minorities*	**–**	(16 572)
Net cash from financing activities	**(302 197)**	(30 581)
Total cash movement for the year	**6 935**	217 886
Cash at the beginning of the year	**165 501**	(52 385)
Total cash at end of the year	**172 436**	165 501

* *The acquisition of shares in subsidiary from non-controlling interest relates to the shares in Neosho Trading 86 Proprietary Limited (" Neosho") which had occurred during the financial year ended 31 March 2020. The cash movement relates to the payment for acquired minority share in line with the purchase agreement.*

Condensed consolidated statements of changes in equity

for the year ended 31 March 2022

	Share capital R'000	Share-based payment reserve R'000	Other non-distributable reserve R'000	Total reserves R'000	Retained income/ (accumulated loss) R'000	Total equity R'000
Balance at 1 April 2020	629 838	13 160	(27 113)	(13 953)	267 160	883 045
Loss for the year	–	–	–	–	(35 826)	(35 826)
Employee share option scheme	–	1 532	–	1 532	–	1 532
Balance at 1 April 2021	**629 838**	**14 692**	**(27 113)**	**(12 421)**	**231 334**	**848 751**
Loss for the year	**–**	**–**	**–**	**–**	**(37 171)**	**(37 171)**
Employee share option scheme: Shares exercised	**534**	**(534)**	**–**	**(534)**	**–**	**–**
Employee share option scheme	**–**	**692**	**–**	**692**	**–**	**692**
Balance at 31 March 2022	**630 372**	**14 850**	**(27 113)**	**(12 263)**	**194 163**	**812 272**

Segmental report

for the year ended 31 March 2022

	Mining R'000	Trading R'000	Other R'000	Eliminations R'000	Total R'000
As at 31 March 2022					
Total revenue	**4 446 124**	**692 437**	**321**	**–**	**5 138 882**
Inter-segment revenue	**1 262 056**	**14 169**	**103 124**	**(1 379 349)**	**–**
Total segment revenue	**5 708 180**	**706 606**	**103 445**	**(1 379 349)**	**5 138 882**
EBITDA	**636 078**	**10 674**	**223**	**(924)**	**646 051**
As at 31 March 2021					
Total revenue	3 251 511	650 805	315	–	3 902 631
Inter-segment revenue	522 680	47 309	126 487	(696 476)	–
Total segment revenue	3 774 191	698 114	126 802	(696 476)	3 902 631
EBITDA	576 406	5 016	17 727	(29 819)	569 330

Headline earnings/(loss) and diluted headline earnings/(loss) per

for the year ended 31 March 2022

Headline (loss)/earnings and diluted headline earnings/(loss) are determined by adjusting basic earnings/(loss) and diluted earnings/(loss) by excluding separately identifiable remeasurement items in terms of the JSE headline earnings circular, HEPS Circular 1/2019.

The calculation of headline earnings/(loss), net of taxation and NCI, per share is based on the basic earnings/(loss) per share calculation adjusted for the following items:

	2022		2021	
	Gross	**Net of tax**	**Gross**	**Net of tax**
Headline/diluted headline earnings/(loss) per share				
Net profit for the year attributable to owners of the company	**(37 525)**	**(37 171)**	(19 762)	(35 826)
Profit on disposal of property, plant and equipment	**(42)**	**(30)**	3 883	3 014
Goodwill Impairment	**2 951**	**2 951**	21 026	21 026
Impairment of investment in joint venture	**59 390**	**59 390**	–	–
Headline earnings/(loss)	**24 774**	**25 140**	5 147	(11 786)
Headline earnings/(loss) per share (cents)	**–**	**6.13**	–	(2.87)
Diluted headline earnings/(loss) per share (cents)*	**–**	**6.13**	–	(2.87)

* *As the group was in a loss making position during the current and 2021 financial years the impact of share options would be anti-dilutive and is therefore not taken into account.*

General information

Salungano Group Limited

(formerly Wescoal Holdings Limited)
Incorporated in the Republic of South Africa
(Registration number: 2005/006913/06)
Share code: SLG
ISIN: ZAE000069639
("Salungano" or "the company" or "the group")

Registered address

1st Floor, Building 10
142 Western Service Road
Woodmead 2191

Postal address

PO Box 1962, Edenvale 1610

Nature of business and principal activities

The mining, processing, sale and distribution of thermal coal

Directors

Dr HLM Mathe *(Chairman, independent non-executive)*
N Siyotula *(Lead independent non-executive)*
N Mnxasana *(Independent non-executive)*
A Mabizela *(Independent non-executive)*
KM Maroga *(Non-executive)*
C Maswanganyi *(Non-executive)*
ET Mzimela *(Non-executive)*
T Tshithavhane *(Executive)*
MR Ramaite *(Chief executive officer)*
JM Speckman *(Chief financial officer)*

Company secretary

FluidRock CoSec Proprietary Limited*
Telephone: +27 (0)11 049 8611
Facsimile: +27 (0)11 570 5848
Yolande Lemmer

* *FluidRock CoSec Proprietary Limited was the company secretary until 30 June 2022 and Yolande Lemmer was appointed permanently as Company Secretary effective 1 July 2022.*

Transfer secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank 2196, South Africa
PO Box 61051, Marshalltown 2107, South Africa
Telephone: +27 (0)11 370 7802

Bankers

Nedbank and Standard Bank of South Africa

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited
Third Floor, Block F, Nedbank Rivonia Campus
135 Rivonia Road Sandton 2196, South Africa
PO Box 1144, Johannesburg 2000, South Africa

Auditor

KPMG Inc.
Registered Auditor
KPMG Crescent, 85 Empire Road
Parktown 2193
Telephone: +27 (0)11 647 7111

IR advisor

Singular Systems IR
25 Scott Street
Waverley 2090, South Africa
Telephone: +27 (0)10 003 0700
Email: IR@singular.co.za

Website: www.salunganogroup.com

purple.frog HTCO AUDITORS

Salungano
GROUP

www.salunganogroup.com