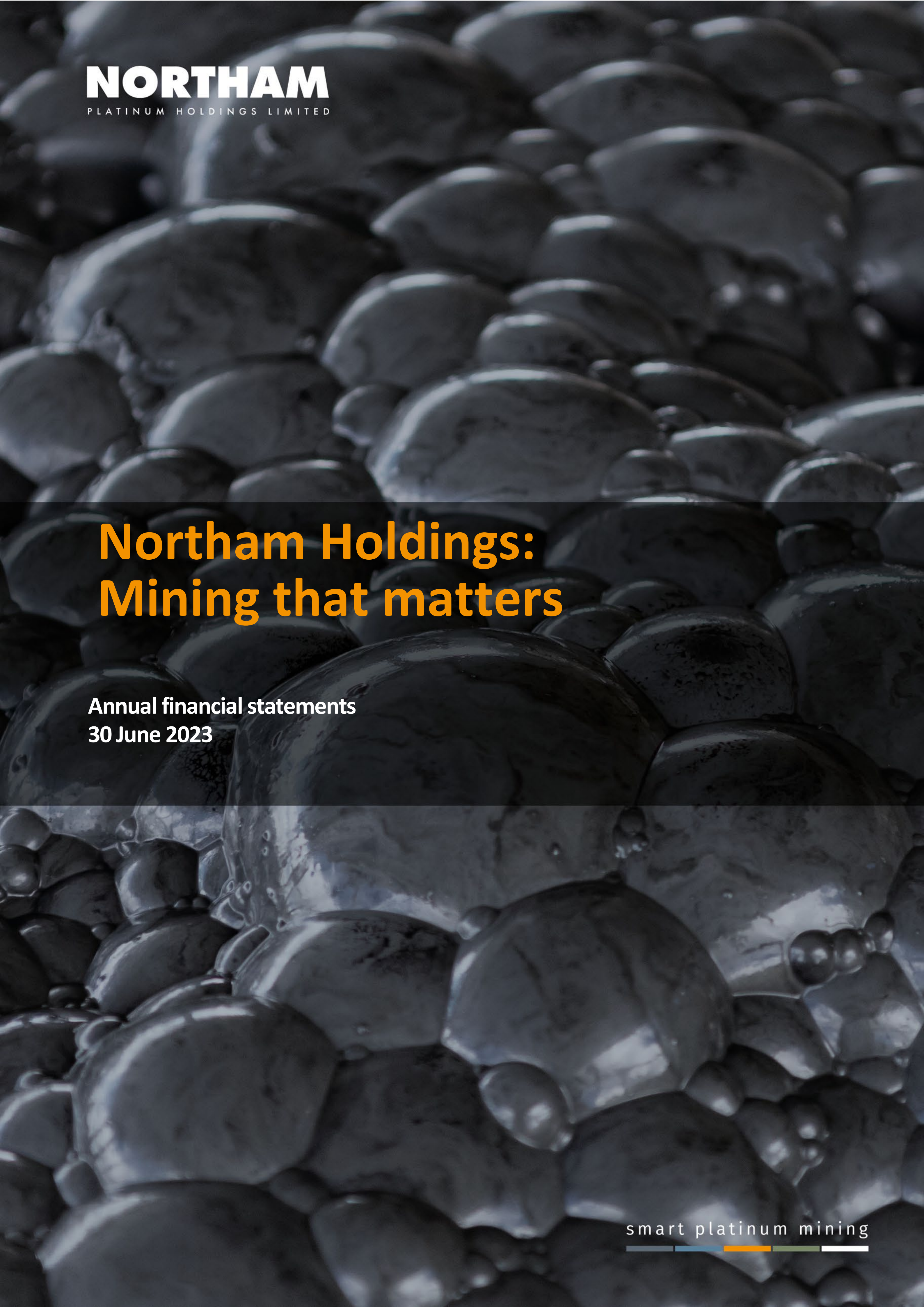


NORTHAM
PLATINUM HOLDINGS LIMITED

Northam Holdings: Mining that matters

Annual financial statements
30 June 2023

smart platinum mining

Content

Defined terms

Unless otherwise defined, capitalised words and terms contained in these annual financial statements shall bear the same meaning ascribed thereto in the Glossary included in the summarised financial results, for the year ended 30 June 2023, available on our website at www.northam.co.za.

The annual financial statements have been prepared under the supervision of the chief financial officer, AH Coetzee CA(SA).

Chief executive officer and the Finance Director responsibility statement

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 31 to 193, fairly present in all material respects the financial position, financial performance and cash flows of Northam Platinum Holdings Limited (Northam Holdings) in terms of International Financial Reporting Standards (IFRS);
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Northam Holdings and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of Northam Holdings;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

PA Dunne	**AH Coetzee**
Chief executive officer	Chief financial officer

Johannesburg

22 August 2023

Directors' responsibilities and approval of annual financial statements

In approving the annual financial statements, the directors hereby confirm:

- That they are responsible for the preparation, integrity and fair presentation of the annual financial statements of Northam Holdings and its subsidiaries. The auditors are responsible for auditing and reporting on whether the annual financial statements are fairly presented.
- The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can only provide reasonable and not absolute, assurance against material misstatement or loss.
- The annual financial statements have been prepared in accordance with IFRS. They conform and adhere to applicable accounting standards and are presented after applying accounting policies supported by reasonable and prudent judgements and estimates made by management, which have been consistently applied.
- Adequate accounting records and an effective system of internal controls and risk management have been maintained during the entire financial year.
- They have reviewed the additional information included in the annual integrated report and are responsible for both the accuracy and consistency of the annual financial statements.
- The going concern basis has been adopted in preparing the annual financial statements. The directors have no reason to believe that the group will not be a going concern in the foreseeable future based on forecasts and available cash resources. These annual financial statements support the viability of the company and the group.
- The annual financial statements have been audited by the independent auditors, PricewaterhouseCoopers Incorporated (PwC) who were given unrestricted access to all financial records and related data including minutes of all meetings of shareholders, the board of directors and board committees. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate. The unmodified audit report of PwC is included in these annual financial statements.

The annual financial statements were approved by the board of directors and signed on its behalf by:

TI Mvusi	**PA Dunne**	**HH Hickey**
Chairman	Chief executive officer	Chairperson – audit and risk committee

Johannesburg

22 August 2023

Company secretary's confirmation

I, PB Beale, in my capacity as company secretary of Northam Holdings, hereby certify in terms of section 88(2) of the Companies Act, No. 71 of 2008, as amended (Companies Act) that all returns and notices required of a public company in terms of the Companies Act, in respect of the year under review, have been lodged with the Companies and Intellectual Property Commission and that all such returns are true, correct and up to date.

PB Beale

Company secretary

Johannesburg

22 August 2023

Audit and risk committee report

This audit and risk committee report has been prepared in terms of section 94(7) of the Companies Act No. 71 of 2008, as amended (the Companies Act), the King IV™ Report on Governance for South Africa, 2016 (King IV™), the JSE Limited Listings Requirements and other applicable regulatory requirements.

This report sets out how the audit and risk committee (the committee) has satisfied its various statutory and regulatory obligations and corporate governance best practices during the year. This includes the key focus areas considered and how these have been addressed by the committee.

Associated capitals addressed by the committee

- Financial
- Manufactured
- Intellectual

Risks and opportunities addressed by the committee

- Exchange rate and commodity price volatility
- Operational performance
- Liquidity
- Critical of single stream plant and equipment
- Capital allocation
- Social licence to operate
- Regulatory, political and legal environment
- Environmental, social and governance (ESG)
- Project execution
- Information Technology and cyber security
- Fraud and theft
- Environment

Related material issues

- Maintaining our legislative and regulatory compliance
- Continuing to improve the safety performance and the health and wellness of our employees
- Appropriate capital allocation
- Effective project execution
- Managing the environmental impact of our operations and conserving natural resources
- Liquidity management to mitigate market volatility
- Managing production and performance
- Reliability and sustainability of electrical supply from Eskom
- Maintaining constructive communication channels with all our stakeholders

Role

The audit and risk committee (the committee) is constituted as a statutory committee of Northam in accordance with sections 84(4)(c) and 94 of the Companies Act, paragraph 3.84(c) of the JSE Limited Listings Requirements, paragraph 7.3(a) of the JSE Debt Listings Requirements, and Northam's MOI. The committee's primary statutory duty is to provide independent oversight, amongst others, over the effectiveness of the group's assurance functions and services, with particular focus on combined assurance arrangements.

It also provides independent oversight over the integrity of the financial statements, including interim reports and, to the extent delegated by the board, other external reports, as appropriate to be reviewed by the committee, issued by the group.

The oversight responsibilities of the committee extend to subsidiary companies of the group, to ensure that they comply with all provisions of Northam Holdings.

The committee's roles and responsibilities are set out in it's charter. The committee considered the applicability of the charter during the year under review and found it still to be valid.

Mandate

The committee has ultimate decision-making authority in term of its statutory duties as contemplated in section 94(7) of the Companies Act, paragraph 3.84(g) of the JSE Limited Listings Requirement and paragraph 7.3(e) of the JSE Debt Listings Requirements and is accountable for its performance in this regard. The chairperson of the committee reports to the board on the committee's activities and matters discussed.

The committee has direct and unobstructed lines of communication to the board, the external and internal auditors, and any external assurance providers and consultants appointed by the group to prepare the financial statements of the group. This includes encouraging continuous and open communication with all assurance providers, including the external and internal auditors, risk and compliance functions, senior management and the executive directors, as well as the board.

The committee does not assume the function of management, which remains the responsibility of the executive directors and other members of senior management of the group and has no ultimate decision-making authority in respect of the non-statutory matters within the scope of its functions. The committee also does not provide relief to board members in terms of their collective and individual fiduciary duties.

Committee composition

The committee comprises three independent, non-executive directors of the board, elected by shareholders on the recommendation of the nomination committee on an annual basis. The chairman of the board is not eligible for election as member or chairperson of the committee.

The members of the committee all satisfy the requirements to serve as members of an audit committee, as defined by section 94(4) of the Companies Act.

Members of the committee have the necessary financial literacy, skills and experience to execute their duties effectively. This includes academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, risk management, public affairs and human resource management.

No changes to the committee were made during the year under review, with its composition reviewed by the nomination committee.

Name	Date joined committee	Board status	Meeting attendance
HH Hickey (chairperson)	1 January 2016	Lead independent director	4/4
Dr NY Jekwa	1 June 2019	Independent non-executive director	4/4
MH Jonas	3 February 2022	Independent non-executive director	4/4

The board is satisfied that the committee has the appropriate mix of academic qualifications and experience, as required by King IV™, to fulfil its duties.

Invited attendees

The committee has the authority to invite the CEO, CFO, other senior management representatives, external auditors, internal auditors, other assurance providers, professional advisors and board members to attend its meetings, as required. Every board member is also entitled to attend committee meetings as observers.

In addition, as part of the committee's integrated reporting responsibilities, the committee is able to invite the relevant management sponsor and/or responsible senior management representatives to attend its meetings, for the purpose of the disclosure of any sustainability issues.

Individuals in attendance by invitation may participate in discussions, but do not form part of the quorum for committee meetings and may not exercise voting rights on any matter.

The CFO, designated audit partner and chief audit executive (CAE) have unrestricted access to the chairperson and any other member of the committee, as is required in relation to any matter falling within the remit of the committee. In addition, the CEO, CFO, other members of senior management, external auditors or internal auditors may, with the approval of the chairperson, request a meeting or attendance at the meetings, which may not be unreasonably withheld.

The CEO and CFO attended all meetings of the committee during the year under review.

The committee meets, at least twice a year, if necessary, with the external and internal auditors without management present. For the year under review one meeting took place on 15 August 2022.

Areas of focus during the year – significant audit matters

Audit matter	Response	Associated risks
Investment in RBPlat	The accounting for the investment in Royal Bafokeng Platinum Limited (RBPlat) required management to make a number of judgements and estimates with regards to the valuation and share of earnings accounted for in the consolidated results of Northam Holdings. With the movement in commodity prices, the committee also considered management's assessment of the recoverable amount of the group's investment as part of its detailed impairment testing. The committee deliberated on this matter and the judgements and estimates in this regard and noted: • The detailed impairment testing performed on the group's investment in RBPlat, including the judgements made by management concerning the existence of impairment indicators and estimates of projected cash flows, including the fair value less cost to sell valuation at year-end • The significant decline in the PGM markets and the forecast PGM prices in the short to medium-term, and the impact on the valuation of the investment in RBPlat. In addition, considered the impact of the declining forecasted PGM prices on Northam's cash flow and the potential liquidity risk due to a material decrease in free cash flows; and • Reviewed the disclosure made in the Annual financial statements regarding the impairment of the investment together with the subsequent events disclosure as a result of the sale of the RBPlat shares in accordance with the terms of the Implats Mandatory Offer **The committee is satisfied that the disclosures in the Annual financial statements are reasonable with regards to the investment in RBPlat, taking into consideration the impairment and subsequent disposal.**	• Liquidity
Inventory valuation	Metal inventory was noted as a significant balance at year-end requiring judgements to be applied and estimates to be made. The committee deliberated on this matter and reviewed a detailed report from management on the process implemented to verify the quantity and valuation of inventory, including an evaluation of the net realisable value of inventory. The committee reviewed the valuation methodology used for the work in progress metal inventory, including management's estimates applied, using the average cost of production method to value metal inventory. The committee also considered the determination of net realisable value, being the expected selling prices based on prevailing market prices, less estimated costs to complete production and bring the final product to sale. **The committee is satisfied that inventory is stated at the lower of cost and net realisable value and that the valuation has been determined using valuation techniques and methodologies per IAS2 Inventories.**	• Fraud and theft • Exchange rate and commodity price volatility

Audit matter	Response	Associated risks
Impairment assessment	• Detailed assessment of the recoverable values of the various assets in the group in terms of IAS 36 Impairment of assets was performed at year-end. This was done to ensure that the recoverable values of cash generating units are higher than the carrying value • Reviewed management's judgements concerning the existence of impairment indicators, identification of cash generating units and estimates of projected cash flows • Noted the valuation methodology applied by management in assessing the value in use and fair value less cost of disposal • Reviewed the inputs into management's assessments noting that the calculations are based on approved budgets and forecasts, as well as latest commodity and exchange rate forecasts • Reviewed management's assumptions of the metal price forecasts and long–term growth rate applied • Reviewed and considered the sensitivities applied as required in IAS 36 Impairment of assets • Reviewed the disclosure required in terms of IAS 36 Impairment of assets in the Annual financial statements	• Liquidity • Exchange rate and commodity price volatility
Significant accounting judgements and estimates	The committee is satisfied that the requirements of IAS 36 Impairment of assets has been met and the required disclosure has been made. The committee also considered the following accounting judgements, estimates and assumptions in relation to the Annual financial statements for the year ended 30 June 2023: • Mineral Resources and Mineral Reserves estimates to determine life of mine • Evaluation of the capitalisation of borrowing costs in terms of IAS 23 Borrowing costs, relating to the qualifying assets of the group • Evaluation of both the long-term and trade receivable balances for expected credit losses in terms of IFRS 9 Financial instruments • Evaluation of the tax deductibility of interest on certain borrowings • Evaluation of the restoration and decommissioning liabilities of the group • Assessment of the valuation of the Toro Employee Empowerment Trust in terms of IAS 19 Employee Benefits • Assessment of the utilisation of a deferred tax asset relating to Eland Platinum Proprietary Limited in terms of IAS 12 Income Taxes • Assessment of contingent assets or liabilities disclosed in the notes to the Annual financial statements in terms of IAS 37 Provisions, Contingent Liabilities and Contingent Assets **The committee is satisfied that these matters have been appropriately accounted for in terms of the requirements of IFRS and are fairly presented in the Annual financial statements.**	• Liquidity • Exchange rate and commodity price volatility • Social licence to operate • Environment

Audit matter	Response	Associated risks
New accounting standards	The committee considered new accounting standards and interpretations and amendments to standards in issue that have not yet been adopted, but are likely to affect the financial reporting in future years, including the disclosure thereof in the Annual financial statements. Refer to the Annual financial statements 2023 for new accounting standards adopted and standards, interpretations and amendments issued, but not yet effective. **The committee is satisfied that the new accounting standards are appropriately disclosed and incorporated in the Annual financial statements.**	• Social licence to operate
Free cash flow forecast	The cash generation profile in terms of the free cash flow forecast of the group was deliberated and reviewed by the committee. This was done in the context of the group's intention to maintain prudent levels of standby credit, in light of its significantly enlarged operational footprint and working capital requirements, as well as to support the going concern assumption on which the financial statements were prepared. **The committee is satisfied with the assumptions made in assessing whether the group will have a prudent level of standby credit available in the foreseeable future.**	• Liquidity • Exchange rate and commodity price volatility

Other considerations

Audit matter	Response	Associated risks
Going concern	The assessment of an entity's ability to continue as a going concern is the responsibility of the entity's management and the appropriateness of management's use of the going concern assumption is a matter for the auditor to consider on every audit engagement. International Financial Reporting Standards and IAS 1, Presentation of Financial Statements, requires management to assess an entity's ability to continue as a going concern. Management's assessment of the going concern assumption involves making a judgement, at a particular point in time, about the future outcome of events or conditions, which are inherently uncertain. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, 12 months from the statement of financial position date. To assess whether the group is considered to be a going concern, management has considered facts and circumstances, banking facilities and the reasonableness of assumptions made, including the cash flow forecasts for the next 12 months. It is believed that the group has adequate resources to continue as a going concern for the foreseeable future. The financial statements support the viability of the group, taking into account all factors. A liquidity and solvency test has also been conducted. The assets of the group, fairly stated, exceed the liabilities of the group and the group is able to pay its debts as and when they become due in the ordinary course of business over the next 12 months. These were extensively reviewed by the committee, with due consideration of the group's ability to respond to changing circumstances and the financial reserves required to sustain operations through adverse conditions, such as an extended commodity price down-cycle and/or periods of reduced production or sales demand. The going concern basis has been adopted in preparing the financial statements. The committee has no reason to believe that the group will not be a going concern in the foreseeable future based on forecasts and available cash resources. The financial statements support the viability of the company and group. **Based on the latest available information, the committee assessed and confirmed the appropriateness of the going concern assumption used in the interim and Annual financial statements. This includes confirmation that the group will continue to have adequate financial resources and access to capital to settle its liabilities, as and when they fall due, continuing to operate on a going concern basis for the foreseeable future.**	• Liquidity • Exchange rate and commodity price volatility
Available borrowing facilities	During the year Northam concluded and implemented an agreement to restructure its existing banking facilities. As a result, the total banking facilities now amount to R11.0 billion. The committee reviewed the cash flow requirements of the group, taking into consideration various sensitivities applied and believes that the group has adequate facilities in place. **The committee confirmed that the group has adequate borrowing facilities available.**	• Liquidity • Exchange rate and commodity price volatility

Audit matter	Response	Associated risks
Dividend policy	The company's dividend policy is to consider an interim and final dividend at each reporting period. The quantum of any dividend would ultimately be subject to expected future metal prices, together with capital commitments at the time of consideration by the board. • The committee deliberated and reviewed the cash generation profile of the group, taking into account the group's growth strategy and capital requirements • Reviewed the liquidity and solvency ratios for the group, including the cash flow forecast, capital allocation and project pipeline **The committee reviewed the dividend policy from management and after consideration of the preceding factors recommended the group's maiden dividend to the board for approval.**	• Liquidity • Exchange rate and commodity price volatility

Financial statements and integrated reporting process

The committee reviewed, *inter alia*, as part of providing oversight of the group's integrated reporting, all accounting and financial reports and information for recommendation to the board for approval.

Key considerations included the following:

- Trading statements issued
- Treatment of significant accounting and auditing matters including non-routine transactions
- Adjusted and unadjusted audit differences reported by the external auditors
- Key audit matters communicated by the external auditors in their audit report including the appropriateness of management actions in addressing these matters
- Representation letter signed by management
- The provision of financial assistance to subsidiaries
- The CEO and the financial director responsibility statement
- Financial information included in the interim and annual financial results announcements
- The audited Annual financial statements, associated financial reporting processes and controls underpinning the preparation of financial results
- The various reports issued by Northam Holdings as part of the year-end reporting suite

The committee evaluated the consolidated and separate Annual financial statements for the year ended 30 June 2023 and has concluded that these comply, in all material respects, with the requirements of the Companies Act, IFRS, and the JSE Limited Listings Requirements.

The committee therefore recommended to the board the approval of the Annual financial statements, interim and annual results, as well as the financial information included in the F2023 Annual integrated report.

Internal controls and risk management

The committee has the following responsibilities regarding internal control:

- To review, on an annual basis, the effectiveness of the group's system of internal control, with specific focus on internal financial controls, as part of the group's combined assurance model/plan
- To consider significant control issues reported as part of the assessment of the overall control environment
- To receive feedback on the group's independent ethics and fraud hotline, including the outcomes of any investigations conducted and consider the appropriateness of management responses

During the year under review the committee reviewed the adequacy and effectiveness of the group's systems of internal control, financial reporting and risk management.

The committee considered the nature and extent of control issues identified from the various reports reviewed by the committee. This included, internal and external audit reports, as well as specific internal control reports from management relating to the internal attestation of financial and non-financial controls.

Findings reported as part of the group's independent ethics and fraud hotline were also considered by the committee.

In addition, the committee reviewed and assessed how risks have been managed, in the context of the group's evolving risk profile.

The committee, having considered the comprehensive review and analysis of information provided by management, as well as the external and internal auditors, is of the opinion that the internal controls of the group have been effective in all material respects, appropriate financial reporting procedures are in place, and that these procedures and controls operated effectively and efficiently throughout the year under review.

This included consideration of all entities within the group's IFRS financial statements to ensure that the committee had access to all the financial information of the group to enable it to effectively report on the financial statements of the group.

Governance, IT and compliance

Focus area	Response	Associated risks
Corporate governance (including the maturity of the risk management process and continuous improvement of the internal control environment)	The committee is responsible for the governance of risk by setting the direction on approaching and addressing risk in the group. During the year, the committee: • Monitored management's progress of assessing the recommended practices underpinning the 16 Principles of King IV™ thereby ensuring an ethical culture is being fostered that supports effective control at all levels • Reviewed and approved the group's risk management policy and standards, having considered the key strategic and operational risks affecting the group • Reviewed internal audit's written assurance statement which confirmed that nothing has come to the internal auditor's attention indicating that the group's system of internal financial controls is not effective and may not be relied upon for the preparation of the Annual financial statements • Noted the work done by management to strengthen the internal control environment, taking into account the findings identified by both external and internal audit	• Fraud and theft • Information Technology and cyber security
Compliance with laws and regulations	The committee, together with the board and other relevant board committees, has the responsibility for the governance in compliance with applicable laws and adopted non-binding rules, codes and standards including King IV™, by setting the direction for how compliance should be approached and addressed in the group. The committee: • Considered the group's compliance with applicable laws and regulations, including those pertaining to the financial reporting • Received feedback on any non-compliances with laws and regulations • Considered management's feedback regarding significant litigation matters, together with an assessment of any possible impact on the financial results No material regulatory penalties, sanctions or fines for contraventions of, or non-compliance with statutory obligations were noted during the year under review.	• Social licence to operate •

Focus area	Response	Associated risks
IT governance	Received feedback reports from the technology and information governance steering committee, which is responsible for assisting the audit and risk committee with its responsibility to govern information and technology. The committee: • Noted that extensive reviews of the group's technology and information systems were performed. This included specific consideration of the IT risks impacting the group, in respect of the overall IT environment and the information security capabilities to address cyber crime threats • Assessed the progress of the adoption of the control objectives for information and related technology (COBIT 2019) framework, including the outcomes from the independent COBIT 2019 compliance and capability assessment. Noted that a project plan was developed with each of the 40 objectives classified by management into priorities • Received progress updates on the enterprise resource planning system (SAP) projects underway • Received updates on the progress of the business application and infrastructure projects underway to meet specific business requirements • Reviewed management reports setting out the King IV™ requirements for IT governance • Noted the planned disaster recovery test to be conducted, with independent participation by internal audit Reviewed the various IT control reviews performed by management, internal service providers and internal audit, as well as the work that has been done by external audit to place reliance on the IT general control environment. Noted the findings raised and reviewed the management action plans, together with the associated timelines for implementation. The committee noted the various findings raised together with management's, independent service providers action plans to address these findings. However assurance was provided to the committee that even though there are a number or areas that require increased focus and additional controls, that none of these indicated a significant breakdown in the general IT control environment of the group. It should also be noted that based on the control testing performed by the external auditors PwC, it was noted that the indicated controls tested confirmed that they could place reliance on the SAP environment and the IT financial systems and that there were no significant breakdowns in the IT control environment. The various improvements and focus areas identified will strengthen the IT control environment even further. Based on the work performed no significant matters have come to the committees, attention to indicate that the IT general control environment together with the IT governance practices are not effective and efficient.	• Information Technology and cyber security

<table>
<tr><th>Focus area</th><th>Response</th><th>Associated risks</th></tr>
<tr><td>Cyber security</td><td>The committee:
Received feedback from the group technology and information governance steering committee on the activities performed during the year, which included outcomes from internal and external reviews conducted, mitigating actions, as well as planned and in progress projects
Reviewed the findings of the independent cyber vulnerability and penetration assessments with due consideration of management's progress to mitigate the exposures identified. Noted the focus of the assessment being the following cyber related objectives of the COBIT 2019 governance framework:
Cloud security
Data security
Network security
Perimeter security
Access control
Received updates on the group's cyber security monitoring solution that continuously monitors, tracks and evaluates risks and threats. Noted no significant incidents were detected, and no significant incidents were unresolved
The committee, having reviewed the group's information technology structures and operations, is of the opinion that the technology architecture enables the achievement of the group's strategic objectives, and that information technology risks are suitably managed and mitigated.</td><td>Information Technology and cyber security</td></tr>
<tr><td>JSE proactive monitoring of financial statements</td><td>The committee is tasked with ensuring the integrity of the financial reporting process and is therefore required to continuously reassess the findings raised through the JSE's proactive monitoring process.

The objective of the JSE's process of reviewing annual financial statements and interim results is to ensure the integrity of financial information, as well as contribute towards the production of quality financial reporting of listed entities. This aligns with one of the general principles of the JSE Limited Listings Requirements, namely to enhance investor confidence.

During the year under review, the committee received feedback on the proactive monitoring activities undertaken during 2022 (2022 report), as well as management's considerations with regards to the findings raised.

The committee:
Noted the findings raised in the 2022 report
Considered management's considerations in respect of the findings raised and noted that appropriate disclosure has been provided in the financial statements of the group</td><td>Social licence to operate
Regulatory, political and legal environment</td></tr>
</table>

Internal audit

The committee has the responsibility to set the direction for the internal audit arrangements needed to provide independent, objective and relevant assurance that contributes to the effectiveness of governance, risk management and control processes.

In order to further strengthen the independence of the group's combined assurance activities, the internal audit function is outsourced.

During the year under review, the board and committee decided to, as is the case with the external auditors, rotate the internal audit service provider as well. This decision aims to refresh and strengthen the overall independence of the group's combined assurance function.

The committee approved the appointment of Ernst and Young Advisory Services Proprietary Limited (EY) as the group's internal auditor, replacing KPMG Services Proprietary Limited (KPMG).

The responsibilities associated with that of a chief audit executive (CAE) is fulfilled by Abrarulhaq Bhamjee, as associate partner of EY, and as the partner in charge of the internal audit function.

The committee monitored the effectiveness of internal audit, ensuring that the roles and functions of internal audit have been sufficiently clarified and coordinated, and that the function provides an objective overview of the operational effectiveness of the group's systems of internal control and reporting.

During the year under review, the committee considered, as part of its review and assessment, the following:

- The competence, gravitas and objectivity of Abruralhaq Bhamjee to fulfil the duties of CAE
- The updated internal audit charter, setting out the purpose, authority, roles and responsibilities of internal audit. This charter was approved by the committee subsequent to its review
- The independence, effectiveness and performance of the internal audit function, including compliance with its terms of reference
- The internal audit plan, ensuring that material risk areas were included and that the coverage of risks and business processes were acceptable. Noted that these activities were implemented following a risk based analysis of areas requiring additional focus as part of the combined assurance model
- The scope of work of the internal audit function, the issues identified as a result of its work, as well as management's responsiveness to issues raised and agreed action plans
- The coordination and cooperation between the internal audit, risk management and compliance functions
- The internal audit strategy, being to enhance and protect organisational value by being an agent of change, delivering the right internal audit services aligned to best practice and meeting stakeholder expectations

The committee is satisfied with the appropriateness of the expertise, experience and resources of the internal audit function.

External audit

The committee fulfilled its various statutory responsibilities with regards to the external auditor. This included the appointment, compensation and oversight of the external auditor.

Key review considerations with regards to the external audit function included the following:

- Early adoption of the mandatory audit firm rotation requirements
- The appointment of PricewaterhouseCoopers Incorporated (PwC) as the group's external auditor for the group at the end of the previous financial year, replacing EY who held tenure as the group's external auditor of more than 38 years
- The committee noted the approval of the ordinary resolution at the 2022 AGM, confirming the appointment of PwC as the group's external auditors, with the designated audit partner being Andries Rossouw. The audit for the current financial year is the first audit PwC has conducted of the group
- The committee also acknowledged and considered the subsequent Supreme Court of Appeal judgement against the requirement for mandatory rotation of audit firms. However, the committee maintains that it is in the best interests of the group to periodically rotate external auditors

The committee assessed, *inter alia*, the following information received from PwC in terms of paragraph 3.84(g)(iii), as read with paragraph 22.15(h) of the JSE Limited Listings Requirements, in response to auditor independence concerns that were raised:

- The most recent Independent Regulatory Board for Auditors (IRBA) inspection report for PwC's International Statement on Quality Control (ISQC 1) review. This included the decision letter from the IRBA, the detailed findings and a copy of the remedial action plan sent to the IRBA by PwC
- The most recent IRBA inspection report for the designated individual audit partner, Andries Rossouw
- A summary document providing context and explanations of the findings for PwC and engagement level reports of the IRBA
- A copy of the 2022 Transparency Report, prepared by PwC South Africa. This included the ISQC 1 information the JSE requires PwC to communicate to clients
- A summary of the results of PwC's monitoring of its system of quality control. This in terms of paragraph 53 of ISQC 1
- A summary of the outcome of any legal or disciplinary proceedings concluded within the past seven years, which were instituted in terms of any legislation or by any professional body of which PwC and/or the designated individual audit partner are members, or a regulator to whom they are accountable. This includes where the matter has been settled by consent order or payment of a fine
- A copy of PwC's JSE accreditation letter, confirming that both the firm and the audit partner, Andries Rossouw, are accredited by the JSE Limited

During the year under review the committee also:

- Monitored the effectiveness of the external auditor in terms of their independence, audit quality and expertise, as well as the execution of the audit plan
- Approved the external auditor's annual audit plan and ensured that all statutory and financial reporting requirements were met and material risks were identified and appropriately addressed
- Reviewed the external auditor's findings and recommendations and ensured that matters raised were resolved appropriately
- Ensured coordination and cooperation between the external and internal audit function
- Convened with the external audit team, without management being present, and was assured that there were no unresolved areas of disagreement with management. Satisfaction was expressed by the external auditor with the skills and expertise of the finance team and it was confirmed that throughout the audit there was good support from the management team
- Confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005

The committee is satisfied that the external auditor, PwC, and the designated individual partner, Andries Rossouw, are appropriately accredited and are suitable to perform the current year audit engagement and is therefore recommended by the committee to be re-appointed as external auditors of the group at the AGM in October 2023.

Audit and non-audit fees

For the year under review, the external auditor, PwC, charged the following fees (the comparative fees are those charged by EY in their capacity as external auditor for F2022):

	30 June 2023	30 June 2022
	R000	R000
Northam Platinum Holdings Limited and group companies including overruns	9 020	11 551
Zambezi Platinum (RF) Proprietary Limited	180	572
ISRE 2410 review	1 190	1 640
ISRE 2410 review | Zambezi Platinum (RF) Proprietary Limited	–	120
Sustainable development report	1 450	1 310
Issue of commercial paper (Domestic Medium-Term Notes)	750	4 500
Non-discretionary non-audit fees	160	276
Discretionary non-audit fees	75	–
Independent reporting accountants report in respect of the *Pro forma* financial effects included in the Offer and Transaction Circulars relating to the voluntary offer by Northam	1 750	–
	14 575	19 969

Non-audit services

The committee, as part of their responsibilities, is required to determine the nature and extent of any non-audit services that may be provided by the external auditors in order to ensure that they do not impair the external auditor's independence in the performance of their duties.

Independence is required for audit and review engagements in which the external auditor expresses an opinion on the financial statements. The external auditor needs to have a state of mind that permits the provision of an opinion without being affected by influences that compromise professional judgement, allowing an individual to act with integrity, and exercise objectivity and professional scepticism. The external auditor should also avoid facts and circumstances that are so significant that a reasonably informed third party, having knowledge of all relevant information, including safeguards applied, would reasonably conclude that the external auditor, or a member of the audit team's, integrity, objectivity or professional scepticism had been compromised.

Non-audit services should not be provided if it would present a threat to the independence of the external auditor.

The general principles applied in assessing non-audit services were as follows:

- The external auditors shall not have any involvement in the maintenance of any of the company's financial records or the preparation of any of its financial statements
- The external auditors shall not perform the duties of an accountant or bookkeeper, or perform related secretarial work for the company
- The external auditors shall not perform any function of management, or be responsible for making management decisions
- The external auditors shall not be responsible for the design or implementation of financial information systems
- The separation between internal and external audit shall be maintained

The committee reviewed management's assessment of all non-audit services performed by PwC and confirmed that no prohibited non-audit services have been performed by PwC in terms of section 90 of the Companies Act. This included a detailed review against policy to ensure that fees for all non-audit services were within approved limits and that the external auditor's independence was not jeopardised as a result of the non-audit services provided. The committee also received the necessary representation from the external auditor, confirming that:

- No other remuneration was received for work performed other than what has been disclosed
- PwC's independence was not impaired by any consultancy, advisory or other work performed during the year under review
- The criteria specified for independence by the IRBA and international regulatory bodies have been met

The committee, based on their assessment of the independence and effectiveness of the external auditor, PwC, did not note any significant findings or considerations to indicate that the external auditor is not independent or that the services provided by PwC have not been effective and robust.

Combined assurance

The committee has the following responsibilities, as part of its statutory duty, in terms of the group's combined assurance arrangements, including its external assurance service providers, internal audit and the finance function:

- To ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making by management, the board and its committees, as well as the group's external reports
- To satisfy itself that a combined assurance model is applied which incorporates and optimises the various assurance services and functions so that, taken as a whole, these support the objectives for assurance
- To ensure that the combined assurance model is designed and implemented to effectively cover the group's significant risks and material matters through a combination of the following assurance service providers and functions, as is appropriate for the group:
  - The group's line functions that own and manage risks
  - The group's specialist functions that facilitate and oversee risk management and compliance
  - Internal auditors, internal forensic fraud examiners (if appropriate) and auditors, safety and process assessors, and statutory actuaries
  - Independent external assurance service providers such as external auditors, or any other external assurance providers
  - Other external assurance providers such as sustainability and environmental auditors, external actuaries, and external forensic fraud examiners and auditors
  - Regulatory inspectors
- To assess, together with the board and other relevant committees, the group's combined assurance plans, and to express an opinion on the integrity of information and reports, and the degree to which an effective control environment has been achieved
- To disclose in terms of King IV™, the arrangements in place for combined assurance and the committee's views on its effectiveness

The group's combined assurance model establishes integrated and coordinated assurance activities across all levels of the group. It avoids duplication of efforts, promotes coverage and rationalises collaboration amongst assurance providers. In this regard, the committee provided oversight of the combined assurance activities, whilst ensuring that these have been adequate and effective in achieving its objectives.

Northam developed its combined assurance model in response to the requirements of King IV™. The model incorporates key considerations, both for statutory and operational purposes, across four distinct lines of assurance.

These constitute, and collectively resemble the nature and extent of assurance for the group, broadly summarised below::

- First line: operations – management reviews incorporating group services
- Second line: corporate – mining executives, chief financial officer and executive committee reviews
- Third line: third party – independent providers of confirmation and verification, such as internal and external audit
- Fourth line: board and committees – governance and oversight

Northam's internal control function operates across the first and second lines of assurance. The internal control function refers to, *inter alia*, the systems, policies and procedures that the group develops and implements to ensure its operations are carried out effectively and efficiently. These assist to safeguard the company's assets, prevent fraud and errors, ensure compliance with laws and regulations, and enhance the quality of reporting.

The committee is satisfied that the combined assurance model adequately addresses the risks and material matters through the aggregated efforts of the various assurance providers and results in an adequate, effective control environment and the integrity of reports relied upon for decision making.

Effectiveness of the CFO and the finance function

The committee has the following statutory responsibilities in relation to the CFO and the finance function of the group:

- To confirm, on an annual basis, that the CFO has the appropriate expertise/qualifications and experience to fulfil the role, and disclose as such in the group's Annual integrated report
- To ensure that the group has established appropriate financial reporting procedures and that these procedures are operating, which should include consideration of all companies/entities included in the consolidated group International Financial Reporting Standards (IFRS) financial statements, to ensure that it has access to all the financial information of the group to allow the group to effectively prepare and report on the financial statements
- To confirm, on an annual basis, that the finance function of the group has adequate resources and experience to execute its responsibilities, and that continuing professional development requirements are met
- To disclose in terms of King IV™ the committee's views on the effectiveness of the CFO and the finance function

The committee, having conducted its annual review, is satisfied with the appropriateness of the expertise and experience of the CFO, Alet Coetzee, the effectiveness of the finance function overall, as well as the adequacy of resources.

Committee evaluation and performance

The Institute of Directors in South Africa (IoDSA) was appointed to facilitate a self-appraisal evaluation of the board and each sub-committee of the board during the previous year, as part of the bi-annual evaluation of the board and committees.

The committee scored an overall rating of excellent for the evaluation with minor areas noted for improvement. The committee received positive scoring in the general and specific roles and responsibilities, interactions with management and committee meetings. This indicated that the committee was considered effective overall in fulfilling its responsibilities and members have a clear understanding of their roles and responsibilities. It was noted that while the committee scored highly in the area of leadership, skills, expertise and balance of power, any new members should be carefully considered in terms of the required skills of the committee.

The committee's composition, skills and experience was also evaluated as part of the review by the nomination committee, with the committee found to be suitably equipped to fulfil its mandate and responsibility.

The board is also in the process of conducting its annual evaluation on the committee's performance in terms of its composition, mandate and effectiveness. The required actions, if any, emanating from the assessment will be implemented in due course.

Future focus areas

- Internal control environment – monitor the continuous improvement of internal controls
- Enterprise risk management – oversee the maturity of the risk management process within the group

Conclusion

The audit and risk committee is satisfied that it has considered and discharged its responsibilities in line with its terms of reference, statutory responsibilities as set out in section 94(7) of the Companies Act, the JSE Limited Listings Requirements and King IV™ during the year under review.

On behalf of the committee.

HH Hickey

Chairperson

Johannesburg

18 August 2023

Independent auditor's report

To the Shareholders of Northam Platinum Holdings Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Northam Platinum Holdings Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Northam Platinum Holdings Limited's consolidated and separate financial statements set out on pages 44 to 193 comprise:

- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

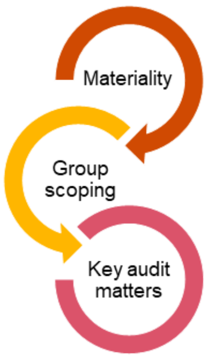
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview



Overall group materiality

- Overall group materiality: R678 million, which represents 5% of consolidated profit before tax, adjusted for impairment of property, plant and equipment and impairment of interest in associate.

Group audit scope

- We conducted full scope audits at four financial significant components.
- Specified procedures on certain account balances, transactions and disclosure were performed on a further two components.
- Analytical review procedures were performed over the remaining financially inconsequential components.

Key audit matters

- Impairment of property, plant and equipment and interest in associate; and
- Quantities and measurement of metal inventories

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	R678 million
How we determined it	5% of consolidated profit before tax, adjusted for impairment of property, plant and equipment and impairment of interest in associate.
Rationale for the materiality benchmark applied	We chose consolidated profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users. Consolidated profit before tax is adjusted for impairment of property, plant and equipment and impairment of interest in associate. These impairments are not considered to be part of the Group's sustainable operating performance. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group operates three mines through its subsidiaries Northam Platinum Limited (Zondereinde Operation), Booysendal Platinum Proprietary Limited (Booysendal Operation) and Eland Platinum Proprietary Limited (Eland Operation). The operating mines are located across South Africa (Zondereinde Operation, Booysendal Operation and Eland Operation) – refer to the segmental information (note 2 to the consolidated and separate financial statements).

In determining the type of work that needed to be performed for purposes of the Group audit; we identified components that were of financial significance to the Group based on the respective component's contribution to key financial statement line items (consolidated profit/loss before taxation, consolidated revenue or consolidated total assets) and risk associated with the respective component.

We conducted full scope audits on four components that were considered to be financially significant to the Group, consisting of the three operating mines (Zondereinde Operation, Booysendal Operation and Eland Operation) and the Holding Company, Northam Platinum Holdings Limited. We also performed specified procedures on certain account balances and transactions on a further two components in order to obtain sufficient comfort over the consolidated financial statements.

Analytical review procedures were performed over the remaining components that were considered to be financially inconsequential.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, and component auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Impairment of property, plant and equipment (consolidated financial statements) and interest in associate (consolidated and separate financial statements)	
Refer to the following notes to the consolidated and separate financial statements for detail: ● *Note 1.5: Accounting Policies - Associates and Joint Arrangements;* ● *Note 1.6: Accounting Policies - Property, plant and equipment;* ● *Note 11 Property, plant and equipment;* ● *Note 12 Mining properties and Mineral Resources; and* ● *Note 13 Interest in associates.* As disclosed in Note 12, recent adverse market developments have resulted in a material contraction in profit margins and cash generation capacity across the Platinum Group Metals (PGM) industry. The impairment assessments performed by management required significant judgement in the determination of key assumptions, particularly in relation to: - Capital expenditure, operating costs, production levels, inflation factors, and extent of life of mine; - Long-term real commodity prices; - Long-term real US dollar exchange rate; - Long-term real discount rate; and - Minority discount of 12.5% (applicable to the associate) Based on management's impairment assessment performed, the recoverable amount for its Eland operation was lower than the carrying value which resulted in an impairment provision of R2.7 billion to assets under construction. Subsequent to year-end, the investment in RBPlat was sold into the Impala Platinum Holdings Limited (Implats) Mandatory Offer. The Offer Consideration was used to determine the recoverable amount of the investment in RBPlat on the basis that it approximates the value in use which was higher than the fair value less cost of disposal. This resulted in an impairment being recognised amounting to R4.1 billion at a Group level and R4.5 billion at a Company level.	Our audit procedures included the following: Through our discussions with management and inspection of underlying calculations, we gained an understanding of the methodology and model used by management for impairment assessment purposes, which consisted of a base case financial model (BCFM) for both the Eland Operation and the interest in associate (i.e discounted cash flow model). We made use of our valuation and business modelling team to assess management's impairment assessment for the Eland Operation and the interest in RBPlat. We performed the following procedures: - We assessed the BCFM used by management in their impairment assessment, by comparing it to industry norms and acceptable valuation methodology. We found that it was consistent with industry norms and acceptable valuation methodology; - For the Eland operation, we agreed the capital expenditure, operating costs, and production level assumptions to management's latest approved budget which covers a period of five years. - For the impairment in associate, we tested the capital expenditure, operating costs and production level assumptions to management's assumptions and underlying workings which is derived from publicly available information. - We evaluated the inflation factors used in the BCFM models and found this to be reasonable. - We agreed the life of mine assumptions applied for the Eland operation to management's Mineral Resources and Mineral Reserves statement. The life of mine assumptions is found to be reasonable. - We agreed the life of mine assumptions applied for the interest in RBPlat to publicly available information.

The impairment of property plant and equipment and impairment of associate was considered to be a matter of most significance to the current year audit due to the following:

- The magnitude of the balances and impairment provisions to the consolidated and separate financial statements, and
- Complex base case financial model and significant judgements are made by management regarding the key assumptions used to perform the impairment assessments.

- We evaluated the appropriateness of the forecasted long-term real commodity prices and the long-term US dollar exchange rate used by management in the BCFM, which we compared to a range of forecasts by independent analysts. We found that management's long term commodity price and exchange rate assumptions are within an acceptable price range.
- We independently calculated a range of real discount rates using standard market-related calculation methodologies. Data such as the cost of debt, risk-free rates in the market, market risk premiums, debt/equity ratios, the beta of comparable companies were incorporated into calculating a range of real discount rates. Where the discount rate determined by us differed from that used by management, we gained an understanding of the difference, and the impact of such difference was assessed to be in range.
- We benchmarked the minority discount applied in the BCFM to our internal valuation survey results and found this to be within range.
- Using the assumptions tested above, we recalculated the results of management's discounted cash flow models by using independently obtained key input assumptions such as commodity prices, exchange rates and market discount rates and determined a reasonable range of possible outcomes. Management's recoverable amounts for the Eland Operation and the interest in associate were within our range of possible outcomes.
- For the impairment of the interest in associate, we considered the subsequent offer consideration and concluded that it approximated the recoverable amount.

Quantities and measurement of metal inventories (consolidated financial statements)

Refer to the following notes to the consolidated financial statements for detail:

- *Note 1.10: Accounting Policies- Inventories; and*
- *Note 21: Inventories*

The Group accounts for the primary Platinum Group Metals being platinum, palladium, rhodium and gold ("4E") as joint products. Other platinum group metals, base metals and chrome are classified as by-products and therefore not classified as inventory.

Our audit procedures in determining the physical quantities of metal inventory included the following:

- Discussions with management to obtain an understanding of the process and methods applied in determining the quantity of metal inventories.
- Discussions with management to obtain an understanding of management's approach to the various recovery factors impacting equivalent ounces on hand at the different stages of the beneficiation process.

The following key assumptions and judgements are considered in determining the physical quantities of metal inventory:

- Stockpile tonnages are measured by estimating the number of tonnes added and removed from the stockpiles as well as verification performed by independent third-party surveyors;
- The number of contained 4E ounces based on assay data; and
- The estimated recovery percentage which is based on the expected processing method.

The following key assumptions and judgements are considered in determining the measurement of metal inventories:

- Allocation of mining costs for own production based on a six-month average;
- Valuation of purchased material for ore and concentrate purchased; and
- Net realisable value (NRV) calculated by using the expected selling prices which are based on prevailing market prices, less estimated costs to complete production and to bring the product to sale

The quantities and measurement of metal inventories was considered to be a matter of most significance to our current year audit due to the significant judgements involved in determining the theoretical quantities and measurement of metal inventories.

- We attended the stockpile surveys and in-plant measurements conducted by management's internal experts and external surveyors at Zondereinde Operation, Booysendal Operation and Eland Operation. We observed management's process for measuring the quantity of metal inventory on hand at year-end. No exceptions noted.
- We recalculated the theoretical inventory on hand at year-end by using the opening balance from the prior year and calculating the movements for the current year which relates to own-production, purchases and sales. No material exceptions noted.
- We obtained reports from management's specialists, including metallurgists and external surveyors and agreed the quantities reported at 30 June 2023 to the accounting records and recalculated the amounts included in the reports.
- We compared expected metallurgical recovery rates and grades used in the inventory calculation to the year-to-date actual recoveries achieved per mine for reasonableness. No exceptions noted.
- Through inspection of Curriculum Vitae ("CV") and membership certificates from professional bodies, we assessed the competence and experience of management's experts.
- We obtained confirmations from the third-party refiners confirming the finished product inventory on hand as at 30 June 2023. Immaterial differences noted.

Our audit procedures in determining the measurement of metal inventory included the following:

- Discussions with management to obtain an understanding of the process and methods applied in determining the valuation of metal inventories.
- We tested the mathematical accuracy of the allocation of mining costs based on the six-month average. Immaterial differences noted.
- On a sample basis we tested the valuation of purchased material for ore and concentrate purchased by agreeing this to the purchase invoices from third parties. No material exceptions noted.
- We obtained the spot prices from independent sources for 4E and compared these to the recalculated unit costs to determine which was lower of the two to measure metal inventories at the lower of cost or NRV. No material difference noted.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled *"Northam Platinum Holdings Limited annual financial statements 30 June 2023"*, which includes the Directors' report, the Audit and risk committee report and the Company secretary's confirmation as required by the Companies Act of South Africa and the document titled *"Northam Holdings Annual integrated report 30 June 2023"*. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Northam Platinum Holdings Limited for one year.

PricewaterhouseCoopers Inc.
Director: AJ Rossouw
Registered Auditor
Johannesburg, South Africa
24 August 2023

The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Directors' report

The directors have the pleasure in presenting the annual financial statements of Northam Holdings and the group for the year ended 30 June 2023 (F2023). In the context of the annual financial statements, the term group refers to the company, its subsidiaries, associates and joint arrangements.

Nature of business

Northam Holdings is a primary producer of Platinum Group Metals (PGMs). Northam Holdings' shares are listed on the Main Board of the Johannesburg Securities Exchange, operated by the JSE Limited (JSE) under JSE share code: NPH. Northam Platinum Limited (Northam Platinum) debt instruments are listed on the interest rate market of the JSE under the code NHMI.

Northam Holdings was established on 2 December 2020 in order to facilitate the early maturity of the Zambezi BEE Transaction and the subsequent Extended Empowerment Transaction, collectively referred to as the Composite Transaction. During the previous financial year, Northam Holdings acquired all of the issued Northam Platinum Shares (previously listed under JSE share code: NHM) (excluding Treasury Shares) in exchange for Northam Holdings Shares (JSE share code: NPH), on a one for one basis.

As detailed in the combined circular to shareholders of Northam, accompanied by the prospectus in respect of Northam Holdings, both dated Monday, 31 May 2021 (collectively, the Transaction Documents) and the announcement published on SENS on 20 September 2021, the Northam Scheme (as defined therein) was implemented on 20 September 2021, in terms of which, *inter alia*, Northam Holdings acquired all of the Northam Platinum Shares in issue (excluding Treasury Shares) by way of a share for share transaction and Northam Platinum became a subsidiary of Northam Holdings.

Consequently, Northam Platinum became a subsidiary of Northam Holdings, all Northam Platinum Shares were delisted from the Main Board of the JSE and all Northam Holdings Shares were listed on the Main Board of the JSE, thereby ensuring the continuation of the Northam group listing.

Users of the annual financial statements are referred to the Transaction Documents for additional information relating to the Composite Transaction in order to obtain full information of the nature and impact of the Composite Transaction.

Financial results

The group and company (consolidated and separate) annual financial statements are included in this report. The annual financial statements have been prepared using appropriate accounting policies, in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guidelines as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the Companies Act, No. 71 of 2008, as amended (the Companies Act) and the JSE Limited Listings Requirements and include amounts based on judgements and estimates made by management.

The consolidated and separate annual financial statements comprise the consolidated and separate statements of financial position, consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of cash flow, consolidated and separate statements of changes in equity and notes to the annual financial statements, including a summary of significant accounting policies which reflect the financial performance and position of the company and the group as at 30 June 2023.

These annual financial statements are available on the company's website, www.northam.co.za.

Mining licences and Mineral Resources and Mineral Reserves

Various mining licenses are held by the group. Refer to the Mineral Resources and Mineral Reserves statement which is included in our annual integrated reporting suite. This is available on the company's website, www.northam.co.za.

Mineral Resources and Mineral Reserves reflected include those of the Booysendal, Eland and Zondereinde mines, which are wholly owned by Northam Holdings or its wholly owned subsidiaries and the company has the legal entitlement to such minerals.

Northam therefore holds, either directly or through its subsidiaries, new order mining rights over the Booysendal, Eland and Zondereinde mines. All mineral rights are held in good order and Northam perceives no risk to its rights to continue the prospecting for and the mining of minerals over any of its properties.

In addition, the Mineral Resources and Mineral Reserves include the attributable content of the Dwaalkop joint venture prospect, in which Northam holds a 50% interest. The Dwaalkop joint venture is managed by Sibanye-Stillwater Limited's subsidiary, Western Platinum Proprietary Limited.

Also, as at 30 June 2023, Northam held a 34.52% interest in Royal Bafokeng Platinum Limited (RBPlat) and resultantly declared attributable Mineral Resources and Mineral Reserves for the RBPlat mines as at that date. Subsequent to year-end the investment in RBPlat was sold into the Implats Mandatory Offer.

Mineral rights held by Northam include:

Operation	Holder	DMRE Reference number	New Order Right	Status
Booysendal Mine	Booysendal Platinum Proprietary Limited	LP188MR	Mining Right	Valid until 12 July 2039
		MP127MR	Mining Right	Valid until 02 October 2052 Renewal granted, execution of renewal in progress
Eland Mine	Eland Platinum Proprietary Limited	NW280MR	Mining Right	Valid until 20 December 2036 Mining Rights of NW341MR (Eland east), as well as NW78MR, NW151MR and NW363MR (Maroelabult mine) consolidated into NW280MR (Eland)
Zondereinde Mine	Northam Platinum Limited	LP37MR	Mining Right	Valid until 12 July 2041
Dwaalkop joint venture	Managed by Sibanye-Stillwater Limited	LP99MR	Mining Right	An application for a new order mining right was submitted in 2009 and was granted on 30 July 2021. Execution of the granted right is in process
Kokerboom prospect	Mvelaphanda Resources Proprietary Limited	SNC848PR, SNC849PR, SNC850PR, SNC844PR, SNC845PR, NC1767PR, SNC847PR, NC1766PR,	Prospecting Right	Applications for closure of these rights have been submitted and are in process

Northam holds eight new order prospecting rights over the Kokerboom prospect, granted in 2009. Kokerboom is an iron oxide, copper, gold and massive sulphide, and zinc exploration prospect covering a million hectares in the Northern Cape Province. A prospecting work program was suspended in 2019 and applications for closure of these rights have been submitted to the Department of Mineral Resources and Energy (DMRE) and are currently in process.

Subsidiary companies, associates and joint arrangements

Details regarding the related parties are provided in the annual financial statements, refer to note 48, which includes subsidiary companies, associates and joint arrangements.

Stated capital

The authorised stated capital of Northam Holdings amounts to 2 000 000 000 shares at no par value (30 June 2022: 2 000 000 000 shares at no par).

Subsequent to the date of incorporation, before 30 June 2021, 1 share was issued for a cash consideration of R1 to Northam Platinum.

During the previous financial year, Northam Holdings was introduced as the new holding company for the group by way of a share exchange implemented on a one for one basis in terms of which Northam Platinum shareholders exchanged their Northam Platinum Shares for Northam Holdings Shares.

As part of the Composite Transaction, Northam Holdings acquired all of the Northam Platinum Shares in issue (excluding Treasury Shares) pursuant to the Northam Scheme.

Refer to note 25 for more detail on the stated capital.

Borrowing powers

The borrowing powers of the company, and the powers of the company to encumber its undertakings and properties or any part thereof and to issue debt instruments (whether secured or unsecured), whether outright or as security for any debt, liability or obligation of the company or of any third-party, shall be unlimited (subject to the requirements of the Companies Act) and shall be exercised by the directors.

In terms of the Memorandum of Incorporation (MOI), the directors may borrow for purposes of the company, such sums as they deem fit.

Details of all outstanding borrowings are included in the annual financial statements.

However, there are restrictions in terms of the revolving credit facility (RCF), in terms of permitted indebtedness and covenants requirements.

None of the various covenant requirements have been breached or are close to being breached. It is further believed that the group is currently not at risk of breaching any of the covenant requirements.

Financial assistance

Section 45 of the Companies Act applies to the direct or indirect financial assistance provided by a company to, *inter alia*, any related or inter-related company or corporation, a member of a related or inter-related corporation, and to a person related to any such company, corporation or member. Furthermore, section 44 of the Companies Act may also apply to the financial assistance provided by a company to any person in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

Sections 44 and 45 of the Companies Act, *inter alia*, requires a special resolution to be adopted by the shareholders in order to grant the board the authority to authorise the company to provide financial assistance by way of loans, guarantees, provision of security or otherwise, to any company or corporation which is or becomes related or inter-related to the company.

The provision of financial assistance is necessary for the sustainability of the company and the group, as a result of the financial performance of the operations being dependent on numerous external factors, which include the prices of PGMs, and the Rand/US Dollar exchange rate.

The company, in the ordinary course of business, will need to provide financial assistance to certain of its subsidiaries, associates and joint ventures in accordance with section 45 of the Companies Act. In addition, it may be necessary for the company to provide financial assistance in the circumstances contemplated in section 44 of the Companies Act.

Both sections 44 and 45 of the Companies Act provide, *inter alia*, that the particular financial assistance must be provided only pursuant to a special resolution of shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board is satisfied that: (i) immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in section 4 of the Companies Act); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

As part of the normal conduct of the business of Northam Holdings and its subsidiaries or associates, the company may, where necessary, provide guarantees and other support undertakings to third parties on behalf of its local and foreign subsidiaries in which the company or members of the group have an interest. In these circumstances, the company requires the ability to provide financial assistance, if necessary, in accordance with sections 44 and 45 of the Companies Act. Furthermore, it may be necessary for the company to provide financial assistance to any of its present or future subsidiaries.

It is difficult to foresee the exact details of financial assistance that the company may be required to provide in the future. It is essential, however, that the company is able to effectively organise its internal financial administration.

Below is a non-exhaustive estimate of the financial assistance required to be provided by Northam Holdings for the financial year ending 30 June 2024 (proposed F2024 financial assistance). Shareholders should, however, bear in mind that not all circumstances can be anticipated and that the financial assistance as noted below could be underestimated due to unforeseen circumstances, or that the terms and conditions associated with the financial assistance could be amended.

Northam Holdings has granted the following guarantees during the current financial year and envisages the granting of the following potential financial assistance through the issue of holding company guarantees to be provided for the financial year ending 30 June 2024 (F2024). The total value of the estimated guarantees, as listed below, is the best estimate based on available information at the date of publication.

	Current guarantees	**Estimated changes to amount to be guaranteed in the coming year**	**Total estimated guarantees**
	30 June 2023	**F2024**	**F2024**
	R000	R000	R000
Eskom Holdings SOC Limited	340 600	159 400	500 000
Revolving credit facility	10 000 000	–	10 000 000
General banking facility	1 000 000	–	1 000 000
Renewable energy projects	–	13 500 000	13 500 000
Total guarantees	11 340 600	13 659 400	25 000 000

Eskom Holdings SOC Limited (Eskom)

Northam Holdings has issued parent company guarantees to Eskom to the value of R340.6 million, in respect of electricity charges for Northam Platinum Limited (Northam Platinum), Booysendal Platinum Proprietary Limited (Booysendal) and Eland Platinum Proprietary Limited (Eland).

With the increasing production profile of the group, the value of guarantees provided to Eskom could potentially increase over time to a maximum amount of R500.0 million.

Revolving credit facility (RCF)

Northam Platinum has a R10.0 billion 5-year RCF available with a syndicate of lenders which matures on 24 August 2027.

The interest rate relating to the RCF is calculated at JIBAR plus 2.30% (two-point three percent), plus a utilisation fee of between 0.1% (zero-point one percent) and 0.5% (zero-point five percent) per annum, depending on the utilised portion of the RCF. The effective interest rate on the RCF therefore ranges between JIBAR plus 2.40% (two-point four percent) and JIBAR plus 2.80% (two-point eight percent), depending on the utilised portion of the RCF.

Commitment fees are payable in respect of the RCF amounting to 0.75% (zero-point seventy five percent) per annum on the unutilised portion of the RCF. No commitment fee shall accrue during periods where more than 80% (eighty percent) of the total facility has been utilised. The RCF is subject to financial covenant compliance which is monitored on an ongoing basis.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the RCF.

General banking facility (GBF)

Northam Platinum has a GBF of R1.0 billion with Nedbank Limited which operates as an overdraft facility. The GBF accrues interest at the South African prime interest rate less 1.75% (one-point seven five percent) and is payable on demand with a 90-day notice period.

Commitment fees are payable in respect of the GBF amounting to 0.55% (zero-point fifty five percent) per annum on the unutilised portion of the facility.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the GBF.

Renewable energy projects

Northam Platinum intends to conclude two Power Purchase Agreements (PPAs) in order to supplement a portion of the power requirements of the operations of Northam Platinum's various affiliates and, where appropriate and permitted, resell electrical energy to nominees of both PPAs.

Northam Holdings has been requested to provide parent company guarantees in relation to the PPAs, in respect of all obligations owed by Northam Platinum under the PPAs, including full payment of all amounts that are, or at any time become, owing by Northam Platinum in accordance with the terms of the PPAs.

Dematerialisation of shares

Pursuant to the implementation of the Northam Scheme, Northam Holdings Shares were issued in dematerialised form only. Certificated Northam shareholders who did not complete and return the Application and Surrender Form (as defined in the Transaction Documents) and provide details of a central securities depository participant or broker account into which their Northam Holdings Shares were to be credited, had their Northam Holdings Shares credited to an account of Computershare Nominees Proprietary Limited who held such Northam Holdings Shares as the registered holder for the benefit of the relevant shareholder on the basis set out in paragraph 15.4 of the Northam circular.

JSE Investor Services Proprietary Limited (JSE Investor Services) have been appointed as the company's new transfer secretaries and the Northam Holdings Shares are held in the Pacific Custodian Nominee Northam Bulk Demat account as the registered holder for the benefit of the relevant Northam Holdings shareholder.

Debt Officer

In compliance with paragraph 6.39(a), read with paragraph 7.3(g) of the JSE Debt Listings Requirements, AH Coetzee, Northam Holding's CFO, has been appointed as Northam's debt officer. The board is satisfied with the competence, qualifications and experience of the Debt Officer, AH Coetzee.

Board of directors

As at 30 June 2023, the board comprised the following directors:

Director	Position	Nationality	Date appointed to Northam Holdings	Date appointed to Northam Platinum	Standing for re-election or election	Elected or re-elected at the last AGM of Northam
TI Mvusi	Independent non-executive chairman	South African	15 September 2021	1 January 2016	✓	
PA Dunne	Chief executive officer	British	2 December 2020	1 March 2014		
AH Coetzee	Chief financial officer	South African	2 December 2020	15 November 2018		
GT Lewis	Independent non-executive director	British	15 September 2021	1 December 2020	✓	
HH Hickey	Independent non-executive director	South African	15 September 2021	1 January 2016		✓
Dr NY Jekwa	Independent non-executive director	South African	15 September 2021	8 November 2017	✓	
MH Jonas	Independent non-executive director	South African	15 September 2021	6 November 2018		
TE Kgosi	Non-executive director	South African	15 September 2021	1 November 2004		✓
JG Smithies	Independent non-executive director	British	15 September 2021	1 January 2017		✓

Changes to the board of directors and board committees

There were no changes to the board of directors, during the year under review.

The following changes were however made to Northam Holdings' board committees with effect from 20 March 2023:

- Mr Temba Mvusi, Northam Holdings' independent non-executive chairman, was appointed as chairman of both the investment committee and the nomination committee;
- Ms Hester Hickey, Northam Holdings' lead independent director, was appointed as a member of the investment committee;
- Mr Mcebisi Jonas, an independent non-executive director of Northam Holdings, was appointed as a member of the remuneration committee; and
- Ms Tebogo (Emily) Kgosi, a non-executive director of Northam Holdings, was appointed as a member of the nomination committee.

Remuneration of non-executive directors

Below is a summary of the proposed fees:

	Proposed fees	Approved financial year 2023 (F2023) fees	Increase
	R	R	%
Board			
Board chairperson – fees per annum	650 375	591 250	10.0%
Lead independent director – fees per annum	554 301	503 910	10.0%
Board members – fees per annum	486 662	442 420	10.0%
The above fees are fixed annual fees calculated on the assumption of 5 (five) board meetings per financial year and shall be payable notwithstanding that fewer board meetings may be held. Should more than 5 (five) board meetings be held, the following amount will be paid for each additional meeting attended by a director.	74 415	67 650	10.0%
Audit and risk committee			
Committee chairperson – fees per annum	299 475	272 250	10.0%
Committee members – fees per annum	235 224	213 840	10.0%
The above fees are fixed annual fees calculated on the assumption of 5 (five) audit and risk committee meetings per financial year and shall be payable notwithstanding that fewer audit and risk committee meetings may be held. Should more than 5 (five) audit and risk committee meetings be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%
Health, safety and environmental committee			
Committee chairperson – fees per annum	213 565	191 950	11.3%
Committee members – fees per annum	159 357	144 870	10.0%
The above fees are fixed annual fees calculated on the assumption of 4 (four) health, safety and environmental committee meetings per financial year and shall be payable notwithstanding that fewer health, safety and environmental committee meetings may be held. Should more than 4 (four) health, safety and environmental committee meetings be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%

	Proposed fees	Approved financial year 2023 (F2023) fees	Increase
	R	R	%
Social, ethics, human resources and transformation committee			
Committee chairperson – fees per annum	213 565	194 150	10.0%
Committee members – fees per annum	159 357	144 870	10.0%
The above fees are fixed annual fees calculated on the assumption of 3 (three) social, ethics, human resources and transformation committee meetings per financial year and shall be payable notwithstanding that fewer social, ethics, human resources and transformation committee meetings may be held. Should more than 3 (three) social, ethics, human resources and transformation committee meetings be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%
Remuneration committee			
Committee chairperson – fees per annum	213 565	194 150	10.0%
Committee members – fees per annum	159 357	144 870	10.0%
The above fees are fixed annual fees calculated on the assumption of 3 (three) remuneration committee meetings per financial year and shall be payable notwithstanding that fewer remuneration committee meetings may be held. Should more than 3 (three) remuneration committee meetings be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%
Nomination committee			
Committee chairperson – fees per annum	122 694	111 540	10.0%
Committee members – fees per annum	75 383	68 530	10.0%
The above fees are fixed annual fees calculated on the assumption of 1 (one) nomination committee meeting per financial year and shall be payable notwithstanding that fewer nomination committee meetings may be held. Should more than 1 (one) nomination committee meeting be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%
Other board appointed committees			
Committee chairperson – fees per annum	177 991	161 810	10.0%
Committee members – fees per annum	130 680	118 800	10.0%
The above fees are fixed annual fees calculated on the assumption of 3 (three) other board appointed committee meetings per financial year and shall be payable notwithstanding that fewer other board appointed committee meetings may be held. Should more than 3 (three) other board appointed committee meetings be held, the following amount will be paid for each additional meeting attended by a director.	29 100	26 455	10.0%
Ad hoc fees - per hour	5 820	5 291	10.0%

Directors' remuneration

The directors' remuneration for the current financial year is as follows:

	Fees	Remuneration package	Performance bonus and retention pay-outs	Benefits and other	Gain on share-based payments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
	R000	R000	R000	R000	R000	R000
Executive directors' remuneration						
PA Dunne	–	12 634	8 556	–	9 354	30 544
AH Coetzee	–	6 176	4 153	491	4 217	15 037
Non-executive directors' remuneration						
HH Hickey	1 395	–	–	–	–	1 395
NY Jekwa	1 162	–	–	–	–	1 162
MH Jonas	888	–	–	–	–	888
TE Kgosi	795	–	–	–	–	795
TI Mvusi	1 281	–	–	–	–	1 281
JG Smithies	1 051	–	–	–	–	1 051
GT Lewis	723	–	–	–	–	723
	7 295	18 810	12 709	491	13 571	52 876

Also see the Remuneration report for further details on the remuneration accrued and paid to executive directors.

An analysis of the non-executive fees in respect of the board and board committee services for the current financial year is as follows:

	Board	Audit and risk committee	Health, safety and environmental committee	Investment committee	Social, ethics, human resources and transformation committee	Remuneration committee	Nomination committee	*Ad hoc* fees	Total
	R000	R000	R000	R000	R000	R000	R000	R000	R000
HH Hickey	813	313	–	46	–	223	–	–	1 395
NY Jekwa	621	230	156	–	155	–	–	–	1 162
MH Jonas	586	246	–	–	–	56	–	–	888
TE Kgosi	578	–	–	–	194	–	23	–	795
TI Mvusi	835	–	–	153	–	167	126	–	1 281
JG Smithies	645	–	192	119	–	–	95	–	1 051
GT Lewis	578	–	145	–	–	–	–	–	723
	4 656	789	493	318	349	446	244	–	7 295

Certain non-executive directors included in the disclosures above are registered for Value Added Tax (VAT) in their personal capacity. The non-executive director fees therefore include VAT where applicable, as Northam Holdings is not registered for VAT purposes, and therefore cannot claim the VAT.

Directors' remuneration

The directors' remuneration for the year ended 30 June 2022 (F2022) is as follows:

	Fees	Remuneration package	Performance bonus and retention pay-outs	Benefits and other	Gain on share-based payments	Total
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
	R000	R000	R000	R000	R000	R000
Executive directors' remuneration						
PA Dunne	–	11 863	8 597	2	37 194	57 656
AH Coetzee	–	5 799	4 096	408	15 946	26 249
Non-executive directors' remuneration						
DH Brown	1 141	–	–	–	–	1 141
HH Hickey	971	–	–	–	–	971
NY Jekwa	983	–	–	–	–	983
MH Jonas	606	–	–	–	–	606
TE Kgosi	779	–	–	–	–	779
TI Mvusi	918	–	–	–	–	918
JJ Nel	433	–	–	–	–	433
JG Smithies	926	–	–	–	–	926
GT Lewis	686	–	–	–	–	686
	7 443	17 662	12 693	410	53 140	91 348

An analysis of the non-executive fees in respect of the board and board committee services for F2022 is as follows:

	Board	Audit and risk committee	Health, safety and environmental committee	Investment committee	Social, ethics, human resources and transformation committee	Remuneration committee	Nomination committee	*Ad hoc* fees	Total
	R000	R000	R000	R000	R000	R000	R000	R000	R000
DH Brown	722	49	–	195	–	99	76	–	1 141
HH Hickey*	591	248	–	–	–	132	–	–	971
NY Jekwa	525	194	132	–	132	–	–	–	983
MH Jonas	525	81	–	–	–	–	–	–	606
TE Kgosi	587	–	–	–	177	–	15	–	779
TI Mvusi**	635	–	–	105	–	88	71	19	918
JJ Nel***	201	97	–	102	33	–	–	–	433
JG Smithies	587	–	163	105	–	–	71	–	926
GT Lewis	587	–	99	–	–	–	–	–	686
	4 960	669	394	507	342	319	233	19	7 443

**Mrs HH Hickey was appointed as lead independent director with effect from 20 June 2022.*

***Mr TI Mvusi was appointed as lead independent director with effect from 27 September 2021 and was subsequently appointed as chairman of the board with effect from 20 June 2022.*

****Mr JJ Nel resigned as a director with effect from 17 December 2021.*

Directors' interest

According to information available to Northam Holdings, after reasonable enquiry, the interests of the directors and their associates in the shares of Northam Holdings at 30 June 2023 were as follows. All direct beneficial holdings were acquired in the open market.

	Direct beneficial holding	**Indirect beneficial holding**	**Total**
	30 June 2023	**30 June 2023**	**30 June 2023**
	Number of shares	Number of shares	Number of shares
PA Dunne	41 050	–	41 050
TE Kgosi*	43 798	27 914	71 712
NY Jekwa	175	–	175
GT Lewis	122	–	122
	85 145	27 914	113 059

**Pursuant to the Zambezi BEE Transaction, Ms Kgosi acquired a beneficial interest in the ordinary stated capital of Zambezi Platinum (RF) Proprietary Limited, through her shareholding in the Zambezi Platinum Women's SPV.*

There have been no changes in these holdings from 30 June 2023 to the date of approval of the annual financial statements.

	Direct beneficial holding	**Indirect beneficial holding**	**Total**
	30 June 2022	**30 June 2022**	**30 June 2022**
	Number of shares	Number of shares	Number of shares
PA Dunne	41 050	–	41 050
TE Kgosi*	43 798	27 914	71 712
NY Jekwa	175	–	175
GT Lewis	122	–	122
	85 145	27 914	113 059

**Pursuant to the Zambezi BEE Transaction, Ms Kgosi acquired a beneficial interest in the ordinary stated capital of Zambezi Platinum (RF) Proprietary Limited, through her shareholding in the Zambezi Platinum Women's SPV.*

As part of the early maturity and wind-up of the Zambezi BEE Transaction, the net unencumbered value remaining in Zambezi Platinum (RF) Proprietary Limited was distributed to the Zambezi Ordinary Shareholders by way of the Net Value Distribution, whereby Northam Holdings Shares were distributed to, *inter alia*, the Zambezi Platinum Women's SPV.

Additionally, pursuant to the implementation of the Northam Scheme, the Northam Platinum Shares were exchanged for shares in Northam Holdings, on a one for one basis.

Corporate governance

The group has adopted the King IV Report on Corporate Governance for South Africa, 2016 (King IV™). The board has monitored the integration of the recommended practices in terms of the 16 Principles of King IV™ applicable to the group, ensuring that an ethical culture is in place that supports the effective control of the group at all levels. Ethics and integrity are fundamental to an effective governance framework and the foundation for a culture that supports employee, customer and investor confidence.

The board operates in terms of a board charter, which defines its functions and responsibilities. The responsibilities of the chairman and the chief executive officer (CEO) are clearly defined and separated, as set out in our board charter. Whilst the board may delegate authority to the CEO, the separation of responsibilities is designed to ensure that no single person or group has unrestricted powers and that appropriate balances of power and authority exist in relation to the board.

Each committee provides governance in terms of its specific charter, with all charters being available on the Northam website.

The group's application and explanation of the King IV™ principles are available on the Northam website at www.northam.co.za.

In addition, the group's Corporate governance report for the financial year ended 30 June 2023 is available on the Northam website at www.northam.co.za.

Assessment of going concern

Mining operations have a finite life and their profitability is influenced by both internal and external factors. Internal factors include, *inter alia*, geological, technical and productivity aspects. External factors include economic factors such as commodity prices and exchange rates.

In addition, mining is a capital-intensive business with relatively long-time horizons. Commodity prices follow shorter period cyclical patterns. Therefore, capital allocation planning requires consideration of both short and long-term technical planning as well as the global economic outlook and cyclical commodity price variances. This manifests in conservative long-term price estimates and the incorporation of sensitivity analysis to increase confidence in financial viability even during depressed market conditions, as well as to moderate increasing estimation uncertainty over time.

To this end, the individual group operations undergo techno-economic studies on an annual basis which culminate in the generation of internal reports containing information typically included in Competent Person Reports, whilst new projects follow economic feasibility studies on both a standalone and integrated basis. These include consideration of the operations' ability to respond to changing circumstances, as well as the financial reserves required to sustain operations through adverse conditions, such as commodity price down-cycles or periods of reduced production or sales demand.

This assists the group in managing its capital to ensure that it has the necessary reserves to sustain operations through adverse conditions, to maximise the return to shareholders through the optimisation of debt and equity balances and to ensure that all externally imposed capital requirements are complied with. This enables the group to continue as a going concern.

The group derives revenue from sales to a limited number of large customers with whom we have long-standing relationships. In respect of PGMs, our buyers are predominantly industrial companies. This reduces our exposure to demand in the automotive sector. Our chrome product is sold through a single third-party via a guaranteed offtake and security of supply agreement. This lowers down-side risk to sales volumes and sales revenue, even during depressed market conditions.

The capital structure of the group consists of debt (which includes borrowings as disclosed in the summarised financial results), issued capital, reserves and retained earnings.

The annual financial statements have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimates. We continue to monitor factors impacting price forecasts, which inform detailed cash flow estimates.

Based on the latest available information, the board believes that the group will continue to have adequate financial resources and access to capital to settle its liabilities as and when they fall due, in order to continue operating for the foreseeable future. In addition, the group's current assets exceed the current liabilities. Accordingly, the financial results, have been prepared on a going concern basis.

Returning value to Northam Holdings shareholders

Northam recognises the importance of returning value to our shareholders, and this has always been one of the key drivers behind our growth strategy.

In F2022, Northam returned significant value to its shareholders through the accelerated maturity of the Zambezi BEE Transaction, by way of a share buyback, which resulted in a 28.9% reduction in Northam's issued share capital.

The sale of our investment in RBPlat subsequent to year-end has presented Northam with an opportunity to significantly strengthen our balance sheet and liquidity position, which in turn has enabled Northam to declare its first dividend in over 10 years and a maiden dividend for Northam Holdings.

The board has therefore resolved to declare a final gross cash dividend of 600.00 cents per share (30 June 2022: R Nil cents per share) which in aggregate amounts to a gross cash dividend of approximately R2.4 billion for the year ended 30 June 2023. The final cash dividend has been declared from income reserves.

A dividend withholding tax of 20% will be applicable to shareholders who are not exempt from, or who do not qualify for, a reduced rate of withholding tax. Accordingly, for those shareholders subject to withholding tax at a rate of 20%, the final net cash dividend amounts to 480.00 cents per share (30 June 2022: Nil cents per share).

In compliance with the requirements of, *inter alia*, the JSE Limited Listings Requirements, the following dates are applicable to the dividend:

Last day to trade (*cum* dividend)	Tuesday, 12 September 2023
Trading ex-dividend	Wednesday, 13 September 2023
Record date in order to be eligible to receive the dividend	Friday, 15 September 2023
Payment date of the dividend	Monday, 18 September 2023

Shareholders may not dematerialise or rematerialise their shares between Wednesday, 13 September 2023 and Friday, 15 September 2023, both days inclusive.

The following additional information is disclosed regarding the dividend:

- Northam Holdings' issued share capital at the declaration date is 396 615 878 Northam Holdings ordinary shares (of which 1 share is held by Northam Platinum, being a subsidiary of Northam Holdings)
- Northam Holdings registration number is 2020/905346/06
- Northam Holdings income tax reference number is 9586451198

In addition to the maiden dividend declared by the board, the board further approved:

- An earnings-based dividend policy, of a minimum payment of 25% of headline earnings, subject to the relevant regulatory requirements and approvals necessary, and
- A share buyback programme of up to R1.0 billion and limited to a maximum of 5% of Northam Holdings issued share capital which may commence during F2024.

Events after the reporting date

There have been no events, other than what has been disclosed, subsequent to the year-end which require additional disclosure or adjustment to these annual financial statements.

Statements of profit or loss and other comprehensive income

For the year ended 30 June 2023

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Note	R000	R000	R000	R000
Revenue	3	39 548 159	34 064 270	781 713	536 175
Cost of sales		(24 101 373)	(19 179 169)	–	–
Operating costs	4	(19 859 013)	(15 536 882)	–	–
Concentrates purchased		(3 955 344)	(2 611 596)	–	–
Refining and other costs		(370 975)	(280 411)	–	–
Depreciation and write-offs	11 & 12	(1 147 094)	(932 597)	–	–
Change in metal inventory	21	1 231 053	182 317	–	–
Gross profit		15 446 786	14 885 101	781 713	536 175
Impairment of property, plant and equipment	11	(2 718 275)	–	–	–
Impairment of investment in associate	13	(4 103 608)	–	(4 504 542)	–
Share of earnings from associates	13	165 140	799 518	–	–
Investment income	5	751 894	106 350	467 671	4 725
Finance charges excluding Zambezi Preference Share dividends	6	(2 540 133)	(1 534 602)	(652 819)	(331 409)
Net foreign exchange transaction gains		72 717	46 718	–	–
Sundry income	7	78 113	172 739	–	41 013
Sundry expenditure	8	(408 796)	(373 813)	(319 111)	(101 743)
Profit/(loss) before Zambezi Preference Share dividends		6 743 838	14 102 011	(4 227 088)	148 761
Amortisation of liquidity fees paid on Zambezi Preference Shares	32	–	(64 197)	–	–
Zambezi Preference Share dividends	32	–	(25 604)	–	–
Loss on derecognition of Zambezi Preference Share liability	32	–	(286 632)	–	–
Profit/(loss) before tax		6 743 838	13 725 578	(4 227 088)	148 761
Tax	9	(4 189 795)	(3 879 774)	(242)	(1 079)
Profit/(loss) for the year		2 554 043	9 845 804	(4 227 330)	147 682
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translation of foreign operations		12 242	10 522	–	–
Total comprehensive income for the year		2 566 285	9 856 326	(4 227 330)	147 682

	Note	30 June 2023	30 June 2022
Earnings per share (cents)	10	654.5	2 614.9
Fully diluted earnings per share (cents)	10	654.5	2 614.9

Statements of financial position

As at 30 June 2023

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Note	R000	R000	R000	R000
Assets					
Non-current assets		46 431 235	49 107 516	21 141 418	25 645 960
Property, plant and equipment	11	24 832 934	22 886 847	–	–
Mining properties and Mineral Resources	12	6 440 246	6 525 030	–	–
Investment in escrow	19	17 825	–	–	–
Interest in associates	13	13 058 684	17 688 771	12 943 355	17 447 897
Investment in subsidiaries	14	–	–	8 198 063	8 198 063
Land and township development	15	126 089	90 198	–	–
Long-term receivables	16	85 612	85 793	–	–
Investments held by Northam Platinum Restoration Trust Fund	17	153 952	142 586	–	–
Environmental guarantee investments	18	130 470	93 214	–	–
Buttonshope Conservancy Trust	19	1 272	11 243	–	–
Other financial assets	34	160 157	–	–	–
Non-current inventories	21	1 423 994	1 441 035	–	–
Deferred tax asset	27	–	142 799	–	–
Current assets		13 843 827	8 153 531	1 233	44 786
Inventories	21	6 510 342	5 160 270	–	–
Trade and other receivables	22	1 947 741	1 776 377	458	2 818
Cash and cash equivalents	23	5 352 987	1 175 225	770	720
Other financial assets	24	–	41 013	–	41 013
Tax receivable		32 757	646	5	235
Non-current assets held for sale	13	–	90 094	–	–
Total assets		60 275 062	57 351 141	21 142 651	25 690 746
Equity and liabilities					
Total equity		32 300 367	29 734 082	9 396 674	13 624 004
Stated capital	25	13 476 322	13 476 322	13 476 322	13 476 322
Treasury Shares	25	(1 214 949)	(1 214 949)	–	–
Re-organisation reserve		(4 176 945)	(4 176 945)	–	–
Retained earnings/(accumulated loss)		24 175 808	21 621 765	(4 079 648)	147 682
Foreign currency translation reserve		40 131	27 889	–	–
Equity-settled share-based payment reserve	26	–	–	–	–
Non-current liabilities		17 433 857	15 938 655	–	–
Deferred tax liability	27	5 281 541	4 022 057	–	–
Long-term provisions	28	957 567	961 391	–	–
Zambezi Preference Share liability	32	–	–	–	–
Long-term loans	29	63 599	77 301	–	–
Lease liabilities	30	78 342	64 184	–	–
Long-term share-based payment liabilities	33	527 943	563 303	–	–
Domestic Medium-Term Notes	31	10 524 865	8 816 280	–	–
Revolving credit facility	34	–	1 434 139	–	–
Term loan facility	35	–	–	–	–
Acquisition facility	36	–	–	–	–
Current liabilities		10 540 838	11 678 404	11 745 977	12 066 742
Short-term subsidiary loan payable	20	–	–	11 647 922	10 334 718
Current portion of long-term loans	29	7 502	7 501	–	–
Current portion of lease liabilities	30	8 963	10 107	–	–
Current portion of Domestic Medium-Term Notes	31	4 267 937	2 265 672	–	–
Short-term share-based payment liabilities	33	104 373	174 619	–	–
Deferred Acquisition Consideration	37	–	1 704 790	–	1 704 790
Bridge facility	38	–	2 969 312	–	–
Tax payable		13 307	94 276	–	–
Trade and other payables	39	5 424 183	3 941 604	7 583	27 234
Provisional pricing liabilities	40	40 372	–	–	–
Other financial liabilities	24	90 472	–	90 472	–
Short-term provisions	41	583 729	510 523	–	–
Total equity and liabilities		60 275 062	57 351 141	21 142 651	25 690 746

Statements of changes in equity

For the year ended 30 June 2023

Group	Stated capital net of Treasury Shares R000	Re-organisation reserve: Northam Scheme of arrangement R000	Retained earnings R000	Foreign currency translation reserve R000	Equity-settled share-based payment reserve R000	Total R000
Opening balance as at 1 July 2021	*	7 221 991	10 901 513	17 367	874 448	19 015 319
Re-organisation as a result of the Composite Transaction	6 983 114	(6 983 114)	–	–	–	–
Taxes relating to the Composite Transaction accounted for directly in equity	–	(3 854 809)	–	–	–	(3 854 809)
Northam Holdings Shares repurchased from the Strategic Partners including Securities Transfer Taxes deducted from equity	(2 414 895)	–	–	–	–	(2 414 895)
Northam Holdings Shares issued pursuant to the purchase of 93 930 378 shares in Royal Bafokeng Platinum Limited (RBPlat)	7 693 154	–	–	–	–	7 693 154
Net Value Distribution	–	(561 013)	–	–	–	(561 013)
Transfer between equity settled share-based payment reserves and retained earnings due to the Composite Transaction	–	–	874 448	–	(874 448)	–
Total comprehensive income for the year	–	–	9 845 804	10 522	–	9 856 326
Profit for the year	–	–	9 845 804	–	–	9 845 804
Other comprehensive income for the year	–	–	–	10 522	–	10 522
Balance as at 30 June 2022	12 261 373	(4 176 945)	21 621 765	27 889	–	29 734 082
Total comprehensive income for the year	–	–	2 554 043	12 242	–	2 566 285
Profit for the year	–	–	2 554 043	–	–	2 554 043
Other comprehensive income for the year	–	–	–	12 242	–	12 242
Balance as at 30 June 2023	12 261 373	(4 176 945)	24 175 808	40 131	–	32 300 367

**The stated capital amounted to R1, therefore less than R1 000, refer to note 25 for further details.*

Re-organisation reserve: Northam Scheme of arrangement (Northam Scheme)

The Northam Scheme was implemented during the previous financial year (F2022) on 20 September 2021.

Pursuant to the Northam Scheme, a share exchange was implemented on a one for one basis in terms of which Northam Platinum Limited (Northam Platinum) Shareholders exchanged their Northam Platinum Shares for Northam Holdings Shares.

In order to effect the re-organisation of the group at the earliest period presented, a re-organisation reserve was recognised to adjust the previous stated capital of Northam Platinum of R7.2 billion.

Taxes relating to the Composite Transaction accounted for directly in equity

Taxes relating to the Composite Transaction accounted for directly in equity relates to the repurchase of Northam Platinum Shares as part of the Composite Transaction in respect of Capital Gains Tax and Securities Transfer Tax (STT).

Northam Holdings Shares repurchased from the Strategic Partners

Northam Holdings accepted an irrevocable, unconditional offer from the Strategic Partners to acquire, in aggregate 14 571 063 Northam Holdings Shares (Share Sale Offer), for a purchase consideration of R165.29 per Northam Holdings Share (Purchase Price).

The Purchase Price represented a 16.1% discount to the 30-Day VWAP of a Northam Platinum Share as at 17 September 2021 (each Northam Platinum Share having been exchanged for a Northam Holdings Share pursuant to the implementation of the Northam Scheme). The aggregate Purchase Price in respect of these repurchases amounted to approximately R2.4 billion.

Shareholders of Northam Platinum granted approval at the general meeting held on Wednesday, 30 June 2021, for a repurchase by Northam Holdings of Northam Holdings Shares from the Strategic Partners at a price not exceeding the prevailing 30-Day VWAP of a Northam Holdings Share/Northam Platinum Share at the relevant acquisition date. Northam accepted the Share Sale Offer pursuant to the group's continued efforts to execute on its strategy of returning meaningful value to shareholders.

STT was also payable at the market value of the Northam Holdings Shares repurchased, amounting to R6.4 million.

The repurchased Northam Holdings Shares were cancelled subsequent to the repurchase.

Northam Holdings Shares issued pursuant to the purchase of 93 930 378 shares in RBPlat

Northam Holdings acquired an initial interest in RBPlat from a wholly owned subsidiary of Royal Bafokeng Holdings Proprietary Limited (RBH).

The purchase consideration for the initial interest in RBPlat was settled by Northam Holdings issuing 34 399 725 Northam Holdings Shares to Royal Bafokeng Investment Holding Company Proprietary Limited (RBIH), with the balance of R8.6 billion settled in cash. R3.0 billion was paid upfront, R4.0 billion was deferred to, and settled on, 29 April 2022 (R4.2 billion including escalation at the Escalation Rate) and the remaining R1.6 billion (R1.8 billion including escalation at the Escalation Rate) was settled on 30 September 2022, refer to notes 13 and 37.

The Northam Holdings Share price on the date of implementation of the acquisition of the initial interest in RBPlat, being 19 November 2021, amounted to R223.64 per Northam Holdings Share.

Net Value Distribution

The Net Value Distribution relates to a distribution made to the Zambezi Ordinary Shareholders amounting to R561.0 million calculated as 3 690 876 Northam Platinum Shares at a price of R152.00 per share.

Equity-settled share-based payment reserve: Transfer between equity settled share-based payment reserves and retained earnings due to the Composite Transaction

The Net Value Distribution resulted in the derecognition of the R874.4 million balance in equity settled share-based payment reserve, originally recognised pursuant to the Zambezi BEE Transaction in 2015, with the movement recognised in retained earnings.

Foreign currency translation reserve

The foreign currency translation reserve has been created to account for the foreign exchange gain or loss on translation of a foreign operation (the US recycling operations).

Statements of changes in equity continued

For the year ended 30 June 2023

Company	Stated capital R000	Retained earnings/ (accumulated loss) R000	Total R000
Opening balance as at 1 July 2021	*	–	–
Implementation of the Northam Scheme whereby Northam Holdings Shares were acquired by way of a share for share transaction	8 198 063	–	8 198 063
Northam Holdings Shares repurchased from the Strategic Partners including Securities Transfer Taxes deducted from equity	(2 414 895)	–	(2 414 895)
Northam Holdings Shares issued pursuant to the purchase of 93 930 378 shares in Royal Bafokeng Platinum Limited	7 693 154	–	7 693 154
Total comprehensive income for the year	–	147 682	147 682
Profit for the year	–	147 682	147 682
Other comprehensive income for the year	–	–	–
Balance as at 30 June 2022	13 476 322	147 682	13 624 004
Total comprehensive income for the year	–	(4 227 330)	(4 227 330)
Loss for the year	–	(4 227 330)	(4 227 330)
Other comprehensive income for the year	–	–	–
Balance as at 30 June 2023	13 476 322	(4 079 648)	9 396 674

**The stated capital amounted to R1, therefore less than R1 000, refer to note 25 for further details.*

Statements of cash flows

For the year ended 30 June 2023

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Note	R000	R000	R000	R000
Cash flows from operating activities		13 992 012	11 391 804	1 044 455	462 259
Cash generated from/(utilised by) operations*	43	16 288 452	15 213 865	(187 626)	(101 743)
Change in working capital	44	(60 939)	(918 939)	(17 291)	24 416
Movement relating to land and township development		(35 891)	(21 166)	–	–
Interest income received		697 355	110 361	467 671	4 725
Dividend income received*		3 627	2 585	781 713	536 175
Tax paid	45	(2 900 592)	(2 994 902)	(12)	(1 314)
Cash flows utilised in investing activities		(6 374 020)	(12 457 169)	(1 585 287)	(8 381 362)
Property, plant and equipment, mining properties and Mineral Reserves					
Additions to maintain operations		(1 740 474)	(1 428 132)	–	–
Additions to expand operations		(3 801 220)	(3 187 251)	–	–
Disposal proceeds		16 071	36 957	–	–
Investment held in escrow		(17 825)	–	–	–
Increase in investments held by the Northam Platinum Restoration Trust Fund		–	(6 556)	–	–
Contributions and fees relating to the environmental guarantee investments policy		(37 054)	(32 507)	–	–
Utilisation of the investment held by the Buttonshope Conservancy Trust		10 056	4 901	–	–
Dividends received from SSG Holdings Proprietary Limited	13	–	606	–	–
Investment in Royal Bafokeng Platinum Limited paid in cash	13	(1 585 287)	(8 381 362)	(1 585 287)	(8 381 362)
Dividends received from Royal Bafokeng Platinum Limited	13	781 713	536 175	–	–
Cash flows from financing activities		(3 524 158)	(1 648 256)	540 882	7 919 823
Interest paid		(2 308 721)	(903 193)	(661 087)	–
Amounts received from Northam Platinum Limited		–	–	13 280 825	10 334 718
Amounts repaid to Northam Platinum Limited		–	–	(11 967 621)	–
Northam Holdings Shares repurchased from the Strategic Partners		–	(2 414 895)	–	(2 414 895)
Drawdown on revolving credit facility	34	11 605 000	8 900 000	–	–
Repayment of revolving credit facility	34	(13 055 000)	(7 450 000)	–	–
Transaction costs paid on revolving credit facility	34	(187 827)	–	–	–
Drawdown on Term loan facility	35	2 445 000	–	–	–
Repayment of Term loan facility	35	(2 445 000)	–	–	–
Transaction costs paid on Term loan facility	35	(59 504)	–	–	–
Drawdown on the Bridge facility	38	–	3 000 000	–	–
Repayment of the Bridge facility	38	(3 000 000)	–		
Issue of Domestic Medium-Term Notes	31	6 033 000	8 305 370	–	–
Repayment of Domestic Medium-Term Notes	31	(2 290 500)	(407 886)	–	–
Domestic Medium-Term Notes settled as part of notes switches	31	–	(4 394 670)	–	–
Transaction costs paid on Domestic Medium-Term Notes	31	(137 908)	–		
Transaction costs paid on Acquisition facility	36	(111 235)	–	(111 235)	–
Transaction costs paid on revolving credit facility, Bridge facility and Domestic Medium-Term Notes	31, 34 & 38	–	(229 975)	–	–
Repayment of principal portion of lease liabilities	30	(11 463)	(14 369)	–	–
Net Value Distribution paid in cash to the Strategic Partners		–	(59 415)	–	–
Payment of a portion of the Lock-in Fees to certain Strategic Partners		–	(78 114)	–	–
Taxes paid in cash relating to the Composite Transaction		–	(3 854 809)	–	–
Acquisition of Zambezi Preference Shares	32	–	(2 041 135)	–	–
Transaction fees paid on the acquisition of Zambezi Preference Shares	32	–	(5 165)	–	–
Increase/(decrease) in cash and cash equivalents		4 093 834	(2 713 621)	50	720
Effects of exchange rate movements on cash and cash equivalents		83 928	11 638	–	–
Cash and cash equivalents at the beginning of the year		1 175 225	3 877 208	720	–
Cash and cash equivalents at the end of the year	23	5 352 987	1 175 225	770	720

**Dividends received from Royal Bafokeng Platinum Limited have been disclosed separately in the Statements of cash flows for improved disclosure. Previously the dividend income received was included in cash generated from operations.*

Accounting policies

1. Basis of preparation

The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments and liabilities that are stated at fair value. Details of the accounting policies are set out below and are consistent with those applied in the previous financial year, except where otherwise indicated.

The annual financial statements are in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the JSE Limited (JSE) Listings Requirements and the Companies Act, No. 71 of 2008 (the Companies Act).

The annual financial statements are presented in South African Rand, which is the presentation currency.

The preparation of annual financial statements in conformity with IFRS requires that management and the board exercise their judgement in the process of applying the company and group's accounting policies. It also requires the use of certain critical economic and other estimates. The areas requiring a high degree of judgement or complexity, or areas where assumptions or estimates are significant to the annual financial statements, are disclosed in the notes to the annual financial statements.

1.1 New accounting policies adopted

The following standards, amendments or interpretations applicable to the group which became effective for the year beginning 1 July 2022 were adopted in the group's year-end results:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The nature and effect of the changes as a result of the adoption of these new accounting standards are described below.

The adoption of all other standards, amendments or interpretations with effect from 1 July 2022 had no impact on the annual financial statements.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds for the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment must be applied retrospectively, effective for annual periods beginning on or after 1 January 2022 only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

There is no transition relief for first-time adopters.

This amendment did not have a material impact on the group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments must be applied prospectively for annual periods beginning on or after 1 January 2022, to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the group was not affected by these amendments on transition.

1.2 Standards, interpretations and amendments issued, but not yet effective

The following new standards, interpretations and amendments to standards are not effective and have not been early adopted, but will be adopted once these new standards, interpretations and amendments become effective:

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

On 23 January 2020, the IASB issued Classification of Liabilities as Current or Non-current, which amends IAS 1 Presentation of Financial Statements.

The amendments affect requirements in IAS 1 for the presentation of liabilities. Specifically, they clarify a criterion for classifying a liability as non-current.

The amendment must be applied retrospectively, effective for annual periods beginning on or after 1 January 2024.

This amendment is not expected to have a material impact on the group.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

In May 2021, the IASB issued amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a decommissioning asset and decommissioning liability (or lease asset or lease liability) give rise to taxable and deductible temporary differences that are not equal.

An entity should apply the amendments to transactions that occur on or after the beginning of the earliest comparative period presented and is effective for annual periods beginning on or after 1 January 2023.

This amendment is not expected to have a material impact on the group.

Northam notes the new standards, amendments and interpretations which have been issued but not yet effective and does not plan to early adopt any of the standards, amendments and interpretations. There are no other standards which are not yet effective that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

1.3 Consolidation

The consolidated annual financial statements include the results and financial position of the company, its subsidiaries and associates. Subsidiaries are entities in respect of which the group has control over and is exposed, or has rights to, variable returns from its involvement with these entities and has the ability to affect those returns through its power over those entities.

Control would generally exist where the group owns more than 50% of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred. They are de-consolidated from the date on which control ceases. Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

The annual financial statements of the subsidiaries are prepared for the same reporting period as Northam Platinum Holdings Limited (Northam Holdings), using consistent accounting policies.

Investments in subsidiaries and associates are recognised at cost less accumulated impairment losses in the accounts of the company.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies, including any resulting tax effects, are eliminated.

Investment in subsidiaries are assessed for impairment at each reporting date as part of the group's impairment assessment, and detailed impairment testing is performed if there are any indications that an investment in a subsidiary or associate could potentially be impaired.

1.4 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the date of acquisition. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) that is expected to benefit from the combination. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill is tested for impairment annually or more frequently if events or circumstances indicate that it might be impaired.

Business combination of entities under common control

Business combinations between entities under common control are accounted for using the pooling of interests method. Under this method, the assets, liabilities and reserves of the acquired entity are recorded by the purchasing entity at their existing carrying amounts as recorded in the consolidated annual financial statements. As required by the pooling of interests method, the transfer is accounted for as if it occurred at the beginning of the financial year. The comparative amounts are not restated.

1.5 Associates and joint arrangements

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for on consolidation using the equity method of accounting, after initially being recognised at cost.

Associates are accounted for at cost and are adjusted for impairments where appropriate in the company annual financial statements.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. On acquisition of the investment, any difference between the cost of the investment and the company's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as either goodwill as part of the investment or as an income as part of the share of earnings in associate in the period the investment is acquired. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the investee.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities.

Investments in associates are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the associate's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an associate's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Dividends received from associates are included in investing activities in the consolidated statement of cash flow and as operating activities in the company statement of cash flow.

Where there is an additional investment in associates, the purchase price paid for the additional interest is added to the existing carrying amount of the associate and the existing interest is not re-measured.

The annual financial statements of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on the group's investment in its associates. The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount in profit or loss.

Upon loss of significant influence over the associates, the group measures and recognises any remaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Joint Operation

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in joint operations, the annual financial statements of the group include:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to the group's interest in each asset and liability, income and expense of the joint operation.

1.6 Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairments/reversal thereof. Cost includes pre-production expenditure incurred during the development of a mine and the present value of related future decommissioning costs.

Interest on borrowings relating to the financing of major capital projects under construction is capitalised during the construction phase as part of the cost of the project. Such borrowings costs are capitalised over the period during which the asset is being constructed and borrowings have been incurred. Capitalisation ceases when construction is interrupted for an extended period or when the asset is substantially complete. Other borrowing costs are expensed as incurred.

Shafts, mining development and general infrastructure assets including metallurgical and refining plants

Mine development and infrastructure costs are capitalised to assets under construction and transferred when the mining venture reaches commercial production.

Items that are withdrawn from use, or have no reasonable prospect of being recovered through use or sale, are regularly identified and written off.

Depreciation is first charged from the date on which the mining assets reaches commercial production levels. When a mine development project moves into the production phase, the capitalisation of certain mine development costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions, improvements or new developments, underground mine development or mineable reserve development.

Mining assets are depreciated on a units of production basis, based on reserves, which are revised annually.

Where items of plant and equipment comprise separate, identifiable components that have differing useful lives, such components are depreciated according to their individual useful lives.

Decommissioning asset

The decommissioning asset is depreciated on the units of production basis, based on reserves, which are revised annually.

The decommissioning asset is recognised and subsequent changes in the assumptions which impact the asset is reflected in the asset as set out in the decommissioning provision accounting policy. The decommissioning asset is included as part of the mining plant and equipment when considering depreciation, impairment and derecognition.

General infrastructure, other assets including buildings

Office equipment, furniture and vehicles are depreciated using varying rates, ranging between 10% and 20%, on a straight-line basis over their expected useful lives.

Buildings are depreciated on a straight-line basis over the estimated useful life, which is generally the life of mine.

Land and assets under construction

Land and assets under construction are recorded at cost of acquisition less accumulated impairment losses and are not depreciated.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant, equipment and mining properties is added to the carrying amount of the asset when it is probable that future economic benefits will flow to the group. All other subsequent expenditure is recognised as an expense and included in profit or loss.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Impairment

An impairment review of property, plant and equipment is carried out when there is an indication that these may be impaired by comparing the carrying amount thereof to its recoverable amount.

The group assesses at each reporting date, whether there are indications that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The adjusted carrying amount is depreciated on a straight-line basis over the remaining useful life of property, plant and equipment.

Annual review of residual values, depreciation method and useful lives

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted prospectively, if appropriate, at each financial year-end.

Exploration expenditure

Exploration and evaluation expenditure on Greenfields sites, being those where the group does not have any mineral deposits which are already being mined or developed, is expensed as incurred until a feasibility study has been completed, after which the expenditure is capitalised if the feasibility study demonstrates that future economic benefits are probable.

Exploration and evaluation expenditure on brownfields sites, being those adjacent to mineral deposits which are already being mined or developed, is expensed as incurred until management is able to demonstrate that future economic benefits are probable through the completion of a pre-feasibility study. Costs relating to development activities as well as mineral resources bought are capitalised to mine development assets.

Exploration and evaluation expenditure relating to extensions of mineral deposits which are already being mined or developed, including expenditure on the mineralisation of such mineral deposits, is capitalised as a mine development cost as and when incurred.

1.7 Mining properties and mineral resources

Mining properties and mineral resources comprising mineral rights are recorded at cost of acquisition. Depreciation is first charged on new mining properties from the date on which the mining in respect of the mining property reaches commercial production levels. Mining properties are depreciated on a units of production basis based on reserves which are revised annually.

Mining properties and mineral resources acquired separately are measured on initial recognition at cost. Following initial recognition, these mining properties and mineral resources are carried at cost less any accumulated amortisation and any accumulated impairment losses.

1.8 Land and township development

The assets are recognised on the statement of financial position in accordance with IAS 2 Inventories. We are comfortable that a buyer will always be found due to the housing requirements around our mines. Since these assets are normally held for a period of longer than 12 months, they are however deemed to be non-current assets. These assets are held at the lower of cost and net realisable value.

Net realisable value tests are performed at each reporting date and represent the current sales price of the houses, less estimated costs to complete production and bring the houses to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

Land and township development, which is an initiative in order to assist the group's employees to acquire their own affordable housing, is initially recognised at cost. Cost is determined on the basis of land acquisition, development and housing construction cost. Land and township development is derecognised when the risks and rewards of ownership of the property transfers to the employees.

Northam's main business is not the development of properties but is obligated under South African mining legislation to offer certain of its employees home ownership as part of their benefits. To that end, Northam constructs houses which are sold to employees. The houses are mainly for employees, but third parties can also acquire these properties. Therefore, the main aim of the disclosure of the land and township development activities provided is qualitative by nature, i.e., social and community advancement and employee benefits. The main business of the group is mining PGMs.

1.9 Financial instruments

Financial instruments recognised on the statement of financial position include investments (including investments held in trust funds), cash and cash equivalents, long-term receivables, trade and other receivables, trade and other payables, loans and borrowings, financial guarantee contracts and provisional pricing arrangements. These are recognised when the group becomes party to the contractual agreements. All financial instruments are initially recorded at fair value, plus in the case of financial assets not at fair value through profit and loss, transaction costs, except for trade receivables that do not contain a significant financing component which are recognised at the transaction price.

Fair value

Where financial instruments are recognised at fair value, the instruments are measured at the amount for which an asset could be sold, or an amount paid to transfer a liability, in an orderly transaction in the principal or most advantageous market, at the measurement date under current market conditions regardless of whether this price is directly observable or estimated using a valuation technique. Fair values have been determined as follows: (i) where market prices are available, these have been used; and (ii) where there are no market prices available, fair values have been determined using valuation techniques incorporating observable market inputs or discounting expected cash flows at market rates.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or expense over the period of the instrument.

Effectively, this method determines the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or liability.

Financial assets

Financial assets are classified as either at amortised cost, fair value through profit or loss or fair value through other comprehensive income.

The classification of the financial asset is dependent on the purpose and characteristics of the particular financial asset and is determined at the date of initial recognition.

Investments classified as fair value through other comprehensive income

Preference Shares held are classified as fair value through other comprehensive income.

After initial recognition, investments, which are classified as fair value through other comprehensive income, are re-measured at fair value with all gains or losses recognised directly in other comprehensive income. Interest earned, impairment and gains and losses on disposal are recognised in profit or loss.

Investments classified as fair value through profit or loss

Investment held by Northam Platinum Restoration Trust Fund, Environmental guarantee investments and Buttonshope Conservancy Trust are classified as fair value through profit or loss.

After initial recognition, investments, which are classified as fair value through profit or loss, are re-measured at fair value with all gains or losses recognised directly in profit or loss.

Financial assets carried at amortised cost

Trade and other receivables, long-term receivables, subsidiary loans and cash and cash equivalents are classified as at amortised cost. After initial recognition, receivables (except for provisional pricing receivables) are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired as well as through the amortisation process.

Provisional pricing receivables/liabilities

Financial assets with provisional pricing arrangements (provisional pricing receivables) are recognised as a separate category of trade and other receivables and are accounted for as fair value through profit or loss.

Provisional pricing receivables are recognised when the group has satisfied its performance obligation relating to delivery of the product and has an unconditional right to the consideration that is due. This will be recognised when only the passage of time is required before payment is made by the customer. All fair value adjustments relating to the movements in this balance are recognised within revenue from fair value adjustments.

A provisional pricing liability is recognised when payment by the customer made on provisionally priced goods results in an effective overpayment due to fluctuations in market factors until final pricing is confirmed. All fair value adjustments relating to the movements in this balance are recognised within revenue from fair value adjustments.

Provisional pricing receivables are reallocated to trade and other receivables and provisional pricing liabilities are reallocated to trade and other payables at the end of the quotational period once the consideration relating to the sale is no longer variable. The finalised consideration receivable/refundable is therefore no longer subject to fair value fluctuations.

Impairment of financial instruments

The group assesses at each reporting date whether a financial asset or group of financial assets is impaired. Impairments are based on expected credit losses (ECL).

ECLs are an estimate of credit losses over the life of a financial instrument and are recognised as a loss allowance or provision. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. Impaired debts are derecognised when they are assessed as uncollectible.

For trade receivables due in less than 12 months, the group applies the simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The group considers historical credit loss experience, adjusted for forward-looking factors, that could indicate impairments taking into account the specific debtor and economic environment.

The general approach requires the assessment of financial assets to be split into 3 stages:

Stage 1: no significant deterioration in credit quality. This identifies financial assets as having a low credit risk, and the asset is considered to be performing as anticipated. At this stage, a 12-month expected credit loss assessment is required.

Stage 2: significant deterioration in credit quality of the financial asset but no indication of a credit loss event. This stage identifies assets as underperforming. Lifetime expected credit losses are required to be assessed.

Stage 3: clear and objective evidence of impairment is present. This stage identifies assets as non-performing financial instruments. Lifetime expected credit losses are required to be assessed.

Financial liabilities

Financial liabilities are recorded initially at the fair value of the consideration received, which is cost net of any issue costs associated with the borrowings.

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on issue.

Borrowings, trade and other payables and the Preference Share liability have been classified as financial liabilities.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Accrued dividends on Preference Shares are recognised as finance charges.

Financial guarantee contracts

Financial guarantee contracts issued are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of the expected credit losses and the amount recognised less cumulative amortisation. Amortisation is based on the total value of underlying liability still outstanding, as this better reflects the pattern of how the company provides the guarantee.

Derecognition of financial instruments

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when: the rights to receive cash flows from the asset have expired; the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third-party under a 'pass through' arrangement; and either: (a) the group has transferred substantially all the risks and rewards of the asset; or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

1.10 Inventories

Consumable stores

Consumable stores consist of consumable and maintenance stores and are valued at the lower of cost or net realisable value. Cost is determined on the weighted average cost basis. Consumable stores are under continual review and are written down in regard to age, condition and utility.

Metal on hand

Metal inventory is valued at the lower of the net realisable value and the purchase price or average cost of production less net revenue from sales of by-products in the ratio of the contribution of these metals to gross sales revenue. Production costs are allocated to platinum, palladium, rhodium and gold (joint products) by dividing the mine output into total mine production costs, determined on a six-month average basis except for concentrates and ore purchased which are recognised at the cost in the month in which they are purchased.

The average cost of normal production includes total costs incurred on mining and refining, including depreciation, less net revenue from the sale of by-products, including chrome, allocated to main products based on units produced under normal production.

Costs incurred in the production process, are appropriately accumulated as stockpiles, metal in process and final product inventories. Platinum, palladium, rhodium and gold (4E) are treated as main products and other platinum group and base metals produced as by-products, including chrome, which are not classified as inventory.

Stockpiles are measured by estimating the stockpiled tonnes, the number of contained 4E ounces based on elemental assay data, and the estimated recovery percentage based on the expected processing method, but only if the stockpiles are considered material. Stockpile tonnages are also verified by periodic surveys.

Net realisable value tests are performed on a monthly basis and represent the expected sales price of the product based on prevailing spot metal prices at the reporting date, less estimated costs to complete production and bring the product to sale.

Non-current inventory is determined as inventory that will not be sold within the next 12 months.

1.11 Non-current assets held for sale

The group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding finance costs.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale and the sale is expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

1.12 Provisions

Provisions are recognised when the group has a present obligation, whether legal or constructive, because of a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised only when the reimbursement is virtually certain. The amount to be reimbursed is recognised as a separate asset.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Decommissioning provision

Estimated long-term environmental obligations, comprising rehabilitation and mine closure, are based on an independent assessment of the future commercial closure costs in compliance with current technology, environmental and regulatory requirements.

Provision is made for the present value of the estimated future decommissioning costs at the end of the mine's life. A decommissioning asset is recognised as part of the underlying property, plant and equipment.

With regards to the provision, the estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the decommissioning provision due to the passage of time is recognised as a finance cost in profit or loss. Other changes in the carrying amount of the provision subsequent to initial recognition are adjusted in the determination of the carrying amount of the decommissioning asset as opposed to being recognised in profit or loss. If the adjustment results in an addition to the decommissioning asset, consideration is given as to whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the asset is tested for impairment by estimating its recoverable amount in accordance with the respective accounting policies.

Decommissioning liabilities are discounted over the period of the various mining rights.

Provision for restoration costs

Provision is made for the estimated cost to be incurred on long-term environmental obligations, comprising of expenditure on closure over the estimated life of the mine.

The estimates are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money. The increase in the restoration provision due to the passage of time is recognised as a finance cost in profit or loss. In assessing the future liability, no account is taken of the potential proceeds from the sale of assets and metals from the plant clean-up.

The future liability is reviewed regularly and adjusted as appropriate for new facts and changes in legislation. The cost of ongoing programmes to prevent and control pollution and rehabilitate the environment is recognised as an expense when incurred.

Restoration liabilities are discounted over the period of the mining right, using an appropriate rate.

Environmental rehabilitation fund

The group may contribute to a dedicated trust fund, the Northam Platinum Restoration Trust Fund (the fund), to fund the expenditure on future decommissioning and restoration. Income earned by the fund is credited to the group's profit or loss in the period to which it relates.

The group controls the fund and therefore consolidates it.

The assets of the fund are separately administered and the group's right of access to these funds are restricted.

1.13 Foreign currencies

The South African Rand is the functional currency of all the operations, except for the US recycling operations which has a US dollar functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

US entities

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities included in the statement of financial position are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

1.14 Revenue recognition

Revenue from contracts with customers is recognised when control is transferred to the customer. Revenue is at the amount to which the entity expects to be entitled in exchange for those goods or services.

Precious metal sales

Revenue from PGM sales are recognised based on contractual terms specific to each transaction. The contractual terms stipulate a fixed price relating to the commodity as well as exchange rates in the month in which the product is purchased. Platinum, palladium and gold sales are recorded at the daily London Metal Exchange: LBMA price. Rhodium, iridium and ruthenium sales are recorded at the weekly Platts New York Dealer price.

No adjustments are accounted for relating to volume of product or price on PGM sales as all these inputs are finalised on delivery date, which is the date on which revenue is recognised.

Base metal sales

Revenue is accounted for when control has transferred to the customer on delivery. Revenue accounted for is the estimation of the amount of consideration to which the group will be entitled at the date of sale. Revenue is estimated at contract inception (when control transfers) and is based on initial assays, prevailing metal prices and current exchange rates. Movement in assay amounts were assessed in detail and were found to be immaterial and are therefore included in the disclosure of all other movements relating to fair value adjustments which are separately disclosed in revenue.

Payment on base metal sales is only made once provisional pricing has been finalised. Adjustments to the provisional pricing value occurs at the reporting date and on finalisation of the sales transaction. A provisional pricing receivable is recognised to account for the fluctuations in market factors until final pricing is confirmed. All fair value movements after the date of sale relating to provisionally priced amounts are recognised separately within revenue as revenue from fair value adjustments.

Chrome sales

Revenue from chrome sales is recognised based on the initial assayed quantity of product, prevailing market prices and exchange rates. Revenue is accounted for when control has transferred to the customer on delivery and is based on the provisional pricing value which is the amount that reflects the best estimate of the consideration to which the group expects to be entitled in terms of the calculation of revenue to the end of the quotational period.

Payment on chrome sales is made based on the initial assayed quantity of product and related market inputs. Adjustments to the provisional pricing value occur at the reporting date and on finalisation of the sales transaction. A provisional pricing liability is recognised when payment by the customer made on provisionally priced goods results in an effective overpayment due to fluctuations in market factors until final pricing is confirmed. A provisional pricing receivable is recognised when the initial payment by the customer on the provisionally priced goods resulted in an underpayment due to the fluctuations in market factors until final pricing is confirmed.

All fair value movements after the date of sale relating to provisionally priced amounts are recognised separately within revenue, as revenue from fair value adjustments.

Sundry income (including treatment charges)

Sundry income is recognised when the right to receive payment has been established.

Investment income

Interest (including Preference Share dividends) is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the group.

Northam Holdings' main operating activity is that of an investment holding company.

Dividends are recognised when the right to receive payment is established.

1.15 Borrowing costs

Borrowing costs are charged to finance charges.

Borrowing costs that are directly attributable to the acquisition, construction or development of qualifying assets that require a substantial period of time to prepare for their intended use are capitalised. Capitalisation is suspended when the active development is interrupted and ceases when the activities necessary to prepare the asset for its intended use are complete. Other borrowing costs are recognised as an expense when incurred.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for the short-term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period.

1.16 Employee benefits

Short-term employee benefits

Remuneration to employees in respect of services rendered during a reporting period is recognised as an expense in that reporting period. Accruals are made for accumulated leave and are measured at the amount that the group expects to pay when the leave is used.

Share incentive plan (including the lock-in mechanism shares)

Awards granted to employees in terms of the rules of the Northam share incentive plan (the plan) are measured at fair value based on market prices at the date the awards are granted (measurement date).

The shares awarded in terms of the rules of the plan comprise: retention shares, which vest after three years with no performance criteria, and performance shares, which also vest after three years. The final number of performance shares that the relevant employee will receive will be subject to certain performance criteria being met.

The group initially measures the cost of cash-settled transactions with employees using a market value model to determine the fair value of the liability incurred.

For cash-settled share-based payment transactions, the liability needs to be re-measured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the annual financial statements.

Retirement benefits

Eligible employees are members of various defined contribution schemes. Employer contributions are recognised as an expense during the period in which the employees' services are rendered.

Medical benefits

Employer contributions in respect of current medical benefits are recognised as an expense during the period in which the employees' services are rendered.

Post-retirement medical costs

Eligible employees are members of a defined contribution scheme established to assist those employees to meet post-retirement medical costs.

Employer contributions are recognised as an expense during the period in which the employees' services are rendered. These contributions cease when the employees' services terminate.

Toro Employee Empowerment Trust

The Toro Employee Empowerment Trust (the Trust) was established for the benefit of eligible Zondereinde employees. Northam Platinum contributes 4% of its Zondereinde mine after tax profits to the Trust, whereafter eligible employees will receive payment at the end of each five-year cycle.

The total amount of each annual contribution is calculated as 4% of the profits after tax of Northam Platinum for the financial year in question (or part thereof) prior to accounting for any amount payable by Northam Platinum in respect of the annual contribution for the corresponding period and any adjustment in Northam Platinum's tax resulting therefrom, provided that the following items in respect of the corresponding period shall be excluded from the calculation of such after-tax profits, and the necessary adjustments shall be made to the extent that they have been so included –

- all distributions (including dividends) received by Northam Platinum in relation to its investment interests held from time to time, including, *inter alia*, in respect of its subsidiaries, associates, joint ventures, joint operations and the Zambezi Preference Shares (Investment Interests);
- any impairments, reversals of impairments or fair value adjustments relating to Northam Platinum's Investment Interests;
- non-cash IFRS fair value adjustments to financial instruments including (without limitation) fair value gains and losses arising from the Northam Guarantee;
- non-cash IFRS adjustments relating to the recognition and/or derecognition of financial assets and financial liabilities;
- non-cash IFRS adjustments relating to black economic empowerment transactions such as the Zambezi BEE Transactions and/or the Composite Transaction including, *inter alia*, IFRS 2 charges associated with share-based payments relating to black economic empowerment transactions;
- non-cash IFRS adjustments relating to any corporate action for the benefit of Northam Platinum and it's holding company's group of companies;
- any other exceptional, once-off, non-recurring or extraordinary items contributing to the calculation of Northam Platinum's profits; and
- the tax impact of the above items above on Northam Platinum's profits.

The amount of this cash to be distributed is based on the valuation of the fund, and in the manner prescribed by the Trust's distribution policy.

Northam does not guarantee any values over and above what is included in the Trust and managed accordingly by the investment manager.

Since the cash distribution is payable to employees after the end of the period in which the related services are rendered and it is not a post-employment benefit or a termination benefit, the Trust is accounted for as an "Other Long-Term Employee Benefit" in terms of IAS 19. The benefits payable to employees are therefore measured using the Projected Unit Credit Method.

Independent actuarial valuations are conducted annually. Re-measurements, comprising actuarial gains and losses arising as a result of experience adjustments and/or the effects of changes in actuarial assumptions, the effect of changes to the asset ceiling and the return on plan assets (excluding interest) are recognised immediately in profit or loss when they occur. Any increase in the present value of plan liabilities expected to arise from employee service during the period is charged to operating profit. Net interest is determined by applying the discount rate at the beginning of the year to the net defined liability or asset.

The past-service cost is recognised immediately in profit or loss in the period to which it relates to the extent that benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The asset or liability comprises the present value of the obligation less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets (cash) that are held by the Trust and are not available to the creditors of the group.

1.17 Leases

At the inception of the contract, the group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Group as lessee

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group recognises right-of-use liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of right-of-use liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within Property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of right-of-use liabilities is increased to reflect the unwinding of interest and reduced for the lease payments made (amortised cost using the effective interest rate method). In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. A corresponding adjustment is made to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and low-value leases

The group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Group as lessor

Leases in respect of which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Operating lease payments for rental income received relating to mining properties are recognised as other income in profit or loss on a straight-line basis over the period of the lease.

1.18 Taxation

Current tax

The charge for current tax is based on the results for the year, as adjusted for by items that are exempt or disallowed, and is calculated using the enacted tax rates at the reporting date.

Where items are credited or charged directly to equity or other comprehensive income the tax effect is also recognised within equity or other comprehensive income as appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences, except where the 'initial recognition exception' applies; and in respect of 'outside' temporary differences relating to subsidiaries and associates.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profits will be available, against which the deductible temporary differences, carry forward of unused tax credits and unused tax losses can be utilised in the foreseeable future, except where the 'initial recognition exception' applies, and in respect of 'outside' temporary differences relating to subsidiaries and associates.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income as appropriate and not in profit or loss.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and taxable entity.

Dividend Withholding Tax

The group withholds dividends tax on behalf of its shareholders on dividends declared at the enacted withholding tax rate. Amounts withheld are not recognised as part of the group's tax charge but rather as part of the dividend paid recognised directly in equity.

Uncertain tax positions

Judgements are required in respect of the application of existing tax laws in each jurisdiction and therefore the determination of the provision for income taxes.

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The various statutory entities within the group recognise liabilities for anticipated tax uncertainties based on the best estimate of whether additional taxes will be due.

Where the final tax outcome of any tax matters is different from the amounts that were initially reported, such differences will impact the income and deferred tax provisions in the period in which such determination is made.

In addition, future changes in tax laws in the jurisdictions in which the group operates could limit the ability of the group to obtain tax deductions in future periods.

2. Segmental analysis

The group has five operating segments, Northam Holdings, the Zondereinde operations (being Northam Platinum), the Booysendal operations, the Eland operations and the US recycling operations. The group's executive committee considers the performance of Zondereinde operations, Booysendal operations, Eland operations and the US recycling operations when allocating resources and assessing the segmental performance.

In addition to being the holding company of the group, Northam Holdings also held the investment in RBPlat, which was sold subsequent to year-end. Refer to note 13 for details on the sale.

IFRS 8 Operating Segments includes a number of quantitative measures for determining whether information on the identified operating segments should be reported separately. Accordingly, an operating segment merits separate disclosure if the assets are 10% or more of the combined assets of all operating segments. The investment in RBPlat represents more than 10% of the combined assets of the group and therefore Northam Holdings should be disclosed as an operating segment. The Northam Holdings operating segment reflects the cost of the investment and any dividends received as revenue.

The Eland operations and the US recycling operations have also been separately disclosed even though these operating segments currently do not fulfil the quantitative thresholds of a reportable segment. Eland and the US recycling operations are subject to regular review by the executive committee and management believes that the information regarding these segments would be useful.

Zondereinde, being Northam Platinum, purchases most of Booysendal Platinum Proprietary Limited's (Booysendal) concentrate and all of Eland Platinum Proprietary Limited's (Eland) concentrate, for a percentage of the fair value, except for chrome which is sold directly to a third-party customer on an offtake agreement.

Concentrate from Booysendal is also sold to a third-party customer to honour the Everest offtake agreement.

Zondereinde purchases the majority of the US recycling operations' recycled material.

Zambezi has been included in the segmental statements in order to reconcile all amounts to the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income. Zambezi is not a separate operating segment as it does not engage in business activities from which it earns revenue and/or incurs expenses. Zambezi's operating results are not subject to regular review by the chief operating decision makers in assessing the performance of the entity.

Other relates to both consolidated adjustments made for the subsidiaries, as well as smaller entities within the group. These adjustments include the adjustments made to equity account the investment held in RBPlat.

No segments were aggregated.

All assets of the group are South African based assets, except for assets held by the US recycling operations amounting to R139.5 million (30 June 2022: R144.4 million).

Segmental statement of profit or loss and other comprehensive income

30 June 2023	Northam Holdings R000	Zondereinde operating segment R000	Booysendal operating segment R000	Eland operating segment R000	US recycling operating segment R000	Intercompany eliminations R000	Zambezi Platinum (RF) Proprietary Limited R000	Other R000	Total R000
Revenue	781 713	36 268 422	19 240 376	3 787 053	82 822	(20 612 227)	–	–	39 548 159
Cost of sales	–	(31 108 004)	(10 615 765)	(3 933 875)	(103 479)	21 659 750	–	–	(24 101 373)
Operating costs	–	(8 912 098)	(8 766 715)	(2 150 277)	(29 923)	–	–	–	(19 859 013)
Mining operations	–	(6 282 297)	(6 372 593)	(1 460 553)	–	–	–	–	(14 115 443)
Concentrator operations	–	(610 872)	(1 124 991)	(616 938)	(29 923)	–	–	–	(2 382 724)
Smelting and base metal removal plant costs	–	(1 319 228)	–	–	–	–	–	–	(1 319 228)
Chrome processing	–	(30 525)	(39 219)	(19 429)	–	–	–	–	(89 173)
Selling and administration overheads	–	(177 193)	(177 667)	(29 435)	–	–	–	–	(384 295)
Royalty charges	–	(351 623)	(905 209)	(8 721)	–	–	–	–	(1 265 553)
Carbon tax	–	(1 407)	–	–	–	–	–	–	(1 407)
Share-based payment expenses	–	(40 289)	(47 164)	(1 828)	–	–	–	–	(89 281)
Toro Employee Empowerment Trust	–	(108 339)	–	–	–	–	–	–	(108 339)
Employee profit share scheme	–	–	(110 469)	(22 986)	–	–	–	–	(133 455)
Rehabilitation	–	9 675	10 597	9 613	–	–	–	–	29 885
Concentrates and recycling material purchased	–	(20 992 672)	(1 193 653)	(1 547 912)	(51 621)	19 830 514	–	–	(3 955 344)
Refining and other costs	–	(370 975)	–	–	–	–	–	–	(370 975)
Depreciation and write-offs	–	(236 980)	(776 643)	(98 681)	(10 497)	(24 293)	–	–	(1 147 094)
Change in metal inventory	–	(595 279)	121 246	(137 005)	(11 438)	1 853 529	–	–	1 231 053
Gross profit/(loss)	781 713	5 160 418	8 624 611	(146 822)	(20 657)	1 047 523	–	–	15 446 786
Impairment of property, plant and equipment	–	–	–	(2 718 275)	–	–	–	–	(2 718 275)
Impairment of investment in associate	(4 504 542)	–	–	–	–	–	–	400 934	(4 103 608)
Impairment of investment in subsidiary	–	(3 644 677)	–	–	–	3 644 677	–	–	–
Share of earnings from associates	–	–	–	–	–	–	–	165 140	165 140
Investment income	467 671	21 903 802	58 983	2 130	–	(21 701 564)	34	20 838	751 894
Finance charges excluding Zambezi Preference Share dividends	(652 819)	(2 458 179)	(27 443)	(242 800)	(4 733)	849 891	–	(4 050)	(2 540 133)
Net foreign exchange transaction gains/(losses)	–	68 633	(240)	(3 516)	7 840	–	–	–	72 717
Sundry income	–	46 619	6 148	15 860	10 928	(10 537)	–	9 095	78 113
Sundry expenditure	(319 111)	(33 707)	(26 236)	(7 258)	(5)	300 019	(1)	(322 497)	(408 796)
Profit/(loss) before Zambezi Preference Share dividends	(4 227 088)	21 042 909	8 635 823	(3 100 681)	(6 627)	(15 869 991)	33	269 460	6 743 838
Zambezi Preference Share dividends	–	–	–	–	–	998 935	(998 935)	–	–
Profit/(loss) before tax	(4 227 088)	21 042 909	8 635 823	(3 100 681)	(6 627)	(14 871 056)	(998 902)	269 460	6 743 838
Tax	(242)	(1 208 468)	(2 330 909)	(142 799)	–	(504 239)	(9)	(3 129)	(4 189 795)
Profit/(loss) for the year	(4 227 330)	19 834 441	6 304 914	(3 243 480)	(6 627)	(15 375 295)	(998 911)	266 331	2 554 043

Notes to the annual financial statements continued

Segmental statement of profit or loss and other comprehensive income

30 June 2022	Northam Holdings R000	Zondereinde operating Segment R000	Booysendal operating segment R000	Eland operating segment R000	US recycling operating Segment R000	Intercompany eliminations R000	Zambezi Platinum (RF) Limited R000	Other R000	Total R000
Revenue	536 175	31 768 128	18 964 038	2 670 102	127 673	(20 001 846)	–	–	34 064 270
Cost of sales	–	(27 782 816)	(8 419 761)	(2 924 947)	(133 905)	20 082 260	–	–	(19 179 169)
Operating costs	–	(7 625 181)	(6 355 381)	(1 530 442)	(25 878)	–	–	–	(15 536 882)
Mining operations	–	(5 480 170)	(4 454 801)	(1 016 481)	–	–	–	–	(10 951 452)
Concentrator operations	–	(535 210)	(938 708)	(417 189)	(25 878)	–	–	–	(1 916 985)
Smelting and base metal removal plant costs	–	(1 049 015)	–	–	–	–	–	–	(1 049 015)
Chrome processing	–	(13 834)	(31 671)	(19 033)	–	–	–	–	(64 538)
Selling and administration	–	(169 116)	(169 116)	–	–	–	–	–	(338 232)
Royalty charges	–	(227 926)	(666 689)	(238)	–	–	–	–	(894 853)
Carbon tax	–	(1 138)	–	–	–	–	–	–	(1 138)
Share-based payment expenses	–	(59 603)	(72 380)	(14 733)	–	–	–	–	(146 716)
Toro Employee Empowerment Trust	–	(84 027)	–	–	–	–	–	–	(84 027)
Employee profit share scheme	–	–	(18 994)	(5 494)	–	–	–	–	(24 488)
Rehabilitation	–	(5 142)	(3 022)	(57 274)	–	–	–	–	(65 438)
Concentrates purchased	–	(19 507 663)	(1 160 232)	(1 300 369)	(109 004)	19 465 672	–	–	(2 611 596)
Refining and other costs	–	(280 411)	–	–	–	–	–	–	(280 411)
Depreciation and write-offs	–	(208 249)	(646 389)	(76 154)	(9 985)	8 180	–	–	(932 597)
Change in metal inventory	–	(161 312)	(257 759)	(17 982)	10 962	608 408	–	–	182 317
Operating profit/(loss)	536 175	3 985 312	10 544 277	(254 845)	(6 232)	80 414	–	–	14 885 101
Share of earnings from associate	–	–	–	–	–	–	–	799 518	799 518
Investment income	4 725	2 642 688	7 263	1 079	–	(3 557 606)	18	1 008 183	106 350
Finance charges excluding Zambezi Preference Share dividends	(331 409)	(1 204 852)	(25 726)	(132 972)	(3 436)	166 452	–	(2 659)	(1 534 602)
Net foreign exchange transaction gains	–	40 100	365	–	6 253	–	–	–	46 718
Sundry income	41 013	5 103 650	8 176	4 294	5 787	(4 992 295)	–	2 114	172 739
Sundry expenditure	(101 743)	(206 844)	(24 374)	(8 041)	(4 464)	8 680 217	(8 560 234)	(148 330)	(373 813)
Profit/(loss) before Zambezi Preference Share dividends	148 761	10 360 054	10 509 981	(390 485)	(2 092)	377 182	(8 560 216)	1 658 826	14 102 011
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	–	–	–	–	(64 197)	–	–	(64 197)
Zambezi Preference Share dividends	–	–	–	–	–	2 395 985	(2 421 589)	–	(25 604)
Loss on derecognition of Zambezi Preference Share liability	–	–	–	–	–	(286 632)	–	–	(286 632)
Profit/(loss) before tax	148 761	10 360 054	10 509 981	(390 485)	(2 092)	2 422 338	(10 981 805)	1 658 826	13 725 578
Tax	(1 079)	(934 183)	(2 782 204)	102 912	–	(1 707 083)	1 587 020	(145 157)	(3 879 774)
Profit/(loss) for the year	147 682	9 425 871	7 727 777	(287 573)	(2 092)	715 255	(9 394 785)	1 513 669	9 845 804

Segmental statement of financial position

30 June 2023	Northam Holdings R000	Zondereinde operating segment R000	Booysendal operating segment R000	Eland operating segment R000	US recycling operating segment R000	Intercom-pany eliminations R000	Zambezi Platinum (RF) Proprietary Limited R000	Other R000	Total R000
Assets									
Non-current assets	21 141 418	27 720 284	18 535 642	2 159 559	123 425	(28 917 179)	4 565 585	1 102 501	46 431 235
Property, plant and equipment	–	9 960 293	12 138 684	2 058 873	123 425	530 348	–	21 311	24 832 934
Mining properties and Mineral Resources	–	974 653	6 230 080	3 000	–	(903 717)	–	136 230	6 440 246
Investment in escrow	–	–	–	–	–	–	–	17 825	17 825
Interest in associates	12 943 355	25 745	–	–	–	–	–	89 584	13 058 684
Investment in subsidiaries	–	12 028 207	–	–	–	(12 828 563)	–	800 356	–
Other investments	–	1 646 640	–	–	–	(1 646 640)	–	–	–
Investments in Northam Platinum Limited	8 198 063	–	–	–	–	(12 763 648)	4 565 585	–	–
Land and township development	–	83 420	35 966	–	–	–	–	6 703	126 089
Long-term receivables	–	29 360	15 817	11 215	–	–	–	29 220	85 612
Investments held by Northam Platinum Restoration Trust Fund	–	76 976	76 976	–	–	–	–	–	153 952
Environmental guarantee investments	–	53 582	38 119	38 769	–	–	–	–	130 470
Buttonshope Conservancy Trust	–	–	–	–	–	–	–	1 272	1 272
Other financial assets	–	160 157	–	–	–	–	–	–	160 157
Non-current inventories	–	1 381 210	–	47 702	–	(4 918)	–	–	1 423 994
Long-term group loans	–	1 300 041	–	–	–	(1 300 041)	–	–	–
Current assets	1 233	26 532 677	6 322 186	562 403	16 119	(20 919 711)	1 089 580	239 340	13 843 827
Inventories	–	6 265 445	536 186	471 988	4 894	(768 171)	–	–	6 510 342
Trade and other receivables	458	692 342	1 150 152	90 307	1 862	–	3	12 617	1 947 741
Cash and cash equivalents	770	5 121 246	852	89	9 363	–	544	220 123	5 352 987
Tax receivable	5	–	32 733	19	–	–	–	–	32 757
Short-term group loans	–	14 453 644	4 602 263	–	–	(20 151 540)	1 089 033	6 600	–
Total assets	21 142 651	54 252 961	24 857 828	2 721 962	139 544	(49 836 890)	5 655 165	1 341 841	60 275 062
Equity and liabilities									
Total equity	9 396 674	27 484 219	15 209 500	(3 306 247)	89 273	(16 200 798)	(1 610 301)	1 238 047	32 300 367
Stated capital	13 476 322	9 878 033	8 675 932	325 000	142 118	(19 358 609)	323 168	14 358	13 476 322
Treasury Shares	–	–	–	–	–	(1 214 949)	–	–	(1 214 949)
Re-organisation reserve	–	–	–	–	–	(4 176 945)	–	–	(4 176 945)
Retained earnings/(accumulated loss)	(4 079 648)	35 087 865	4 031 813	(3 631 247)	(92 976)	(6 430 219)	(1 933 469)	1 223 689	24 175 808
Foreign currency translation reserve	–	–	–	–	40 131	–	–	–	40 131
Northam Scheme of arrangement reserve	–	(10 925 555)	–	–	–	10 925 555	–	–	–
Share entitlement reserve	–	(6 556 124)	–	–	–	6 556 124	–	–	–
Non-distributable reserve	–	–	2 501 755	–	–	(2 501 755)	–	–	–
Non-current liabilities	–	13 434 166	5 082 588	514 567	–	(8 864 765)	7 265 466	1 835	17 433 857
Deferred tax liability	–	2 362 911	4 506 169	–	–	(2 642 615)	1 053 241	1 835	5 281 541
Long-term provisions	–	203 033	256 610	497 924	–	–	–	–	957 567
Zambezi Preference Share liability	–	–	–	–	–	(6 212 225)	6 212 225	–	–
Long-term loans	–	48 470	15 129	–	–	–	–	–	63 599
Lease liabilities	–	34 059	44 283	–	–	–	–	–	78 342
Long-term share-based payment liabilities	–	260 828	250 472	16 643	–	–	–	–	527 943
Domestic Medium-Term Notes	–	10 524 865	–	–	–	–	–	–	10 524 865
Buttonshope contribution liability	–	–	9 925	–	–	(9 925)	–	–	–
Current liabilities	11 745 977	13 334 576	4 565 740	5 513 642	50 271	(24 771 327)	–	101 959	10 540 838
Current portion of long-term loans	–	2 000	5 502	–	–	–	–	–	7 502
Current portion of lease liabilities	–	4 535	4 428	–	–	–	–	–	8 963
Current portion of Domestic Medium-Term Notes	–	4 267 937	–	–	–	–	–	–	4 267 937
Short-term share-based payment liabilities	–	45 019	52 230	7 124	–	–	–	–	104 373
Tax payable	–	13 189	–	–	–	–	–	118	13 307
Trade and other payables	7 583	2 898 860	1 585 450	841 984	7 548	(69)	–	82 827	5 424 183
Provisional pricing liabilities	–	40 372	–	–	–	–	–	–	40 372
Other financial liabilities	90 472	–	–	–	–	–	–	–	90 472
Short-term provisions	–	360 644	178 337	44 748	–	–	–	–	583 729
Short-term group loans	11 647 922	5 702 020	2 739 793	4 619 786	42 723	(24 771 258)	–	19 014	–
Total equity and liabilities	21 142 651	54 252 961	24 857 828	2 721 962	139 544	(49 836 890)	5 655 165	1 341 841	60 275 062

Segmental statement of financial position

30 June 2022	Northam Holdings R000	Zondereinde operating segment R000	Booysendal operating segment R000	Eland operating segment R000	US recycling operating segment R000	Intercom-pany eliminations R000	Zambezi Platinum (RF) Limited R000	Other R000	Total R000
Assets									
Non-current assets	25 645 960	25 645 997	17 835 704	3 575 009	116 328	(31 814 717)	6 556 124	1 547 111	49 107 516
Property, plant and equipment	–	7 702 933	11 390 850	3 090 675	116 328	563 839	–	22 222	22 886 847
Mining properties and Mineral Resources	–	1 005 228	6 293 484	3 000	–	(912 912)	–	136 230	6 525 030
Interest in associates	17 447 897	–	–	–	–	–	–	240 874	17 688 771
Investment in subsidiaries	8 198 063	12 353 207	–	–	–	(21 643 818)	–	1 092 548	–
Other investments	–	647 705	–	–	–	(647 705)	–	–	–
Investments in Northam Platinum Limited	–	–	–	–	–	(6 556 124)	6 556 124	–	–
Land and township development	–	42 728	41 151	–	–	–	–	6 319	90 198
Long-term receivables	–	27 235	13 257	7 626	–	–	–	37 675	85 793
Investments held by Northam Platinum Restoration Trust Fund	–	71 293	71 293	–	–	–	–	–	142 586
Environmental guarantee investments	–	42 029	25 669	25 516	–	–	–	–	93 214
Buttonshope Conservancy Trust	–	–	–	–	–	–	–	11 243	11 243
Non-current inventories	–	1 115 373	–	305 393	–	20 269	–	–	1 441 035
Deferred tax asset	–	–	–	142 799	–	–	–	–	142 799
Long- term group loans	–	2 638 266	–	–	–	(2 638 266)	–	–	–
Current assets	44 786	19 203 642	20 482 361	396 270	28 045	(33 337 228)	1 089 559	246 096	8 153 531
Inventories	–	7 106 417	365 635	320 320	14 715	(2 646 817)	–	–	5 160 270
Trade and other receivables	2 818	763 218	921 843	75 852	1 408	–	2	11 236	1 776 377
Cash and cash equivalents	720	931 012	3 100	79	11 922	–	524	227 868	1 175 225
Other financial assets	41 013	–	–	–	–	–	–	–	41 013
Tax receivable	235	–	–	19	–	–	–	392	646
Short-term group loan	–	10 402 995	19 191 783	–	–	(30 690 411)	1 089 033	6 600	–
Non-current assets held for sale	–	25 745	–	–	–	(1 213)	–	65 562	90 094
Total assets	25 690 746	44 875 384	38 318 065	3 971 279	144 373	(65 153 158)	7 645 683	1 858 769	57 351 141
Equity and liabilities									
Total equity	13 624 004	7 649 778	28 757 322	(62 767)	83 658	(21 461 161)	(611 390)	1 754 638	29 734 082
Stated capital	13 476 322	9 878 033	8 675 932	325 000	142 118	(19 358 609)	323 168	14 358	13 476 322
Treasury Shares	–	–	–	–	–	(1 214 949)	–	–	(1 214 949)
Re-organisation reserve	–	–	–	–	–	(4 176 945)	–	–	(4 176 945)
Retained earnings/(accumulated loss)	147 682	15 253 424	17 579 635	(387 767)	(86 349)	(11 690 582)	(934 558)	1 740 280	21 621 765
Foreign currency translation reserve	–	–	–	–	27 889	–	–	–	27 889
Northam Scheme of arrangement reserve	–	(10 925 555)	–	–	–	10 925 555	–	–	–
Share entitlement reserve	–	(6 556 124)	–	–	–	6 556 124	–	–	–
Non-distributable reserve	–	–	2 501 755	–	–	(2 501 755)	–	–	–
Non-current liabilities	–	12 566 282	4 957 770	518 280	–	(10 363 320)	8 257 070	2 573	15 938 655
Deferred tax liability	–	1 760 731	4 352 367	–	–	(3 146 855)	1 053 241	2 573	4 022 057
Long-term provisions	–	200 395	263 041	497 955	–	–	–	–	961 391
Zambezi Preference Share liability	–	–	–	–	–	(7 203 829)	7 203 829	–	–
Long-term loans	–	56 670	20 631	–	–	–	–	–	77 301
Lease liabilities	–	21 040	43 144	–	–	–	–	–	64 184
Long-term share-based payment liabilities	–	277 027	265 951	20 325	–	–	–	–	563 303
Domestic Medium-Term Notes	–	8 816 280	–	–	–	–	–	–	8 816 280
Revolving credit facility	–	1 434 139	–	–	–	–	–	–	1 434 139
Buttonshope contribution liability	–	–	12 636	–	–	(12 636)	–	–	–
Current liabilities	12 066 742	24 659 324	4 602 973	3 515 766	60 715	(33 328 677)	3	101 558	11 678 404
Current portion of long-term loans	–	2 000	5 501	–	–	–	–	–	7 501
Current portion of lease liabilities	–	2 153	7 954	–	–	–	–	–	10 107
Current portion of Domestic Medium-Term Notes	–	2 265 672	–	–	–	–	–	–	2 265 672
Short-term share-based payment liabilities	–	85 554	77 157	11 908	–	–	–	–	174 619
Deferred Acquisition Consideration	1 704 790	–	–	–	–	–	–	–	1 704 790
Bridge facility	–	2 969 312	–	–	–	–	–	–	2 969 312
Tax payable	–	66 250	27 860	–	–	–	3	163	94 276
Short-term group loans	10 334 718	17 159 162	3 128 254	2 638 266	43 392	(33 328 676)	–	24 884	–
Trade and other payables	27 234	1 780 103	1 205 369	835 065	17 323	(1)	–	76 511	3 941 604
Provisional pricing liabilities	–	–	–	–	–	–	–	–	–
Short-term provisions	–	329 118	150 878	30 527	–	–	–	–	510 523
Total equity and liabilities	25 690 746	44 875 384	38 318 065	3 971 279	144 373	(65 153 158)	7 645 683	1 858 769	57 351 141

3. Revenue

Revenue can be disaggregated into the following:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Sales revenue from contracts with customers	39 807 381	33 905 646	–	–
Sales revenue from fair value adjustments with regards to IFRS 9	(259 222)	158 624	–	–
Dividends received	–	–	781 713	536 175
Total revenue	39 548 159	34 064 270	781 713	536 175

Dividends received relates to dividends received from Northam Holdings' investment in RBPlat, refer to note 13.

Sales revenue comprises revenue from the following metals, together with toll treatment revenue:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Platinum	9 275 887	7 012 543	–	–
Palladium	7 938 941	6 802 272	–	–
Rhodium	15 636 892	15 681 912	–	–
Gold	337 750	235 441	–	–
Iridium	2 125 014	1 399 974	–	–
Ruthenium	896 318	903 743	–	–
Silver	5 075	4 180	–	–
Nickel	661 755	611 499	–	–
Copper	164 277	157 092	–	–
Cobalt	4 325	8 814	–	–
Chrome	2 454 722	1 082 059	–	–
Toll treatment revenue	47 203	164 741	–	–
Total sales revenue from contracts with customers	39 548 159	34 064 270	–	–

Sales revenue comprises the ounce volumes sold from the following metals:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	oz	oz	oz	oz
Platinum	537 341	461 403	–	–
Palladium	257 542	204 593	–	–
Rhodium	80 176	63 592	–	–
Gold	10 288	8 335	–	–
4E	885 347	737 923	–	–
Iridium	30 183	21 953	–	–
Ruthenium	120 215	110 165	–	–
6E	1 035 745	870 041	–	–
Silver	13 006	11 712	–	–

Sales revenue comprises the volumes sold in tonnes from the following metals:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	tonnes	tonnes	tonnes	tonnes
Nickel	1 950	1 658	–	–
Copper	1 183	1 094	–	–
Cobalt	7	8	–	–
Chrome	1 065 757	960 335	–	–

Sales revenue from external customers per metal and per operating segment

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	US recycling operations 30 June 2023	Intercompany elimination 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000	R000	R000
Platinum	8 796 737	4 155 575	1 036 362	26 794	(4 739 581)	9 275 887
Palladium	7 530 223	3 809 482	559 482	37 304	(3 997 550)	7 938 941
Rhodium	15 030 844	7 854 330	1 672 320	8 962	(8 929 564)	15 636 892
Gold	316 858	136 414	8 317	121	(123 960)	337 750
Iridium	2 050 491	892 080	248 443	–	(1 066 000)	2 125 014
Ruthenium	861 466	516 185	118 923	2 481	(602 737)	896 318
Silver	5 075	–	–	–	–	5 075
Nickel	615 821	345 395	26 864	–	(326 325)	661 755
Copper	155 234	50 357	3 483	–	(44 797)	164 277
Cobalt	4 325	–	–	–	–	4 325
Chrome	861 305	1 480 558	112 859	–	–	2 454 722
Toll treatment revenue	40 043	–	–	7 160	–	47 203
	36 268 422	19 240 376	3 787 053	82 822	(19 830 514)	39 548 159

Zondereinde, being Northam Platinum, purchases most of Booysendal's concentrate and all of Eland's concentrate, for a percentage of the fair value, except for chrome which is sold directly to a third-party customer on an offtake agreement.

Concentrate from Booysendal is also sold to a third-party customer to honour the Everest offtake agreement.

Zondereinde purchases the majority of the US recycling operations' recycled material.

Sales revenue from external customers per region and per operating segment

Sales revenue emanated from the following principal regions:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	US recycling operations 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000	R000
Germany	6 144 219	–	–	–	6 144 219
Japan	10 936 051	–	–	–	10 936 051
South Africa	1 176 404	1 678 327	–	–	2 854 731
South Korea	–	–	–	833	833
Switzerland	1 488 004	–	–	–	1 488 004
The People's Republic of China	914 376	1 480 558	112 859	–	2 507 793
United Kingdom	14 854 660	–	–	–	14 854 660
United States of America	754 708	–	–	7 160	761 868
	36 268 422	3 158 885	112 859	7 993	39 548 159

Sales revenue from external customers per metal and per operating segment

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Intercompany elimination 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000	R000
Platinum	6 723 817	3 253 117	541 508	49 454	(3 555 353)	7 012 543
Palladium	6 453 738	3 764 649	424 502	52 733	(3 893 350)	6 802 272
Rhodium	14 839 558	9 577 892	1 434 983	12 494	(10 183 015)	15 681 912
Gold	228 887	97 749	3 780	–	(94 975)	235 441
Iridium	1 351 897	782 909	140 998	–	(875 830)	1 399 974
Ruthenium	878 023	517 768	80 906	–	(572 954)	903 743
Silver	4 180	–	–	–	–	4 180
Nickel	592 827	254 186	12 672	–	(248 186)	611 499
Copper	153 808	43 553	1 739	–	(42 008)	157 092
Cobalt	8 814	–	–	–	–	8 814
Chrome	380 830	672 215	29 014	–	–	1 082 059
Toll treatment revenue	151 749	–	–	12 992	–	164 741
	31 768 128	18 964 038	2 670 102	127 673	(19 465 671)	34 064 270

Sales revenue from external customers per region and per operating segment

Sales revenue emanated from the following principal regions:

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000
Asia*	380 830	672 215	29 014	–	1 082 059
Europe	21 283 920	–	–	–	21 283 920
Japan	8 170 395	–	–	–	8 170 395
North America (United States of America)	1 090 750	–	–	12 992	1 103 742
South Africa	842 233	1 581 921	–	–	2 424 154
	31 768 128	2 254 136	29 014	12 992	34 064 270

**Revenue emanating from Asia relate to sales made to the People's Republic of China.*

Disaggregated sales into Europe are provided for improved disclosure:

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000
Germany	7 231 792	–	–	–	7 231 792
Switzerland	141 978	–	–	–	141 978
United Kingdom	13 910 150	–	–	–	13 910 150
Europe	21 283 920	–	–	–	21 283 920

Sales revenue and sales volumes per customer

The following customers each account for a significant portion of the total sales revenue of the group:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Customer 1	721 271	228 762	–	–
Customer 2	10 645 059	7 961 217	–	–
Customer 3	3 216 435	3 458 879	–	–
Customer 4	46 053	164 741	–	–
Customer 5	6 144 219	7 231 791	–	–
Customer 6	2 454 722	1 082 059	–	–
Customer 7	373 814	612 360	–	–
Customer 8	11 638 225	10 451 271	–	–
Customer 9	1 912 702	2 175 649	–	–
Customer 10	1 488 004	–	–	–
Customer 11	290 992	–	–	–
Other	616 663	697 541	–	–
Total sales revenue	39 548 159	34 064 270	–	–

As a result of the significance of revenue from customers 10 and 11 for the current year these customers have been separately disclosed. Previously these customers were disclosed in other.

Below is a breakdown of these customers in the previous year:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Customer 10	1 488 004	141 978	–	–
Customer 11	290 992	209 179	–	–
Other	616 663	346 384	–	–
	2 395 659	697 541	–	–

The following customers each account for a significant portion of the total sales revenue of the group; below is a summary of the 4E volumes of ounces sold to these customers:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	oz	oz	Oz	oz
Customer 1	26 230	12 243	–	–
Customer 2	251 572	163 990	–	–
Customer 3	94 500	95 373	–	–
Customer 4	–	–	–	–
Customer 5	143 908	168 309	–	–
Customer 6	–	–	–	–
Customer 7	14 100	27 150	–	–
Customer 8	246 387	228 416	–	–
Customer 9	52 725	36 305	–	–
Customer 10	48 000	–	–	–
Customer 11	–	–	–	–
Other	7 925	6 137	–	–
4E oz sold	885 347	737 923	–	–

Revenue from customer 4 relates to toll treatment revenue and not the sale of metal and customer 6 is a chrome customer, therefore no 4E ounce volumes are sold to these customers.

Customer 11 and the majority of the other revenue category relates to customers to which by-products are sold, and is therefore excluded from the analysis of 4E oz.

During F2022, customer 10 only purchased by-products, therefore no 4E ounce volumes is disclosed for this customer.

4. Operating costs

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Employee costs	7 450 825	5 849 719	–	–
Stores: Diesel and fuel	346 920	226 430	–	–
Stores: Other	5 711 860	4 160 013	–	–
Utilities: Electricity costs	2 090 302	1 660 827	–	–
Utilities: Water costs	70 797	59 092	–	–
Sundries	1 240 283	1 005 974	–	–
Royalty charges	1 265 553	894 853	–	–
Share-based payment expenses (refer to note 33)	89 281	146 716	–	–
Toro Employee Empowerment Trust contribution	108 339	84 027	–	–
Employee profit share scheme	133 455	24 488	–	–
Ore material purchased from surface sources	–	139 879	–	–
Contractors	2 409 477	1 827 818	–	–
Carbon tax	1 407	1 138	–	–
Rehabilitation (refer to note 28)	(29 885)	65 438	–	–
Development costs capitalised to property, plant and equipment	(1 029 601)	(609 530)	–	–
	19 859 013	15 536 882	–	–

No operating costs were incurred relating to Northam Holdings company.

Operating costs per operating segment:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	US recycling operations 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000	R000
Employee costs	3 680 405	2 632 541	1 126 013	11 866	7 450 825
Stores: Diesel and fuel	53 438	200 282	93 200	–	346 920
Stores: Other	2 049 775	2 739 602	921 546	937	5 711 860
Utilities: Electricity cost	1 336 466	530 815	222 250	771	2 090 302
Utilities: Water cost	30 094	37 089	3 446	168	70 797
Sundries	440 321	661 472	125 607	12 883	1 240 283
Royalty charges	351 623	905 209	8 721	–	1 265 553
Share-based payment expenses	40 289	47 164	1 828	–	89 281
Toro Employee Empowerment Trust contribution	108 339	–	–	–	108 339
Employee profit share scheme	–	110 469	22 986	–	133 455
Contractors	896 241	912 669	597 269	3 298	2 409 477
Carbon tax	1 407	–	–	–	1 407
Rehabilitation	(9 675)	(10 597)	(9 613)	–	(29 885)
Development costs capitalised to property, plant and equipment	(66 625)	–	(962 976)	–	(1 029 601)
	8 912 098	8 766 715	2 150 277	29 923	19 859 013

Details of stores are further provided for additional disclosure:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	US recycling operations 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000	R000
Chemicals	171 372	465 109	157 038	208	793 727
Equipment	676 712	1 330 734	338 174	27	2 345 647
Explosives	135 271	292 801	34 627	–	462 699
Steel	535 351	412 185	132 659	–	1 080 195
Support	336 904	131 197	153 160	–	621 261
Various	194 165	107 576	105 888	702	408 331
	2 049 775	2 739 602	921 546	937	5 711 860

Percentage breakdown of operating costs per operating segment:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	US recycling operations 30 June 2023	Total 30 June 2023
	%	%	%	%	%
Employee costs	40.9	30.0	36.1	39.7	35.6
Stores: Diesel and fuel	0.6	2.3	3.0	–	1.7
Stores: Other	22.8	31.2	29.5	3.1	27.3
Utilities: Electricity cost	14.9	6.1	7.1	2.6	10.0
Utilities: Water cost	0.3	0.4	0.1	0.6	0.3
Sundries	4.9	7.5	4.0	43.0	5.9
Royalty charges	3.9	10.3	0.3	–	6.1
Share-based payment expenses	0.4	0.5	0.1	–	0.5
Toro Employee Empowerment Trust contribution	1.2	–	–	–	0.5
Employee profit share scheme	–	1.3	0.7	–	0.6
Contractors	10.0	10.4	19.1	11.0	11.5
Carbon tax	0.1	–	–	–	0.0
	100.0	100.0	100.0	100.0	100.0

Operating costs per operating segment:

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000
Employee costs	3 148 513	1 989 963	700 715	10 528	5 849 719
Stores: Diesel and fuel	29 557	146 408	50 465	–	226 430
Stores: Other	1 705 993	1 894 262	558 335	1 423	4 160 013
Utilities: Electricity cost	1 094 756	410 291	154 865	915	1 660 827
Utilities: Water cost	29 939	26 959	2 118	76	59 092
Sundries	437 098	477 451	81 237	10 188	1 005 974
Royalty charges	227 926	666 689	238	–	894 853
Share-based payment expenses	59 603	72 380	14 733	–	146 716
Toro Employee Empowerment Trust contribution	84 027	–	–	–	84 027
Employee profit share scheme	–	18 994	5 494	–	24 488
Ore material purchased from surface sources	15 000	–	124 879	–	139 879
Contractors	786 489	710 356	328 225	2 748	1 827 818
Carbon tax	1 138	–	–	–	1 138
Rehabilitation	5 142	3 022	57 274	–	65 438
Development costs capitalised to property, plant and equipment	–	(61 394)	(548 136)	–	(609 530)
	7 625 181	6 355 381	1 530 442	25 878	15 536 882

Details of stores are further provided for additional disclosure:

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000
Chemicals	116 058	275 332	65 139	263	456 792
Equipment	634 165	909 622	276 730	72	1 820 589
Explosives	100 774	212 578	14 828	–	328 180
Steel	410 819	310 649	64 226	–	785 694
Support	233 065	97 920	63 242	–	394 227
Various	211 112	88 161	74 170	1 088	374 531
	1 705 993	1 894 262	558 335	1 423	4 160 013

Percentage breakdown of operating costs per operating segment:

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	US recycling operations 30 June 2022	Total 30 June 2022
	%	%	%	%	%
Employee costs	41.3	31.0	33.7	40.7	36.2
Stores: Diesel and fuel	0.4	2.3	2.4	–	1.4
Stores: Other	22.4	29.5	26.9	5.5	25.8
Utilities: Electricity cost	14.3	6.4	7.4	3.5	10.3
Utilities: Water cost	0.4	0.4	0.1	0.3	0.4
Sundries	5.7	7.4	3.9	39.4	6.2
Royalty charges	3.0	10.4	0.0	–	5.5
Share-based payment expenses	0.8	1.1	0.7	–	0.9
Toro Employee Empowerment Trust contribution	1.1	–	–	–	0.5
Employee profit share scheme	–	0.3	0.3	–	0.2
Ore material purchased from surface sources	0.2	–	6.0	–	0.9
Contractors	10.3	11.1	15.8	10.6	11.3
Carbon tax	0.0	–	–	–	0.0
Rehabilitation	0.1	0.1	2.8	–	0.4
	100.0	100.0	100.0	100.0	100.0

5. Investment income

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Interest received on cash and cash equivalents	197 104	76 985	50	4 725
Dividend income received from short-term investments	3 627	2 585	–	–
Interest received on cash held in escrow	467 621	–	467 621	–
Interest received from suspensive sale agreements	4 157	3 746	–	–
Interest received relating to the Northam Platinum Restoration Trust Fund (refer to note 17)	12 379	6 883	–	–
Interest received by the Buttonshope Conservancy Trust (including interest earned on the investment held in escrow) (refer to note 19)	906	672	–	–
Deemed interest on the interest-free home loans	10 941	6 917	–	–
Interest received from the South African Revenue Service	54 850	1 045	–	–
Interest received on advances paid to Zambezi Ordinary Shareholders as part of the Composite Transaction	–	7 359	–	–
Other	309	158	–	–
	751 894	106 350	467 671	4 725

Below is a reconciliation of interest recognised on the effective interest rate method in comparison to investment income disclosed above:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Interest recognised on the effective interest rate method	748 267	103 765	467 671	4 725
Dividend income received from short-term investments	3 627	2 585	–	–
Investment income	751 894	106 350	467 671	4 725

6. Finance charges excluding Zambezi Preference Share dividends

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Finance costs relating to the Domestic Medium-Term Notes (refer to note 31)	(1 498 193)	(733 809)	–	–
Finance costs relating to the revolving credit facility (refer to note 34)	(426 610)	(116 380)	–	–
Finance costs relating to the general banking facility (refer to note 23)	(3 051)	(4 012)	–	–
Finance costs relating to the Term loan facility (refer to note 35)	(158 922)	–	–	–
Finance costs relating to the Acquisition facility (refer to note 36)	–	–	–	–
Finance costs relating to the Bridge facility (refer to note 38)	(31 128)	(80 057)	–	–
Amounts capitalised in terms of IAS 23 Borrowing costs (refer to note 11)	177 580	64 640	–	–
Commitment and utilisation fees on borrowing facilities (refer to notes 23, 34 and 36)	(58 016)	(30 992)	(14 816)	–
Guarantee fees with regards to the Takeover Regulation Panel (TRP) guarantee issued (refer to note 36)	(9 964)	–	(9 964)	–
Amortisation of the transaction costs relating to the Domestic Medium-Term Notes (refer to note 31)	(106 258)	(151 628)	–	–
Amortisation of the transaction costs relating to the revolving credit facility (refer to note 34)	(43 531)	(7 321)	–	–
Amortisation of the transaction costs relating to the Term loan facility (refer to note 35)	(59 504)	–	–	–
Amortisation of the transaction costs relating to the Acquisition facility (refer to note 36)	(111 235)	–	(111 235)	–
Finance costs relating to the Deferred Acquisition Consideration (refer to note 37)	(49 183)	(331 409)	(49 183)	(331 409)
Amortisation of the transaction costs relating to the Bridge facility (refer to note 38)	(30 688)	(32 562)	–	–
Unwinding of rehabilitation liability (refer to note 28)	(82 680)	(69 896)	–	–
Finance costs relating to lease liabilities (refer to note 30)	(6 752)	(6 981)	–	–
Interest on Employee Labour Court judgement (refer to note 50)	–	(16 010)	–	–
Interest on loan from Northam Platinum Limited (refer to note 20)	–	–	(467 621)	–
Interest on outstanding balance payable to the Toro Employee Empowerment Trust	(37 906)	(15 935)	–	–
Other financial liabilities	(4 092)	(2 250)	–	–
	(2 540 133)	(1 534 602)	(652 819)	(331 409)

7. Sundry income

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Rent received	12 847	2 590	–	–
Sale of scrap	11 765	20 682	–	–
Profit on sale of property, plant and equipment and mining properties and Mineral Resources	13 642	22 376	–	–
Accommodation and housing income	186	91	–	–
Environmental guarantee investments income (refer to note 18)	6 141	3 005	–	–
Profit on modification and unwinding of the agreement terms relating to the research and development liability with Heraeus Deutschland Gmbh & Co. KG (refer to note 29)	6 200	43 493	–	–
COVID-19 Temporary Employee Relief Scheme refund (refer to note 52)	–	6 241	–	–
Revaluation of the Call Options relating to RBPlat Shares (refer to note 24)	–	41 013	–	41 013
Lock-in Fee forfeited due to Disposal Event	–	32 420	–	–
Other income	27 332	828	–	–
	78 113	172 739	–	41 013

8. Sundry expenditure

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Corporate action costs	(180 280)	(286 614)	(164 372)	(90 004)
Booysendal land management, including depreciation relating to the Buttonshope Conservancy Trust	(11 331)	(10 777)	–	–
Accommodation and housing expenses	(5 048)	(3 143)	–	–
Black Economic Empowerment Trust operating costs	(27 446)	(18 410)	–	–
Administrative costs relating to Zambezi Platinum (RF) Proprietary Limited	(1 209)	(1 570)	–	–
Environmental guarantee cost (refer to note 18)	(6 174)	(6 526)	–	–
Donations	(470)	(703)	–	–
Settlement of the VAT dispute with the South African Revenue Service (refer to note 51)	–	(16 784)	–	–
Revaluation of the Put Options relating to RBPlat Shares (refer to note 24)	(131 485)	–	(131 485)	–
Other expenditure	(45 353)	(29 286)	(23 254)	(11 739)
	(408 796)	(373 813)	(319 111)	(101 743)

Corporate action costs for the current financial year relates to costs associated with the investment in RBPlat. During the previous financial year corporate action costs included costs associated with the Composite Transaction. The Composite Transaction was approved by Northam Platinum shareholders on 30 June 2021.

9. Tax

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Income tax				
Current mining income tax charge	2 651 224	3 050 099	–	–
Current non-mining income tax charge	139 486	101 319	–	1 079
Adjustment in respect of current income tax of the previous year	(3 198)	(14 636)	242	–
Dividend Withholding Tax				
Current year Dividend Withholding Tax	–	5 391	–	–
Deferred tax				
Current year deferred tax charge	1 402 283	881 277	–	–
Change in the South African company tax rate from 28% to 27%	–	(143 676)	–	–
Income tax expense reported in profit or loss	4 189 795	3 879 774	242	1 079

A reconciliation of the standard rate of South African tax compared with that charged in the statement of profit or loss and other comprehensive income is set out below:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	%	%	%	%
South African normal tax rate	27.0	28.0	27.0	28.0
Adjustment in respect of current income tax of the previous year	(0.0)	(0.1)	0.0	–
Exempt income received	(0.8)	(1.8)	5.0	(108.6)
Impairment of the investment in associate which is not tax deductible	16.4	–	(28.8)	–
Expenditure and contingencies incurred which are non-deductible, mainly relating to corporate action costs	1.8	0.8	(2.0)	81.3
Unproductive interest and related costs incurred which is not tax deductible	3.1	1.6	(1.2)	–
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	2.1	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	12.5	–	–	–
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	0.1	–	–
Zambezi Preference Share dividends disallowed	–	0.1	–	–
Loss on derecognition of Zambezi Preference Share liability	–	0.6	–	–
Change in the corporate tax rate relating to the deferred tax balances	–	(1.0)	–	–
Effective tax rate	62.1	28.3	(0.0)	0.7

On 23 February 2022, the South African Minister of Finance confirmed that the corporate tax rate reductions announced in the 2021 budget speech would become effective for companies from the year of assessment ending on or after 31 March 2023. This changed the corporate tax rate from 28.0% to 27.0% during F2022.

10. Earnings per share, headline earnings per share and fully diluted earnings per share

Below is a reconciliation of basic earnings, being the net profit attributable to ordinary equity shareholders (profit for the year), to headline earnings.

Headline earnings is calculated by starting with the basic earnings in terms of IAS 33 Earnings Per Share and then excluding all re-measurements that have been identified in the SAICA Circular 1/2023.

Headline earnings per share is based on the headline earnings and is reconciled to profit attributable to shareholders (profit for the year), as per the reconciliation below:

	Group	
	30 June 2023	**30 June 2022**
	R000	R000
Profit for the year	2 554 043	9 845 804
Impairment of property, plant and equipment with no deferred tax asset recognised	2 718 275	–
Impairment of investment in associate with no income tax impact	4 103 608	–
Profit on sale of property, plant and equipment and mining properties and Mineral Resources	(13 642)	(22 376)
Tax effect on profit on sale of property, plant and equipment and mining properties and Mineral Resources	3 683	6 265
Associate: Adjustment for loss/(profit) on disposal of property, plant and equipment and housing assets net of tax	2 692	(2 244)
Associate: Adjustment for impairment of assets net of tax	55 368	4 142
Headline earnings	9 424 027	9 831 591

The weighted average number of shares in issue has been calculated as follows:

The weighted average number of Northam Holdings Shares in issue outside the group for the purpose of calculating the earnings per share is calculated as the number of shares in issue less Treasury Shares held.

	Group	
	30 June 2023	**30 June 2022**
	Weighted average number of shares	Weighted average number of shares
Weighted average number of shares in issue at the beginning of the year	390 237 523	349 875 759
Net Value Share Distribution of 20 533 102 to the Zambezi Ordinary Shareholders	–	16 764 012
14 571 063 Northam Holdings Shares repurchased from the Strategic Partners	–	(11 217 722)
34 399 725 Northam Holdings Shares issued pursuant to the purchase of an initial investment of 93 930 378 RBPlat Shares (refer to note 13)	–	21 111 064
Weighted average number of shares in issue	390 237 523	376 533 113

Below is a reconciliation of the fully diluted number of shares in issue:

Fully diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary equity shareholders (profit for the year), by the weighted average number of Northam Holdings Shares outstanding plus the weighted average number of Northam Holdings Shares that would be issued on the conversion of all the dilutive potential Northam Holdings Shares into Northam Holdings Shares.

	Group	
	30 June 2023	**30 June 2022**
	Number of shares	Number of shares
Weighted average number of shares in issue	390 237 523	376 533 113
Adjusted for:		
Performance and retention share awards including the Lock-in and incentive mechanism share awards	–	–
Put and Call Options relating to the potential purchase of additional RBPlat Shares	–	–
Fully diluted number of shares in issue	390 237 523	376 533 113

Performance and retention share awards including the Lock-in and incentive mechanism share awards are not considered to have a dilutionary impact as all share awards will be settled in cash, in order to avoid any dilution.

Put and Call Options relating to the potential purchase of additional shares in RBPlat

The Option Consideration may be settled in cash (Option Cash Consideration) or Northam Holdings Shares, or a combination thereof, at Northam Holdings' election. Should Northam Holdings elect to settle all or a portion of the Option Consideration in Northam Holdings Shares, the number of Northam Holdings Shares shall be determined by dividing the relevant portion of the Option Consideration by the 5-Day VWAP at which a Northam Holdings Share trades on the JSE as at the immediately preceding trading date to the date on which the Call Option or Put Option, as the case may be, is exercised, rounded up to the nearest whole number. These options are not considered dilutive as it would not result in the issue of Northam Holdings Shares for less than the average market price at the date of settlement.

Subsequent to year-end, the Put and Call Options were cancelled for no consideration.

Fully diluted headline earnings per share are based on the headline earnings and the average number of potential diluted shares in issue:

	Group	
	30 June 2023	**30 June 2022**
Basic earnings per share (cents)	654.5	2 614.9
Fully diluted earnings per share (cents)	654.5	2 614.9
Headline earnings per share (cents)	2 414.9	2 611.1
Fully diluted headline earnings per share (cents)	2 414.9	2 611.1
Dividends per share declared subsequent to year-end (cents)	600.0	–
Weighted average number of shares in issue	390 237 523	376 533 113
Fully diluted number of shares in issue	390 237 523	376 533 113
Number of shares in issue including Treasury Shares	396 615 878	396 615 878
Treasury Shares in issue	(6 378 355)	(6 378 355)
Shares in issue adjusted for Treasury Shares	390 237 523	390 237 523

11. Property, plant and equipment

Property, plant and equipment balances for the group are made up as follows:

Group	Shafts, mining development and infrastructure R000	Metallurgical and refining plants R000	Land and buildings R000	General infrastructure including other assets R000	Decommissioning assets R000	Right-of-use assets R000	Assets under construction R000	Total R000
Cost								
Opening balance as at 1 July 2021	14 138 187	4 682 113	787 725	756 348	371 937	98 448	3 168 521	24 003 279
Reassessment of IFRS 16 Leases (refer to note 30)	–	–	–	–	–	432	–	432
Foreign currency translation movements	–	3 014	17 258	–	–	–	–	20 272
Additions	12 000	–	12 969	–	–	–	4 545 254	4 570 223
Transfer from assets under construction	1 761 268	1 040 956	4 373	62 133	–	–	(2 868 730)	–
Disposals and write-offs	–	(2 296)	(1 923)	(26 846)	–	–	–	(31 065)
Present value of decommissioning asset capitalised (refer to note 28)	–	–	–	–	13 310	–	–	13 310
Borrowing costs capitalised (refer to note 6)	–	–	–	–	–	–	64 640	64 640
Closing cost as at 30 June 2022	15 911 455	5 723 787	820 402	791 635	385 247	98 880	4 909 685	28 641 091
Reassessment of IFRS 16 Leases (refer to note 30)	–	–	–	–	–	20 270	–	20 270
Foreign currency translation movements	–	4 017	21 994	–	–	–	–	26 011
Additions	–	–	–	–	–	–	5 570 345	5 570 345
Transfer from assets under construction	1 891 050	270 597	10 216	151 003	–	–	(2 322 866)	–
Disposals and write-offs	–	(251)	(5 036)	(5 261)	–	(26 658)	–	(37 206)
Present value of decommissioning asset capitalised (refer to note 28)	–	–	–	–	(56 619)	–	–	(56 619)
Borrowing costs capitalised (refer to note 6)	–	–	–	–	–	–	177 580	177 580
Closing cost as at 30 June 2023	17 802 505	5 998 150	847 576	937 377	328 628	92 492	8 334 744	34 341 472

Group	Shafts, mining development and infrastructure R000	Metallurgical and refining plants R000	Land and buildings R000	General infrastructure including other assets R000	Decommissioning assets R000	Right-of-use assets R000	Assets under construction R000	Total R000
Accumulated depreciation								
Opening balance as at 1 July 2021	(3 273 707)	(1 032 984)	(259 915)	(277 458)	(15 686)	(27 386)	–	(4 887 136)
Foreign currency translation movements	–	(1 260)	(4 134)	–	–	–	–	(5 394)
Depreciation	(630 252)	(164 953)	(23 873)	(54 568)	(2 339)	(10 457)	–	(886 442)
Disposals and write-offs	–	1 718	1 458	21 552	–	–	–	24 728
Accumulated depreciation balance as at 30 June 2022	(3 903 959)	(1 197 479)	(286 464)	(310 474)	(18 025)	(37 843)	–	(5 754 244)
Foreign currency translation movements	–	(2 102)	(6 299)	–	–	–	–	(8 401)
Depreciation	(761 259)	(196 813)	(24 632)	(67 151)	(4 645)	(7 895)	–	(1 062 395)
Disposals and write-offs	–	236	3 051	4 832	–	26 658	–	34 777
Impairment of assets (refer to note 12)	–	–	–	–	–	–	(2 718 275)	(2 718 275)
Accumulated depreciation and impairment balance as at 30 June 2023	(4 665 218)	(1 396 158)	(314 344)	(372 793)	(22 670)	(19 080)	(2 718 275)	(9 508 538)
Net book value as at 30 June 2022	12 007 496	4 526 308	533 938	481 161	367 222	61 037	4 909 685	22 886 847
Net book value as at 30 June 2023	13 137 287	4 601 992	533 232	564 584	305 958	73 412	5 616 469	24 832 934

A register containing the information required by regulation 25(3) of the Companies Regulations 2011 is available for inspection at the registered office of the company.

No property, plant and equipment are recorded in respect of Northam Holdings company.

Significant judgements: Capitalisation of borrowing costs in terms of IAS 23 Borrowing costs

IAS 23 Borrowing costs requires borrowing costs to be capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset (whether or not the funds have been borrowed specifically for any qualifying projects). These borrowing costs are included in the cost of the asset and all other borrowing costs are recognised as an expense in the period in which they occur.

IAS 23 defines a qualifying asset as an asset that necessarily takes a substantial period of time to get ready for its intended use. IAS 23 does not define a substantial period of time and this will therefore require the exercise of judgement after considering the specific facts and circumstances. Northam regards an asset that normally takes 12 months or more to be ready for its intended use to be a qualifying asset.

Borrowing costs on the Kukama shaft have been capitalised at the average cost of borrowings of the group.

Borrowing costs were capitalised at the weighted average cost of borrowing of 10.27% (30 June 2022: 7.24%).

An amount of R177.6 million was capitalised during the year in Eland (30 June 2022: R64.6 million), refer to note 6.

Significant judgements: Impairment of assets

Refer to note 12 for details with regards to the significant judgements and estimates relating to the impairment of assets and the assessment of cash generating units.

Significant judgements and estimates: Calculation of depreciation

Mining assets are depreciated on a units of production basis, based on Mineral Reserves, which are revised annually.

When items of plant and equipment comprise separate, identifiable components that have different useful lives, such components are depreciated according to their individual useful lives.

Office equipment, furniture and vehicles are depreciated using varying rates ranging between 10% and 20% on a straight-line basis over their expected useful lives.

Buildings are depreciated on a straight-line basis over the estimated useful life, which is generally the life of mine.

12. Mining properties and Mineral Resources

Group	Current production Mineral Reserves and Mineral Resources R000	Project Mineral Reserves and Mineral Resources R000	Total R000
Cost			
Opening balance as at 1 July 2021	2 026 164	5 028 056	7 054 220
Reallocation between current and project Mineral Reserves and Mineral Resources	608 722	(608 722)	–
Disposal	(23 620)	–	(23 620)
Closing balance as at 30 June 2022	2 611 266	4 419 334	7 030 600
Additions	–	–	–
Closing balance as at 30 June 2023	2 611 266	4 419 334	7 030 600
Accumulated depreciation			
Opening balance as at 1 July 2021	(474 714)	–	(474 714)
Depreciation	(46 232)	–	(46 232)
Disposal	15 376	–	15 376
Closing balance as at 30 June 2022	(505 570)	–	(505 570)
Depreciation	(84 784)	–	(84 784)
Closing balance as at 30 June 2023	(590 354)	–	(590 354)
Net book value as at 30 June 2022	2 105 696	4 419 334	6 525 030
Net book value as at 30 June 2023	2 020 912	4 419 334	6 440 246

No mining properties and Mineral Resources are recorded in respect of Northam Holdings company.

Significant judgements and estimates: Impairment of assets and assessment of cash generating units

The group assesses at each reporting date, whether there are indications that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash generating units (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets then the recoverable amount is determined for the CGU. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment testing requires management to make significant judgements concerning the existence of impairment indicators, identification of CGUs and estimates of projected cash flows. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

In assessing recoverable values, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining recoverable values, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for mineral assets is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans, using assumptions that an independent market participant may take into account. Cash flows are discounted by an appropriate discount rate to determine the net present value.

The group bases its impairment calculations on approved budgets and the latest forecast. These budgets and forecast generally cover a period of five years and extended to life of mine using life of mine production and long-term real prices and costs.

The determined recoverable value is most sensitive to commodity prices, the US dollar exchange rate and the discount rate. Other judgements made by management include capital expenditure, operating costs, production levels, inflation factors and extent of life of mine.

The following key assumptions were made by management, which are based on management's interpretation of market forecasts for the future.

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Long-term real platinum price	USD/oz	1 289	1 537	–	–
Long-term real palladium price	USD/oz	1 289	1 537	–	–
Long-term real rhodium price	USD/oz	9 000	18 079	–	–
Long-term real gold price	USD/oz	1 507	1 537	–	–
Long-term real ruthenium price	USD/oz	532	542	–	–
Long-term real iridium price	USD/oz	3 989	4 068	–	–
Long-term real nickel price	USD/t	21 275	18 079	–	–
Long-term real copper price	USD/t	8 864	9 040	–	–
Long-term real chrome price	USD/t	177	163	–	–
Long-term real USD exchange rate	R/USD	R16.67	R14.52	–	–
Long-term real discount rate	%	11.82	11.34	–	–

These estimates are subject to risks and uncertainties including the achievement of mine plans.

Long term prices have been estimated based on the cost of production for high cost producers. Should the world need PGMs, these producers will be required to make a margin in order to continue the production of PGMs.

Management also estimated the recoverable amount of Mineral Resources (based on the *in situ* 4E available ounces) outside the approved mine plans.

For those assets, the recoverable amount is calculated on a fair value less cost of disposal basis taking into account earlier binding sales agreements between market participants as well as the market capitalisation of PGM exploration companies relative to their resources base. Below is the value that has been attributed to the recoverable value of Mineral Resources:

		Group		Company	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
4E *in situ* available ounce value	USD/oz	8.25	10.15	–	–

Recent adverse market developments have resulted in material contraction in profit margins and cash generation capacity across the PGM industry. As a consequence, the commodity price assumptions have been adjusted downward from those used in the prior year.

Based on the impairment assessments performed by management, the recoverable values for all CGUs are higher than their respective carrying amounts except for assets under construction relating to Eland Platinum Proprietary Limited which had a recoverable value of R1.5 billion.

The impairment assessment included sensitivities of 5% in either commodity prices or the US dollar exchange rate, which still indicate sufficient headroom relating to the remaining CGUs for which no impairment was required. If either long-term commodity prices or exchange rates improve by 5%, the recoverable value for Eland will increase by R1.3 billion.

Significant judgements and estimates: Mineral Reserve and Mineral Resource estimates (life of mine)

The estimation of Mineral Reserves impacts depreciation and the recoverable value of assets.

Mineral Reserves are estimates of the amount of ore that can be economically and legally extracted from the group’s mining properties. The group estimates its Mineral Resources based on information compiled by appropriately qualified persons, relating to the size, depth, shape and metal tenor of the ore body. This requires complex geological judgements in interpretation. Consideration of economic factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs are then incorporated in the estimation of recoverable Mineral Reserves. Changes in the Mineral Reserves estimates may impact the carrying amount of exploration and evaluation assets, mine properties, property, plant and equipment, recognition of deferred tax assets (if any) and depreciation and amortisation charges. The group estimates and reports Mineral Reserves in line with the principles contained in the South African Code for Reporting of Mineral Resources and Mineral Reserves of 2007, revised in 2016 (the SAMREC Code 2016).

Factors that impact the estimation of Mineral Reserves and Mineral Resources, which may lead to variances between planned and achieved outcomes, include:

- the grade of Mineral Reserves – deviation from the planned mining cut may result in the achieved grade varying from the grade of Mineral Reserves;
- commodity prices, discount rates and foreign exchange rate estimations – variance in which may lead to different revenue outcomes;
- operating, mining, processing and refining costs; and
- capital costs.

Cognisance is also given to the tenure of mining licenses relating to the operations when life of mine calculations are performed.

13. Interest in associates

The interest in associates is made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Royal Bafokeng Platinum Limited	12 943 355	17 688 771	12 943 355	17 447 897
SSG Holdings Proprietary Limited	115 329	90 094	–	–
Transfer to non-current assets held for sale	–	(90 094)	–	–
	13 058 684	17 688 771	12 943 355	17 447 897

Below is a reconciliation of the interest in associates at a group level:

	Investment in Royal Bafokeng Platinum Limited	Interest in SSG Holdings Proprietary Limited	Total
	R000	R000	R000
Opening balance as at 1 July 2021	–	68 231	68 231
Acquisition of investment in Royal Bafokeng Platinum Limited	16 421 620	–	16 421 620
Additional investment in Royal Bafokeng Platinum Limited	1 026 277	–	1 026 277
Amounts recognised in profit or loss: share of earnings from associates	893 954	22 469	916 423
Amounts recognised in profit or loss: amortisation of the at acquisition fair value uplift	(116 905)	–	(116 905)
Dividends received	(536 175)	(606)	(536 781)
Transfer to non-current assets held for sale	–	(90 094)	(90 094)
Closing balance as at 30 June 2022	17 688 771	–	17 688 771
Transfer from non-current assets held for sale to interest in associates	–	90 094	90 094
Amounts recognised in profit or loss: share of earnings from associates	265 276	25 235	290 511
Amounts recognised in profit or loss: amortisation of the at acquisition fair value uplift	(125 371)	–	(125 371)
Dividends received	(781 713)	–	(781 713)
Impairment recognised	(4 103 608)	–	(4 103 608)
Closing balance as at 30 June 2023	12 943 355	115 329	13 058 684

Below is a reconciliation of the interest in associates at a Northam Holdings company level:

	Investment in Royal Bafokeng Platinum Limited	Total
	R000	R000
Opening balance as at 1 July 2021	–	–
Acquisition of investment in Royal Bafokeng Platinum Limited	16 421 620	16 421 620
Additional investment in Royal Bafokeng Platinum Limited	1 026 277	1 026 277
Closing balance as at 30 June 2022	17 447 897	17 447 897
Impairment recognised	(4 504 542)	(4 504 542)
Closing balance as at 30 June 2023	12 943 355	12 943 355

The proportion of ownership interest is the same as the proportion of voting rights held on both these investments and the investments are considered significant and accounted for as associates.

Investment in RBPlat

In November 2021, Northam Holdings acquired 93 930 378 shares in Royal Bafokeng Platinum Limited (RBPlat) (Acquisition Shares) from RBIH, a wholly owned subsidiary of RBH. RBPlat is a mid-tier PGM producer registered in the Republic of South Africa and listed on the JSE (under JSE share code: RBP).

The purchase consideration for the Acquisition Shares was settled by Northam Holdings through the issue of 34 399 725 Northam Holdings Shares to RBIH, with the balance of R8.6 billion settled in cash. R3.0 billion was paid upfront, R4.0 billion was deferred to, and settled on, 29 April 2022 (R4.2 billion including escalation at the Escalation Rate) and the remaining R1.6 billion (R1.8 billion including escalation at the Escalation Rate) was settled on 30 September 2022.

As a result of the above transaction, RBIH obtained a strategic 8.7% shareholding in Northam Holdings.

The Deferred Acquisition Consideration escalated, from the Acquisition Implementation Date, being 19 November 2021, until the date of payment of the relevant Deferred Acquisition Consideration, at a nominal annual rate of 12.0% compounded quarterly in arrears (Escalation Rate). Refer to note 6 for the finance cost relating to the Deferred Acquisition Consideration.

Any amounts received by Northam Holdings in respect of any cash distribution declared and paid by RBPlat pertaining to the Acquisition Shares was required to be utilised to settle all or a part of the Deferred Acquisition Consideration that remained outstanding.

During the year Northam Holdings received a dividend in respect of its RBPlat Shares of R781.7 million of which R230.1 million was applied towards settling the Deferred Acquisition Consideration, refer to note 37, in terms of the purchase agreement.

Subsequent to the acquisition of the initial interest in RBPlat, a further 6 289 174 RBPlat Shares were acquired during December 2021, for R1.0 billion.

As at 30 June 2023, Northam Holdings held 100 219 552 RBPlat Shares, with options and a ROFR over a further 9 513 471 RBPlat Shares.

Significant judgement: Impairment assessment relating to the investment in RBPlat

Impairment testing was performed on the investment held in RBPlat. Impairment testing requires management to make significant judgements concerning the existence of impairment indicators and estimates of projected cash flows.

Subsequent to year-end, the investment in RBPlat was sold into the Impala Platinum Holdings Limited (Implats) Mandatory Offer, details of which is contained in the Implats Mandatory Offer Circular. The Offer Consideration per RBPlat Share tendered into the Implats Mandatory Offer amounted to R90.00 in cash and 0.3 new ordinary shares in Implats.

Northam Holdings therefore received R9.0 billion in cash and 30 065 866 Implats Shares (JSE share code: IMP).

Management's assessment of the Value in Use (VIU) calculation using the assumptions as disclosed in note 12, including a minority discount of 12.5% was relatively in line with the proceeds which was received from selling into the Implats Mandatory Offer.

The Offer Consideration was therefore used to determine the recoverable amount of the investment in RBPlat on the basis that it approximates the VIU which was higher than the fair value less cost of disposal.

Subsequent to year-end, Northam Holdings concluded on-market disposals in respect of 27 541 147 Implats Shares, representing a loss of R721.2 million.

Below is a summary of the Put and Call Options outstanding to acquire additional RBPlat Shares at the reporting date:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Number of RBPlat Shares	Number of RBPlat Shares	Number of RBPlat Shares	Number of RBPlat Shares
Put and Call Options with Royal Bafokeng Investment Holding Company Proprietary Limited	1 673 695	1 673 695	1 673 695	1 673 695
Call Options with EMI which includes the 1 891 342 Put Option shares	4 472 103	4 472 103	4 472 103	4 472 103
Right of first refusal (ROFR) in respect of RBPlat Shares held by EMI	3 367 673	3 367 673	3 367 673	3 367 673
Total number of potential additional RBPlat Shares that could be acquired by Northam Platinum Holdings Limited pursuant to the Put and Call Option and ROFR arrangements	9 513 471	9 513 471	9 513 471	9 513 471

Subsequent to year-end the Put and Call Options as well as the ROFRs were cancelled on 20 July 2023 for no consideration.

Below is a reconciliation of the value in the investment in RBPlat based on the equity method to the net asset value of the investment:

	30 June 2023	30 June 2022
	R000	R000
Net asset value of Royal Bafokeng Platinum Limited	22 772 800	24 194 300
Northam's share of net asset value	7 860 865	8 351 548
At acquisition fair value adjustment including goodwill	9 161 616	9 161 616
Subsequent fair value adjustment with the decrease in shareholding from 34.68% to 34.52% due to an increase in the number of shares in issue	115 742	115 742
Items accounted directly through equity	151 016	176 770
Amortisation of at acquisition fair value adjustments	(242 276)	(116 905)
Impairment recognised	(4 103 608)	–
Value of investment in associate based on the equity method of accounting	12 943 355	17 688 771

Significant judgements and estimates: Determination of the fair value for the investment held in RBPlat

At acquisition, the provisional estimation of the fair value of the identifiable net assets acquired were determined on the expected discounted cash flows based on the life of mine of the two mining operations, Styldrift and Bafokeng Rasimone Platinum Mine (BRPM).

The determination of fair value attributable to the investment in RBPlat at acquisition, was based on information publicly available.

Below is a summary of the statement of profit or loss and other comprehensive income, together with the statement of financial position of RBPlat, as detailed in their financial results and therefore disclosed at 100%.

Statement of profit or loss and other comprehensive income of RBPlat for the 12-month period ended 30 June 2023:

	Royal Bafokeng Platinum Limited 6 months ended 30 June 2023	Royal Bafokeng Platinum Limited Calculated 6 months ended 31 December 2022	Royal Bafokeng Platinum Limited 12 months ended 31 December 2022	Royal Bafokeng Platinum Limited 6 months ended 30 June 2022
	R000	R000	R000	R000
Revenue	5 805 400	7 737 900	15 911 300	8 173 400
Cost of sales*	(6 200 300)	(6 268 000)	(11 669 200)	(5 401 200)
Gross profit	(394 900)	1 469 900	4 242 100	2 772 200
Other income	464 200	541 100	751 500	210 400
Other expenses*	(17 400)	(200)	(42 400)	(42 200)
Administrative expenses	(257 500)	(158 900)	(348 000)	(189 100)
Impairment of assets	–	(221 500)	(239 500)	(18 000)
Finance income	265 300	214 500	386 800	172 300
Finance cost	(166 800)	(170 100)	(329 300)	(159 200)
(Loss)/profit before tax	(107 100)	1 674 800	4 421 200	2 746 400
Income tax expense	(232 500)	(566 700)	(1 100 600)	(533 900)
(Loss)/profit for the period/year	(339 600)	1 108 100	3 320 600	2 212 500
Other comprehensive income for the period/year	–	–	–	–
Total comprehensive income for the period/year	(339 600)	1 108 100	3 320 600	2 212 500

**The 2022 Maseve care and maintenance and other costs of R15.6 million incurred after the RBPlat group reorganisation and amalgamation was concluded and have been reclassified from cost of sales to other expenses based on their nature.*

RBPlat financial results are disclosed in R million, rounded to 1 decimal and therefore adjusted for disclosure.

Statement of profit or loss and other comprehensive income of RBPlat for the 12-month period ended 30 June 2022:

	Royal Bafokeng Platinum Limited 6 months ended 30 June 2022	Royal Bafokeng Platinum Limited Calculated 6 months ended 31 December 2021	Royal Bafokeng Platinum Limited 12 months ended 31 December 2021	Royal Bafokeng Platinum Limited 6 months ended 30 June 2021
	R000	R000	R000	R000
Revenue	8 173 400	6 844 400	16 428 700	9 584 300
Cost of sales*	(5 401 200)	(5 196 000)	(9 618 800)	(4 422 800)
Gross profit	2 772 200	1 648 400	6 809 900	5 161 500
Other income	210 400	618 400	1 062 300	443 900
Other expenses*	(42 200)	273 000	(18 500)	(291 500)
Administrative expenses	(189 100)	(197 800)	(363 100)	(165 300)
Impairment of assets	(18 000)	–	–	–
Finance income	172 300	136 600	255 100	118 500
Finance cost	(159 200)	(166 600)	(694 700)	(528 100)
Profit before tax	2 746 400	2 312 000	7 051 000	4 739 000
Income tax expense	(533 900)	(695 000)	(541 100)	153 900
Profit for the period/year	2 212 500	1 617 000	6 509 900	4 892 900
Other comprehensive income for the period/year	–	–	–	–
Total comprehensive income for the period/year	2 212 500	1 617 000	6 509 900	4 892 900

**The 2022 Maseve care and maintenance and other costs of R15.6 million (2021: R18.5 million) incurred after the RBPlat group reorganisation and amalgamation was concluded and have been reclassified from cost of sales to other expenses based on their nature.*

RBPlat financial results are disclosed in R million, rounded to 1 decimal and therefore adjusted for disclosure.

Statement of financial position of RBPlat:

	Royal Bafokeng Platinum Limited 30 June 2023	Royal Bafokeng Platinum Limited 30 June 2022
	R000	R000
Assets		
Non-current assets	23 972 900	23 578 600
Property, plant and equipment	17 361 700	16 889 000
Mining rights	4 969 100	5 120 100
Right-of-use assets	53 900	34 100
Environmental trust deposits and guarantee investments	337 200	287 700
Employee housing loan receivable	943 100	931 800
Employee housing benefit	242 300	256 400
Housing insurance investment	65 600	59 500
Current assets	10 343 600	12 193 700
Employee housing loan receivable	18 600	7 900
Employee housing benefit	21 900	21 400
Employee housing assets	264 300	481 000
Inventories	737 000	703 300
Trade and other receivables	4 649 200	5 671 600
Current tax receivable	114 200	394 700
Non-current assets held for sale	–	30 000
Cash and cash equivalents	4 538 400	4 883 800
Total assets	34 316 500	35 772 300
Equity and liabilities		
Total equity	22 772 800	24 194 300
Stated capital	12 522 300	12 504 900
Retained earnings	10 176 300	11 662 100
Share-based payment reserve	74 200	27 300
Non-current liabilities	9 436 000	9 563 800
Deferred tax liability	5 583 300	5 623 800
PIC housing facility	1 425 200	1 462 700
Deferred revenue	1 896 700	1 897 800
Restoration, rehabilitation and other provisions	349 800	254 000
Share-based payment liabilities	138 000	299 500
Lease liabilities	43 000	26 000
Current liabilities	2 107 700	2 014 200
Trade and other payables	1 429 100	1 297 900
Current portion of PIC housing facility	47 500	50 000
Current portion of deferred revenue	235 100	220 200
Current portion of share-based payment liabilities	383 600	436 700
Current portion of lease liabilities	12 400	9 400
Total equity and liabilities	34 316 500	35 772 300

RBPlat financial results are disclosed in R million, rounded to 1 decimal and therefore adjusted for disclosure.

Investment in SSG Holdings Proprietary Limited (SSG)

Interest in associates further comprise a 33.7% interest (30 June 2022: 33.7% interest) in SSG, a company registered in the Republic of South Africa. Northam Platinum owns 3 000 shares of the total of 8 900 issued shares of SSG.

SSG provides security, cleaning and facility services to the group.

Refer to note 48 for details on transactions between the group and SSG.

Significant judgement: Classification of non-current assets (or disposal groups) as held for sale

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable.

For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan must have been initiated. Further, the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value.

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset (or disposal group).

An entity shall measure a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

The investment in SSG was previously classified as a non-current asset held for sale, as the investment was available for immediate sale in its present condition and management believed that the sale was highly probable and was committed to a plan to sell the investment in SSG.

The investment remained at carrying amount, being the lower of the fair value less cost to sell and its carrying amount.

However, as a result of circumstances beyond management's control, the sale of the investment in SSG will no longer be realised and accordingly the investment was reclassified as an investment in an associate.

Below is a reconciliation of the value in the investment in SSG based on the equity method to the net asset value of the investment:

	30 June 2023	30 June 2022
	R000	R000
Net asset value of SSG Holdings Proprietary Limited	241 688	166 824
Northam's 33.7% share of net asset value	81 468	56 233
Impact of the adoption of IFRS 9	451	451
At acquisition fair value adjustment	10 717	10 717
Subsequent fair value adjustment with the increase in shareholding from 20% to 30% and the conversion of a loan to an equity investment	10 549	10 549
Fair value adjustment with the cancellation of 11% of issued shares in SSG Holdings Proprietary Limited, increasing Northam's investment from 30% to 33.7%	12 144	12 144
Value of investment in associate based on the equity method of accounting	115 329	90 094

Below is a summary of the statement of profit or loss and other comprehensive income of the associate, as detailed in their respective accounting records and therefore disclosed at 100%.

Statement of profit or loss and other comprehensive income of SSG:

	SSG Holdings Proprietary Limited	SSG Holdings Proprietary Limited
	30 June 2023	30 June 2022
	R000	R000
Revenue	1 342 417	1 162 723
Cost of sales	(124 766)	(86 859)
Gross profit	1 217 651	1 075 864
Other income	17 555	15 271
Operating expense	(1 132 239)	(1 005 440)
Operating profit	102 967	85 695
Investment revenue	288	–
Finance costs	(7 664)	(5 502)
Profit before taxation	95 591	80 193
Taxation	(20 727)	(13 533)
Total comprehensive income for the year	74 864	66 660

Statement of financial position of SSG:

	SSG Holdings Proprietary Limited 30 June 2023 R000	SSG Holdings Proprietary Limited 30 June 2022 R000
Assets		
Non-current assets	150 549	116 156
Property, plant and equipment	115 353	97 683
Intangible assets	22 316	2 000
Deferred tax asset	12 880	16 473
Current assets	341 092	234 931
Inventory	19 568	13 618
Trade and other receivables	296 755	194 095
Current tax receivable	6 280	3 919
Cash and cash equivalents	18 489	23 299
Total assets	491 641	351 087
Equity and liabilities		
Total equity	241 688	166 824
Non-current liabilities	47 133	45 499
Finance lease liabilities	–	18 829
Other financial liabilities	47 133	26 670
Current liabilities	202 820	138 764
Trade and other payables	130 296	116 634
Finance lease liabilities	–	18 125
Current tax payable	413	687
Other financial liabilities	43 883	–
Bank overdraft	28 228	3 318
Total equity and liabilities	491 641	351 087

14. Investment in subsidiaries

	Company	
	30 June 2023	**30 June 2022**
	R000	R000
Northam Platinum Limited	8 198 063	8 198 063
	8 198 063	8 198 063

Northam Holdings was introduced as the holding company for the group by way of a share exchange implemented on a one for one basis in terms of which Northam shareholders exchanged their Northam Platinum Shares for Northam Holdings Shares.

As detailed in the combined circular to shareholders of Northam, accompanied by the prospectus in respect of Northam Holdings, both dated Monday, 31 May 2021 (collectively, the Transaction Documents) and the announcement published on SENS on 20 September 2021, the Northam Scheme (as defined therein) was implemented on 20 September 2021, in terms of which, *inter alia*, Northam Holdings acquired all of the Northam Platinum Shares in issue (excluding Treasury Shares) by way of a share for share transaction and Northam Platinum became a subsidiary of Northam Holdings.

Users of the annual financial statements are referred to the Transaction Documents for additional information relating to the Composite Transaction in order to obtain full information of the nature and impact of the Composite Transaction.

15. Land and township development

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance at the beginning of the year	90 198	69 032	–	–
Acquisitions				
Costs incurred with regards to Norplats Properties Proprietary Limited	481	484	–	–
Disposals				
Norplats Properties Proprietary Limited units	(97)	(345)	–	–
Lydenburg units	(16 453)	(11 741)	–	–
Development				
Repurchase of Lefika units	272	–	–	–
Town planning portion 4 & 9 of the farm Koedoesdoorns	40 421	32 317	–	–
Construction at extension 78 & 79 Lydenburg	11 267	1 190	–	–
Write off of damaged units relating to Norplats Properties Proprietary Limited	–	(739)	–	–
Balance at the end of the year	126 089	90 198	–	–

These properties have been acquired in order to assist the group's employees to acquire affordable housing.

No land and township development are recorded in respect of Northam Holdings company.

16. Long-term receivables

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Suspensive sale agreements	34 266	43 732	–	–
Interest-free home loans	69 643	58 738	–	–
Total long-term receivables	103 909	102 470	–	–
Current portion of suspensive sale agreements (refer to note 22)	(5 047)	(6 057)	–	–
Current portion of interest-free home loans (refer to note 22)	(13 250)	(10 620)	–	–
Long-term portion of long-term receivables	85 612	85 793	–	–

Long-term receivables comprise balances due by employees in respect of Northam's employee home ownership scheme under suspensive sale agreements and interest-free home loans provided to qualifying employees.

The suspensive sale agreements to employees bear interest at the South African prime interest rate and are repayable over 15 years. In terms of the agreements, employees enjoy the full benefits of home ownership, and at such time as the loan is paid off, the title to the house will be transferred to the employees.

Interest-free home loans are non-interest-bearing loans provided to qualifying employees. These loans provided to qualifying employees are based on a portion of the value of the property acquired by the employee and are repayable over a maximum period of 20 years from grant date. The average remaining repayment period is approximately 13 years. Furthermore, these loans are secured by a second bond over the residential properties.

During the year, R6.8 million, R2.1 million relating to the suspensive sale agreements and R4.7 million relating to the interest-free home loans (30 June 2022: R4.1 million, R1.5 million relating to the suspensive sale agreements and R2.6 million relating to the interest-free home loans) worth of long-term receivables were impaired and fully provided for. During the current financial year R2.1 million was recovered which was previously written off.

The table below summarises the payment terms of the company and group's long-term receivables:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current portion	18 297	16 677	–	–
Due within 1 – 5 years	45 218	47 181	–	–
Due within 5 – 10 years	20 038	20 480	–	–
More than 10 years	20 356	18 132	–	–
	103 909	102 470	–	–

The current interest-free home loans are not in default nor impaired. Monthly instalments relating to the interest-free home loans are deducted from employees' salaries on a monthly basis. Should an employee resign, the interest-free home loan needs to be settled in full and any amounts still to be recovered from former employees have been provided for in full.

With regards to the suspensive sale agreements, the table below summarises the age analysis of these suspensive sale agreements:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Neither in default nor impaired	34 266	43 732	–	–
	34 266	43 732	–	–

All amounts in default have been impaired and therefore fully provided for.

No long-term receivables are recorded in respect of Northam Holdings company.

Significant judgements and estimates – Long-term receivables and the Expected Credit Losses (ECL)

An assessment of the ECL relating to long-term receivables is undertaken in terms of the requirements of IFRS 9 Financial Instruments at every reporting date. The balance of outstanding long-term receivables relating to the suspensive sale agreements are examined and the expected amounts which are considered to be unrecoverable based on the impairment policy of the group is provided for in full.

For all suspensive sale agreements, legal title to the houses remains with the group until full and final payment has been made. The houses therefore serve as security for these loans. In most instances the value of the security is more than the value of the outstanding loan balance relating to the suspensive sale agreements.

The following specific judgements and estimates are applied by management in determining the potential impairment:

Suspensive sale agreements

- All overdue amounts as at the end of the reporting period are provided for in full. These are included in stage 2 of the impairment assessment model based on the general approach.
- The suspensive sale agreement balances are tested for impairment in accordance with IFRS 9 Financial Instruments, taking into account the security held in the form of the title to the houses.
- Any suspensive sale agreements which were handed over to the group's lawyers for legal processing, in stage 3, take into account the market value of the houses being higher than the outstanding balances of these defaulted loans, when calculating the ECL.

Interest-free home loans

- Should an employee resign, the interest-free home loan needs to be settled in full. For these employees, the outstanding amounts are provided for in full until the payment arrangement has been completed. These loans are secured by a second bond over the property and the probability of default has been assessed as minimal.
- There has been no significant deterioration in credit quality and the probability of default has been assessed as minimal.

The volatility of prevailing interest rates and the corresponding impact on the recoverability of long-term receivables are considered as part of the determination of ECL.

Interest-free home loan repayments are deducted from employees' salaries on a monthly basis and are secured with a second mortgage bond over the property. In the event of an employee resigning, any outstanding balance is required to be settled in full.

All overdue amounts are provided for in terms of IFRS 9 Financial Instruments at the end of every reporting period and amounts recognised as receivables are those amounts still estimated to be recoverable.

17. Investments held by Northam Platinum Restoration Trust Fund

The group contributes to a dedicated environmental restoration trust fund to provide for the estimated decommissioning and environmental restoration cost at the end of the various operations' lives.

The Northam Platinum Restoration Trust Fund was established in 1996 to assist the group in making financial provision for the environmental rehabilitation in terms of the Minerals and Petroleum Resources Development Act, No. 28 of 2002 (MPRDA), upon cessation of its mining operations.

The balance of the fund comprises:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	142 586	136 030	–	–
Growth in the investment	11 366	6 556	–	–
Balance at the end of the year	153 952	142 586	–	–

This investment, which mainly consist of cash, is separately administered and the group's right of access to these funds is restricted. The investment is managed by Stanlib Collective Investments (RF) Limited, and is made up of a fixed number of units which trades at specific values as noted below.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Stanlib Balanced Fund R	2 534	2 206	–	–
Stanlib Income Fund B2	109 113	99 156	–	–
Stanlib Institutional Money Market Fund B3	42 305	41 224	–	–
Balance at the end of the year	153 952	142 586	–	–

Below is the accrued interest relating to the investment held by Northam Platinum Restoration Trust Fund, which is included in Trade and other receivables, refer to note 22.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Accrued interest relating to the Northam Platinum Restoration Trust Fund	2 634	1 621	–	–
	2 634	1 621	–	–

For details of the rehabilitation and decommissioning liability provision, refer to note 28.

No investments held by Northam Platinum Restoration Trust Fund are recorded in respect of Northam Holdings company.

18. Environmental guarantee investments

The environmental obligation under the rehabilitation and decommissioning provision, refer to note 28, will be financed, other than the amounts already covered by the investment held by Northam Platinum Restoration Trust Fund, refer to note 17, either by way of guarantees or other insurance products as approved by the Department of Mineral Resources and Energy (DMRE) in terms of the South African National Environmental Management Act, No. 107 of 1998 (NEMA) and not through cash contributions to the Northam Platinum Restoration Trust Fund, due to the uncertainty created by changes in legislation.

The group procures the issue of guarantees in respect of the unfunded decommissioning and restoration costs, not covered by the investment held through the Northam Platinum Restoration Trust Fund.

The environmental guarantee investments are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance at the beginning of the year	93 214	60 707	–	–
Contributions made	37 054	36 670	–	–
Income earned during the year (net of fees) (refer to note 7)	6 141	3 005	–	–
Guarantee fees (refer to note 8)	(6 174)	(6 526)	–	–
Other (included in sundry operating costs as per note 4)	235	(642)	–	–
	130 470	93 214	–	–

The annual contribution payable with regards to the environmental guarantee investments are calculated as 5% of the total environmental guarantees in issue, and is included in the environmental guarantee investments.

The annual fees with regards to the guarantees issued amounts to between 0.75% and 0.95% based on the guaranteed value, refer to note 8 for details regarding the environmental guarantee costs.

The assets, which mainly consist of cash, are separately administered and the group's right of access to these funds are restricted.

The investments are managed by Guardrisk Insurance Company Limited and Centriq Insurance Company Limited.

There are no balances relating to environmental guarantee investments included in Northam Holdings company.

Below is a summary of the various environmental guarantees issued:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Northam Platinum Limited (Zondereinde)				
GR/G/20396/0312/0031	31 000	31 000	–	–
GR/G/20396/0314/0165	18 000	18 000	–	–
GR/G/20396/0315/0231	18 000	18 000	–	–
GR/G/20396/0617/0454	35 000	35 000	–	–
CQ/G/30381/1217/003	28 807	28 807	–	–
GR/G/20396/0618/0544	11 543	11 543	–	–
CQ/G/30381/0920/010	36 305	36 305	–	–
CQ/G/30381/1020/011	46 260	46 260	–	–
CQ/G/30381/0921/013	272	272	–	–
	225 187	225 187	–	–
Booysendal Platinum Proprietary Limited				
GR/G/20396/0311/0011	65 900	65 900	–	–
GR/G/20396/0315/0232	25 000	25 000	–	–
GR/G/20396/0417/0434	1 908	1 908	–	–
GR/G/20396/0517/0459	2 085	2 085	–	–
GR/G/02396/0618/0535	2 267	2 267	–	–
GR/G/02396/0618/0536	1 267	1 267	–	–
CQ/G/30381/0621/012	64 044	64 044	–	–
GR/G/20396/0421/0791	61 065	61 065	–	–
GR/G/20396/0222/0865	24 439	24 439	–	–
GR/G/20396/0423/1000	4 544	–	–	–
GR/G/20396/0523/1009	3 143	–	–	–
	255 662	247 975	–	–
Eland Platinum Proprietary Limited				
CQ/G/30381/01181/004	129 545	129 545	–	–
CQ/G/30381/0118/005	31 096	31 096	–	–
CQ/G/30381/0919/006	2 200	2 200	–	–
CQ/G/30381/1119/007	5 359	5 359	–	–
CQ/G/30381/1119/008	1 559	1 559	–	–
CQ/G/30381/0120/009	302	302	–	–
CQ/G/30381/1021/014	90 179	90 179	–	–
	260 240	260 240	–	–
Total environmental guarantees in issue	741 089	733 402	–	–

There are no environmental guarantees in issue to Northam Holdings company.

19. Buttonshope Conservancy Trust

The balance of the fund comprises:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance at the beginning of the year	11 243	16 067	–	–
Contributions received from Booysendal Platinum Proprietary Limited	8 875	1 000	–	–
Interest received during the year	356	665	–	–
Accrued interest received	40	6	–	–
Fair value adjustments	(83)	7	–	–
Expenditure paid during the year	(1 696)	(1 533)	–	–
Acquisition of land and buildings	–	(4 969)	–	–
Value Added Tax and transfer duty refunds on acquisition of land and buildings	362	–	–	–
Funds invested in escrow	(17 825)	–	–	–
Balance at the end of the year	1 272	11 243	–	–

The Buttonshope Conservancy Trust (Buttonshope) was established as a conservancy trust by Northam Platinum, with the principal objective of engaging in the conservation, rehabilitation and/or protection of the natural environment, including flora, fauna and the biosphere as well as promoting the establishment of, and education and training programmes relating to, environmental awareness, greening, clean-up and/or sustainable development projects in respect of Portion 1 of the Farm Buttonshope 51, Registration Division JT, Mpumalanga Province. The aforementioned property is owned by Booysendal, a subsidiary of Northam Platinum. An initial contribution of R10.0 million was made by Booysendal in terms of the trust agreement.

Funds of R1.1 million (30 June 2022: R1.0 million) are invested with Standard Bank Limited in a call account and R0.2 million (30 June 2022: R10.2 million) is held in an extra income fund with Stanlib Collective Investments (RF) Limited.

This investment is managed by Stanlib Collective Investments (RF) Limited, and is made up of a fixed number of units which trades at specific values.

The assets of the trust which mainly consist of cash, are separately administered and the group's right of access to these funds is restricted.

On an annual basis Booysendal makes a contribution to Buttonshope. During the previous financial year the annual contribution was increased to R1.0 million, which will increase by R50 000 annually.

During the year, in addition to the R1.05 million contribution, Booysendal also contributed an amount of R7.8 million to enable Buttonshope to purchase additional properties, namely Portion 1 of the farm Wanhoop No 78, Portion 1 of the farm Wicht No 101 and Portion 12 of the farm Kliprivier No 73.

These properties span across 802.4 hectares, and were purchased for a total consideration of R15.5 million (excluding Value Added Tax) funded by a combination of Buttonshope's own investments as well as the additional contribution from Booysendal.

The total purchase consideration was held in escrow at year-end, and earned interest amounting to R0.6 million during the current financial year.

All land management costs are carried by Booysendal, refer to note 8.

There are no balances relating to the Buttonshope Conservancy Trust included in Northam Holdings company.

20. Short-term subsidiary loan payable

	Company	
	30 June 2023	**30 June 2022**
	R000	R000
Payable to Northam Platinum Limited	(11 647 922)	(10 334 718)
	(11 647 922)	(10 334 718)

This is a loan from Northam Platinum, which currently funds all the operating and investing activities of Northam Holdings.

In addition, Northam Platinum advanced a loan to Northam Holdings during the previous financial year, in order to acquire the investment in RBPlat Shares.

During the current financial year Northam Holdings announced its firm intention to make an offer to RBPlat Shareholders to acquire the remaining ordinary shares in RBPlat which it did not already own, excluding RBPlat Treasury Shares (Northam FIA).

Northam Holdings committed R17.0 billion for purposes of settling the offer consideration, which was financed by Northam Platinum through funding together with cash as well as a guarantee issued by Absa Bank Limited (Absa Acquisition facility) to Northam Holdings. In accordance with Regulations 111(4) and 111(5), a cash confirmation and a bank guarantee was provided to the TRP which in aggregate secured the settlement of the offer consideration.

The cash confirmation was invested in an escrow account that accrued interest.

In terms of a loan agreement between Northam Holdings and Northam Platinum, the financing provided by Northam Platinum accrued interest at an amount equal to the interest earned on the cash confirmation invested in the escrow account. With the termination of the proposed Offer to RBPlat Shareholders, the TRP Cash Confirmation and guarantee was cancelled, and all amounts were settled in full. The remaining outstanding balance payable to Northam Platinum does not accrue interest, is unsecured and repayable on demand.

Subsequent to year-end, Northam Holdings accepted the Implats Mandatory Offer of which the cash proceeds were utilised against the balance payable to Northam Platinum.

21. Inventories

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Metals on hand and in transit				
Platinum	1 879 458	1 024 004	–	–
Palladium	1 731 016	1 364 556	–	–
Rhodium	3 804 082	3 868 988	–	–
Gold	113 018	37 425	–	–
Total metal inventory at the lower of cost and net realisable value	7 527 574	6 294 973	–	–
Less non-current metal inventory	(1 423 994)	(1 441 035)	–	–
Current metal inventory at the lower of cost and net realisable value	6 103 580	4 853 938	–	–
Consumable at the lower of cost and net realisable value	406 762	306 332	–	–
Total current inventory at the lower of cost and net realisable value	6 510 342	5 160 270	–	–

Below are the ounces metal inventory available at the reporting date:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	oz	oz	oz	oz
Metal inventory quantities on hand and in transit				
Platinum	197 887	177 064	–	–
Palladium	125 594	115 335	–	–
Rhodium	67 251	55 420	–	–
Gold	6 655	5 318	–	–
4E	397 387	353 137	–	–

There are no balances relating to inventories included in Northam Holdings company.

Below is a breakdown of inventory disclosed as own production, purchased material and classified as non-current metal inventory:

Group	Own production 30 June 2023 R000	Purchased material 30 June 2023 R000	Total metal inventory 30 June 2023 R000	Non-current metal inventory 30 June 2023 R000	Current metal inventory 30 June 2023 R000
Platinum	1 579 673	299 785	1 879 458	(371 546)	1 507 912
Palladium	1 386 190	344 826	1 731 016	(483 108)	1 247 908
Rhodium	3 325 969	478 113	3 804 082	(551 199)	3 252 883
Gold	106 268	6 750	113 018	(18 141)	94 877
Total metal inventory	6 398 100	1 129 474	7 527 574	(1 423 994)	6 103 580

Group	Own production 30 June 2022 R000	Purchased material 30 June 2022 R000	Total metal inventory 30 June 2022 R000	Non-current metal inventory 30 June 2022 R000	Current metal inventory 30 June 2022 R000
Platinum	742 104	281 900	1 024 004	(246 644)	777 360
Palladium	824 985	539 571	1 364 556	(522 948)	841 608
Rhodium	3 098 504	770 484	3 868 988	(662 970)	3 206 018
Gold	35 257	2 168	37 425	(8 473)	28 952
Total metal inventory	4 700 850	1 594 123	6 294 973	(1 441 035)	4 853 938

Below is a breakdown of the change in metal inventory for the year, disclosed as own production and purchased material:

Group	Own production 30 June 2023 R000	Purchased material 30 June 2023 R000	Total metal inventory 30 June 2023 R000
Change in metal inventory for the year*	1 697 250	(464 649)	1 232 601

**The difference between the change in metal inventory for the year and what has been disclosed in the statement of profit or loss relates to foreign exchange movements for inventory held by the US recycling operations.*

Group	Own production 30 June 2022 R000	Purchased material 30 June 2022 R000	Total metal inventory 30 June 2022 R000
Change in metal inventory for the year*	48 410	136 386	184 796

**The difference between the change in metal inventory for the year and what has been disclosed in the statement of profit or loss relates to foreign exchange movements for inventory held by the US recycling operations.*

Below is a breakdown of inventory disclosed in ounces as own production, purchased material and classified as non-current metal inventory:

	Own production	**Purchased material**	**Total metal inventory**	**Non-current metal inventory**	**Current metal inventory**
	30 June 2023	**30 June 2023**	**30 June 2023**	**30 June 2023**	**30 June 2023**
Group	oz	oz	oz	oz	oz
Platinum	177 616	20 271	197 887	(42 855)	155 032
Palladium	111 092	14 502	125 594	(32 805)	92 789
Rhodium	62 162	5 089	67 251	(8 937)	58 314
Gold	6 450	205	6 655	(1 278)	5 377
4E	357 320	40 067	397 387	(85 875)	311 512

	Own production	**Purchased material**	**Total metal inventory**	**Non-current metal inventory**	**Current metal inventory**
	30 June 2022	**30 June 2022**	**30 June 2022**	**30 June 2022**	**30 June 2022**
Group	oz	oz	oz	oz	oz
Platinum	154 606	22 458	177 064	(39 500)	137 564
Palladium	97 343	17 992	115 335	(30 902)	84 433
Rhodium	50 956	4 464	55 420	(10 860)	44 560
Gold	5 237	81	5 318	(1 481)	3 837
4E	308 142	44 995	353 137	(82 743)	270 394

Metal inventory quantities on hand in 4E ounces are allocated as follows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	oz	oz	oz	oz
Non-current inventory	85 875	82 743	–	–
Ore stockpile inventory	36 476	15 553	–	–
Concentrate in process	21 971	16 394	–	–
Concentrate and other surface sources before the smelter	22 796	35 873	–	–
Recycling material	758	1 581	–	–
Smelter inventory	126 661	96 684	–	–
Base metal removal plant inventory	8 505	6 001	–	–
Precious metal refinery inventory	83 701	96 006	–	–
Finished product inventory on hand	10 644	2 302	–	–
4E	397 387	353 137	–	–

The cost of sales figure disclosed in the statement of profit or loss and other comprehensive income approximates the cost of inventory expensed.

Included in cost of sales is an amount of R93.4 million relating to purchased material and R566.3 million relating to own production (30 June 2022: R424.2 million relating to own production) for the write down to net realisable value. Inventory to the value of R544.9 million relating to purchased material and R809.3 million relating to own production (30 June 2022: R499.6 million relating to own production) is disclosed at net realisable value.

Inventory was written down to net realisable value due to movements in commodity prices during the reporting period.

No inventories are encumbered.

Significant estimates: Net realisable value and measurement of inventory

Work in progress metal inventory is valued at the lower of net realisable value and the average cost of production less net revenue from sales of by-products in the ratio of the contribution of these metals to gross sales revenue. Production costs are allocated to platinum, palladium, rhodium and gold (joint products) by dividing the mine output into total mine production costs, determined on a six-month average basis except for concentrates and ore purchased which are recognised at the cost at which it is purchased.

The quantity of ounces of joint products in work in progress is calculated based on the following factors: Theoretical inventory is calculated by adding the inputs to the previous physical inventory and then deducting the outputs for the inventory period. The inputs and outputs include estimates due to the delay in finalising analytical values. The estimates are subsequently trued up to the final metal accounting quantities when available. The theoretical inventory is then converted to a refined equivalent inventory by applying appropriate recoveries depending on where the material is within the production pipeline. The recoveries are based on actual results as determined by the inventory count and are in line with industry standards.

The nature of the production process inherently limits the ability to precisely measure recoverability levels. As a result, the metallurgical balancing process is monitored on an ongoing basis and the variables used in the process are refined based on actual results over time.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained 4E ounces is based on elemental assay data, and the estimated recovery percentage is based on the expected processing method. Stockpile tonnages are also verified by independent third-party surveyors.

Non-current inventory is determined as inventory that will not be sold within the group's normal operating cycle.

Below is a summary of the commodity prices and exchange rate used to determine the net realisable value of inventories:

		Group		Company	
		30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Platinum price	USD/oz	931	926	–	–
Palladium price	USD/oz	1 307	1 890	–	–
Rhodium price	USD/oz	5 420	13 775	–	–
Gold price	USD/oz	1 922	1 831	–	–
Closing exchange rate at year-end	ZAR/USD	R18.83	R16.28	–	–

The allocation of fixed production overheads to the costs of conversion is based on the normal capacity of the production facilities. Normal capacity is the production expected to be achieved on average over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The actual level of production may be used if it approximates normal capacity. The amount of fixed overheads allocated to each unit of production is not increased as a consequence of low production or an idle plant. Unallocated overheads are recognised as an expense in the period in which they are incurred.

Inventory is required to be assessed at each reporting date for possible write downs due to net realisable values being lower than the costs allocated to inventory.

Net realisable value tests represent the expected selling prices which are based on prevailing market prices, less estimated costs to complete production and to bring the product to sale.

All inventory is accounted for at the lower of cost and net realisable value and all net realisable value adjustments have been disclosed.

22. Trade and other receivables

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Trade receivables	197 490	95 424	–	–
Provisional pricing receivables	1 248 180	896 582	–	–
Accrued dividends and interest on cash and cash equivalents	51 271	11 723	–	3
Prepayments	44 977	73 831	458	2 815
Deposits	6 178	5 395	–	–
South African Revenue Service – Value Added Tax	310 949	385 842	–	–
South African Revenue Service - amounts receivable relating to the Mineral and Petroleum Resources Royalty	46 115	263 267	–	–
Current portion of suspensive sale agreements (refer to note 16)	5 047	6 057	–	–
Current portion of interest-free home loans to employees (refer to note 16)	13 250	10 620	–	–
Other	24 284	27 636	–	–
	1 947 741	1 776 377	458	2 818

Trade receivables are unsecured, non-interest bearing and are generally on 30 to 60-day terms except for most of the PGM debtors of refined metal which have payment terms of between 2 to 5 days. In addition, PGM concentrate is sold to honour the Everest offtake agreement, the PGM debtor relating to this sale has a provisional quotation period payment term of four months after month of delivery.

Trade and other receivables to the value of R Nil was provided for or impaired during the current period (30 June 2022: R Nil).

Trade receivables are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
PGM receivables	137 945	24 929	–	–
Chrome receivables	59 439	70 495	–	–
Copper receivables	106	–	–	–
Total trade receivables	197 490	95 424	–	–

Provisional pricing receivables are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
PGM provisional receivable	522 190	323 766	–	–
Chrome provisional receivable	680 068	418 876	–	–
Nickel provisional receivable	45 922	153 940	–	–
Total provisional pricing receivables	1 248 180	896 582	–	–

Provisional pricing PGM debtors have a provisional quotation period payment terms of four months after month of delivery.

Chrome provisional receivables are settled within 45 days from date of delivery and nickel provisional receivables are settled within 7 days (F2022: 60 days) from date of delivery.

The exposure to foreign currency denominated balances included in trade and other receivables were as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	30 264	26 605	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Trade and other receivables denominated in USD (R000)	569 974	433 124	–	–

Rounded to the nearest cent.

The table below summarises the maturity profile of the group's trade and other receivables:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current portion	954 838	763 887	–	3
30 to 60 days	504 553	392 958	–	–
60 to 90 days	199 464	406 832	–	–
More than 90 days*	288 886	212 700	458	2 815
	1 947 741	1 776 377	458	2 818

Management considers these amounts to be fully recoverable as they are within the agreed payment terms.

The table below summarises the ageing of the group's South African Revenue Service – Value Added Tax receivable balance:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current portion	307 135	328 038	–	–
30 to 60 days	–	18 367	–	–
60 to 90 days	–	15	–	–
More than 90 days*	3 814	39 422	–	–
	310 949	385 842	–	–

Management considers these amounts to be fully recoverable.

Subsequent to year-end, an amount of R307.1 million was received with regards to the Value Added Tax receivable as noted above.

Trade and other receivables by country are as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
South Africa	1 899 957	1 758 376	458	2 818
United Kingdom	–	–	–	–
Germany	–	3 906	–	–
Switzerland	45 922	–	–	–
Japan	–	–	–	–
United States of America	1 862	14 095	–	–
	1 947 741	1 776 377	458	2 818

PGM provisional pricing receivables

The group sells PGM concentrate from the Booysendal mine under terms containing provisional pricing features, to honour the Everest offtake agreement.

The salient features of the agreement contain payment terms calculated with reference to a Price Index (PI) based on ruling market prices over the month in which concentrate is delivered to the counterparty. The calculated PI is applied against assayed 4E content from delivered concentrate, and with a contractually agreed fixed percentage being applied in respect of assayed base metals content from delivered concentrate. Where assayed results are not yet available in respect of delivered concentrate, an estimate of 4E content and base metals included in concentrate delivered during a particular month is made. The calculated US dollar (USD) denominated purchase price (receivable from the counterparty) is converted in applying the average exchange rate over the month prior to the month of payment.

The concentrate purchase price calculated (with reference to the above) is payable four months following the month during which concentrate for which payment is due was delivered.

Base metal and chrome provisional pricing receivables

Base metal and chrome sales allow for price adjustments based on the market price at the end of the relevant quotation period stipulated in the sales agreements. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after delivery to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the quotation period. The period between provisional invoicing and the end of the quotation period can be between one and four months.

Provisional pricing receivables are non-interest bearing, but are exposed to future commodity price movements over the quotation period and are measured at fair value up until the date of settlement. Provisional pricing receivables are initially measured at the amount which the group expects to be entitled, being the estimate of the price expected to be received at the end of the quotation period.

The full value of the provisional invoice relating to chrome sales is received in cash a month after delivery. Any negative movement in the chrome price could therefore result in amounts required to be refunded to the customer, refer to notes 39 and 40.

For all base metal sales, payment is only due after the end of the quotation period.

Significant estimate: Trade receivables and Expected Credit Losses (ECLs)

The group applies the simplified approach in calculating ECLs and therefore recognises a loss allowance based on the financial asset’s lifetime ECL at each reporting date. The group considered historical loss experiences, adjusted for forward looking factors that could indicate impairments taking into account the specific debtor and economic environment.

The bulk of PGM debtors have payment terms of between 2 to 5 days with no historical defaults on these debtors and all outstanding balances as at the reporting date have subsequently been received.

Base metal and chrome debtor balances are held with only a limited number of selected premium customers and are generally on 30 to 60-day terms with no historical defaults.

Trade receivables have been assessed for ECLs, and the effect is considered to be negligible due to the group's history of recovery of these balances; as well as the credit rating of the customers that these balances are held with.

The assessment of the correlation between historical observed recovery rates, forecast economic conditions and ECLs is an estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The group’s historical credit loss experience and forecast of economic conditions may also not be representative of customers’ actual defaults in the future.

Increased uncertainty in financial markets and the economy as a whole, has increased the risk of default on all financial assets, including trade and other receivables.

The group trades only with recognised, creditworthy third parties. It is the group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an ongoing basis with the result that the group’s exposure to bad debts is not significant.

Sales are only made to customers with an appropriate credit history. PGM, base metal and chrome debtors in total comprise a number of customers, dispersed across different geographical areas.

There is no material concentration of credit risk associated with trade and other receivables.

A detailed assessment was performed to confirm the recoverability of trade and other receivables at the reporting date and all balances are considered recoverable.

23. Cash and cash equivalents

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Cash at bank and on hand	416 902	847 295	770	720
Restricted cash	215 541	249 103	–	–
Short-term deposits	4 720 544	78 827	–	–
Cash and cash equivalents	5 352 987	1 175 225	770	720
Less amount utilised under the general banking facility disclosed as a bank overdraft	–	–	–	–
Cash and cash equivalents as per the statement of cash flows	5 352 987	1 175 225	770	720

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the group and earn interest at the respective short-term deposit rates.

The weighted average effective interest rate on cash and cash equivalents amounted to 7.52% (30 June 2022: 4.30%).

All short-term deposits are immediately available. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and cash equivalents as well as amounts utilised under the GBF (if utilised).

Restricted cash comprise the following amounts:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Deposit held relating to an electricity supply agreement with Eskom Holdings SOC Limited	–	23 000	–	–
Northam Zondereinde Community Trust	65 699	67 991	–	–
Northam Booysendal Community Trust	70 575	68 508	–	–
Northam Employees' Trust	78 723	89 080	–	–
Zambezi Platinum (RF) Proprietary Limited	544	524	–	–
	215 541	249 103	–	–

Previously restricted cash included a deposit of R23.0 million relating to an electricity supply agreement between Northam Platinum and Eskom. These amounts are no longer required due to a holding company guarantee issued by Northam Holdings to Eskom. Refer to note 48 for the holding company guarantees issued by Northam Holdings to Eskom.

Restricted cash includes money ring-fenced for the benefit of the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and Northam Employees' Trust (ESOP) (the Zambezi Trusts) and Zambezi which may only be utilised in terms of the various Trust Deeds and the Zambezi Memorandum of Incorporation (MOI).

The exposure to foreign currency denominated balances included in cash and cash equivalents as at the reporting date were as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	21 991	51 414	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Cash and cash equivalents denominated in USD (R000)	414 165	836 999	–	–

**Rounded to the nearest cent.*

Refer to note 47 for the fair value and financial risk disclosure.

General banking facility (GBF)

The group has a GBF, i.e., overdraft facility, of R1.0 billion (30 June 2022: R1.0 billion). The GBF accrues interest at the South African prime interest rate less 1.75% (30 June 2022: South African prime interest rate less 1.75%) and is payable on a 90-day notice period.

Commitment fees are payable on the GBF amounting to 0.55% per annum (30 June 2022: 0.55%) on the unutilised portion of the facility.

Below is a summary of the available GBF:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Total facility	1 000 000	1 000 000	–	–
Amount utilised at year-end	–	–	–	–
Available facility at year-end	1 000 000	1 000 000	–	–

The GBF is utilised as a bank overdraft facility as and when required for working capital requirements, and therefore, is considered as part of cash and cash equivalents, as an overdraft facility (and disclosed as such if utilised).

The group's utilised and available facilities are listed below:

	Total facility 30 June 2023	Utilised amount 30 June 2023	Available facility 30 June 2023	Interest rate 30 June 2023	Repayment date 30 June 2023
	R000	R000	R000		
Domestic Medium-Term Notes (refer to note 31)	15 000 000	(14 999 337)	663	Various	Various
Revolving credit facility (refer to note 34)	10 000 000	–	10 000 000	JIBAR plus 2.40% – 2.80%	August 2027
General banking facility	1 000 000	–	1 000 000	Prime less 1.75%	90-day notice
	26 000 000	(14 999 337)	11 000 663		

The total DMTN Programme limit amounts to R15.0 billion. The unissued portion of the DMTN Programme limit is uncommitted but approved by the board of directors.

	Total facility 30 June 2022	Utilised amount 30 June 2022	Available facility 30 June 2022	Interest rate 30 June 2022	Repayment date 30 June 2022
	R000	R000	R000		
Domestic Medium-Term Notes (refer to note 31)	15 000 000	(11 256 837)	3 743 163	Various	Various
Revolving credit facility (refer to note 34)	4 000 000	(1 450 000)	2 550 000	JIBAR plus 2.55% – 2.95%	September 2024
General banking facility	1 000 000	–	1 000 000	Prime less 1.75%	90-day notice
Bridge facility (refer to note 38)	3 000 000	(3 000 000)	–	JIBAR plus 2.00%	December 2022
	23 000 000	(15 706 837)	7 293 163		

The total DMTN Programme limit amounts to R15.0 billion. The unissued portion of the DMTN Programme limit is uncommitted but approved by the board of directors.

The group has the following secured loans at the financial reporting date:

Domestic Medium-Term Note Programme (DMTN Programme)

Northam Platinum established a DMTN Programme pursuant to a Programme Memorandum dated 3 August 2012 (the Previous Programme Memorandum), in terms of which Northam Platinum may, from time to time, issue Notes.

Northam Platinum amended and restated the Previous Programme Memorandum to, *inter alia*, incorporate Booysendal as guarantor (Amended and Restated Programme Memorandum).

The amendments are incorporated in an Amended and Restated Programme Memorandum dated 29 October 2020.

The DMTN Programme's current Programme Amount amounts to R15.0 billion (30 June 2022: R15.0 billion).

The Amended and Restated Programme Memorandum applies to all Notes issued under the DMTN Programme on or after 29 October 2020 (Programme Date) and will, in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety. For the avoidance of doubt, subject to all applicable laws, the Previous Programme Memorandum will remain applicable to all Notes in issue prior to the Programme Date.

Transaction costs are amortised over the period of the financial liability.

Refer to note 31 for details on all DMTNs issued.

Revolving credit facility (RCF)

Northam Platinum has a R10.0 billion (30 June 2022: R4.0 billion) 5-year RCF available with a syndicate of lenders which matures on 24 August 2027 (previously the RCF matured on 5 September 2024).

Commitment fees are payable on the RCF amounting to 0.75% per annum on the unutilised portion of the facility. No commitment fee shall accrue during periods where more than 80% of the total available facility has been utilised.

The RCF is subject to financial covenant compliance which is monitored on an ongoing basis.

None of the various covenant requirements have been breached or are close to being breached. It is believed that the group is currently not at risk of breaching any of the covenant requirements.

Refer to note 48 for guarantees issued by group companies relating to the RCF. Northam Holdings, Booysendal and Eland are guarantors in respect of the RCF.

Refer to note 34 for details on the RCF, together with all utilisations and repayments during the year.

General banking facility (GBF)

Northam Platinum also has a GBF, i.e., an overdraft facility, of R1.0 billion (30 June 2022: R1.0 billion). The GBF accrues interest at the South African prime interest rate less 1.75% and is payable on demand with a 90-day notice period.

Bridge facility

Northam Platinum previously secured a R3.0 billion Bridge facility with an initial term of six months, subject to two extension options, each for an extension period of 3 months which would extend the final maturity date to December 2022. The facility accrued interest at 1-month JIBAR plus 2.0% per annum.

The Bridge facility was settled in full during the year.

Refer to note 38 for details on the Bridge facility.

Funding arranged for the proposed Offer

During the year, a Term loan facility together with an Acquisition facility was arranged to facilitate the proposed Offer to acquire all the RBPlat Shares not already held by Northam Holdings. Due to the occurrence of Material Adverse Changes in the market conditions the proposed Offer was terminated and both the Term loan facility and the Acquisition facility were cancelled.

Below are the details of both these facilities.

Term loan facility

The group secured a senior, unsecured Term loan facility with a syndicate of lenders, for R2.4 billion (30 June 2022: R Nil).

The Term loan facility accrued interest at JIBAR plus 2.50%.

Commitment fees were payable on the Term loan facility amounting to 0.75% per annum on the unutilised portion of the facility.

Refer to note 48 for guarantees issued by group companies relating to the Term loan facility. Northam Holdings, Booysendal and Eland are guarantors in respect of the Term loan facility.

The Term loan facility was cancelled due to the termination of the proposed Offer.

Refer to note 35 for details on the Term loan facility.

Acquisition facility

Northam Holdings had obtained a R5.5 billion acquisition facility (Acquisition facility) with Absa Bank Limited during the year. The facility accrued interest at 3-month JIBAR plus 2.15% for the first 12 months and thereafter at 3-month JIBAR plus 2.30%.

The purpose of the Acquisition facility was to fund a portion of the Maximum Cash Consideration pertaining to the RBPlat Offer.

The financial covenants applicable to the existing RCF extended to the Acquisition facility.

The Acquisition facility was cancelled due to the termination of the proposed Offer.

Refer to note 36 for details on the Acquisition facility.

24. Other financial (liabilities)/assets

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Options relating to RBPlat Shares	(90 472)	41 013	(90 472)	41 013
	(90 472)	41 013	(90 472)	41 013

A call option arrangement was entered into with RBIH and EMI whereby Northam Holdings may increase its interest in RBPlat by 6 145 798 RBPlat Shares. In addition, Northam Holdings entered into a Put Option arrangement with RBIH and EMI in respect of 3 565 037 RBPlat Shares.

Subsequent to year-end the Put and Call Options were cancelled for no consideration.

25. Stated capital

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	Number of shares	Number of shares	Number of shares	Number of shares
Authorised stated capital				
2 000 000 000 stated capital at no par value				
Issued stated capital				
Issued stated capital	396 615 878	396 615 878	396 615 878	396 615 878
Treasury Shares	(6 378 355)	(6 378 355)	–	–
	390 237 523	390 237 523	396 615 878	396 615 878

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Issued stated capital	13 476 322	13 476 322	13 476 322	13 476 322
Treasury Shares	(1 214 949)	(1 214 949)	–	–
	12 261 373	12 261 373	13 476 322	13 476 322

Reconciliation of both the number of shares in issue as well as the Rand value of stated capital net of Treasury Shares:

Below is a reconciliation of the movement in the number of Northam Platinum Shares that were in issue following completion of the early maturity of the Zambezi BEE Transaction and the Revised Accumulated Dividends Settlement, following which the Northam Scheme was implemented.

	Total number of Northam Platinum Shares in issue	Northam Treasury Shares	Northam Platinum Shares outstanding (net of Treasury Shares)
	Number of Northam Platinum Shares	Number of Northam Platinum Shares	Number of Northam Platinum Shares
Number of Northam Platinum Shares as at 1 July 2021	509 781 212	159 905 453	349 875 759
Revised Accumulated Dividends Settlement	(57 054 413)	(57 054 413)	–
Repurchase to facilitate Zambezi with the settlement of taxes, fees and Advances	(34 248 891)	(34 248 891)	–
Distribution to Zambezi Ordinary Shareholders	–	(27 561 210)	27 561 210
Repurchased from Northam Employees' Trust to facilitate the settlement of taxes	(649 754)	–	(649 754)
Number of Northam Platinum Shares outstanding pre the Northam Scheme	417 828 154	41 040 939	376 787 215
Implementation of the Northam Scheme whereby Northam Platinum Shares were acquired by way of a share for share transaction	(376 787 215)	–	(376 787 215)
	41 040 939	41 040 939	–

Below is a reconciliation of the movement in the number of Northam Holdings Shares following the implementation of the Northam Scheme and the issue of additional shares to acquire 93 930 378 shares in RBPlat.

	Total number of Northam Holdings Shares in issue	Northam Holdings Treasury Shares	Northam Holdings Shares outstanding (net of Treasury Shares)
	Number of Northam Holdings Shares	Number of Northam Holdings Shares	Number of Northam Holdings Shares
Number of Northam Holdings Shares as at 1 July 2021	1	–	1
Implementation of the Northam Scheme whereby Northam Platinum Shares were acquired by way of a share for share transaction	376 787 215	–	376 787 215
Northam Holdings Share held by Northam Platinum Limited transferred to Treasury Shares	–	1	(1)
Net Value Share Distribution made to the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and Northam Employees' Trust recognised as Treasury Shares	–	6 378 354	(6 378 354)
Northam Holdings Shares repurchased from the Strategic Partners and cancelled	(14 571 063)	–	(14 571 063)
Northam Holdings Shares issued pursuant to the purchase of 93 930 378 shares in RBPlat (refer to note 13)	34 399 725	–	34 399 725
	396 615 878	6 378 355	390 237 523

Below is a reconciliation of the movement in the Northam Platinum stated capital and Treasury Shares that were in issue following completion of the early maturity of the Zambezi BEE Transaction and the Revised Accumulated Dividends Settlement, following which the Northam Scheme was implemented.

	Stated capital of Northam Platinum	Northam Treasury Shares	Northam Platinum stated capital (net of Treasury Shares)
	R000	R000	R000
Value of Northam Platinum stated capital and Treasury Shares as at 1 July 2021	13 778 114	(6 556 123)	7 221 991
Revised Accumulated Dividends Settlement	(2 339 231)	2 339 231	–
Repurchase to assist Zambezi with the settlement of taxes, fees and Advances	(1 404 204)	1 404 204	–
Securities Transfer Tax deducted from equity	(15 858)	–	(15 858)
Distribution to Zambezi Ordinary Shareholders	–	1 130 009	1 130 009
Repurchased from Northam Employees' Trust to facilitate the settlement of taxes	(137 735)	–	(137 735)
Securities Transfer Tax deducted from equity	(344)	–	(344)
Value of stated capital and Treasury Shares pre the Northam Scheme	9 880 742	(1 682 679)	8 198 063
Implementation of the Northam Scheme whereby Northam Platinum Shares were acquired by way of a share for share transaction	(8 198 063)	–	(8 198 063)
	1 682 679	(1 682 679)	–

Below is a reconciliation of the movement in the Northam Holdings stated capital and Treasury Shares following the implementation of the Northam Scheme and the issue of additional shares to acquire an initial investment in RBPlat.

	Stated capital of Northam Holdings	Northam Holdings Treasury Shares	Northam Holdings stated capital (net of Treasury Shares)
	R000	R000	R000
Value of stated capital of Northam Holdings Shares as at 1 July 2021	*	–	*
Implementation of the Northam Scheme whereby Northam Platinum Shares were acquired by way of a share for share transaction	8 198 063	–	8 198 063
Northam Holdings Share held by Northam Platinum Limited transferred to Treasury Shares	–	*	*
Net Value Share Distribution made to the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and Northam Employees' Trust recognised as Treasury Shares	–	(1 214 949)	(1 214 949)
Reorganisation reserve net of Treasury Shares	8 198 063	(1 214 949)	6 983 114
Northam Holdings Shares repurchased from the Strategic Partners and cancelled	(2 408 451)	–	(2 408 451)
Securities Transfer Tax deducted from equity	(6 444)	–	(6 444)
Northam Holdings Shares issued pursuant to the purchase of 93 930 378 shares in RBPlat (refer to note 13)	7 693 154	–	7 693 154
	13 476 322	(1 214 949)	12 261 373

**The stated capital amounts to R1.00, therefore less than R1 000.*

Impact of the Composite Transaction on the number of shares in issue

As part of the Composite Transaction, Northam Platinum repurchased Northam Platinum Shares held by Zambezi in order to enable settlement of the Zambezi Preference Shares and to facilitate, amongst other things, the settlement of Zambezi's tax liability arising from the Composite Transaction. Additionally, Northam Platinum repurchased Northam Platinum Shares received by ESOP pursuant to the Net Value Distribution.

	Number of shares
Number of Northam Platinum Shares held by Zambezi as at 1 July 2021	159 905 453
Zambezi settled the Revised Accumulated Dividends relating to the Zambezi Preference Shares through a repurchase by Northam Platinum of 57 054 413 Northam Platinum Shares held by Zambezi, valued at R160 per Northam Platinum Share	(57 054 413)
Northam Platinum repurchased 34 248 891 Northam Platinum Shares in aggregate from Zambezi valued at R152 per share in order to enable settlement of, amongst other things, the Zambezi tax liability arising from the Composite Transaction (29 294 695 Northam Platinum Shares) and various fees (4 954 196 Northam Platinum Shares) together with the settlement of the Strategic Partner Advances	(34 248 891)
Zambezi will settle the capital value of the 159 905 453 Zambezi Preference Shares through a repurchase by Northam Platinum of 40 975 772 Northam Platinum Shares held by Zambezi, valued at R160 per Northam Platinum Share	(40 975 772)
Remaining Northam Platinum Shares distributed to Zambezi Ordinary Shareholders pursuant to the Net Value Share Distribution	27 626 377
Northam Platinum repurchased 649 754 Northam Platinum Shares in aggregate from Northam Employees' Trust valued at the 30-Day VWAP on the repurchase date per share (R211.98) in order to facilitate the tax liability associated with the Distribution of Northam Shares to Northam Employees' Trust pursuant to the Net Value Distribution	(649 754)
Northam Platinum repurchases 65 167 Northam Platinum Shares in aggregate from Zambezi Ordinary Shareholders valued at the 30-Day VWAP on the Repurchase Date (R214.17) per share in order to facilitate the tax liability associated with the Distribution of Northam Platinum Shares pursuant to the Net Value Distribution	(65 167)
Residual Northam Platinum Shares distributed to Zambezi Ordinary Shareholders pursuant to the Net Value Share Distribution	26 911 456

Below is a reconciliation of the Northam Shares held by the Zambezi Ordinary Shareholders pursuant to the Net Value Share Distribution:

	Number of shares
Atisa Platinum (RF) Proprietary Limited	3 527 835
Malundi Resources (RF) Proprietary Limited	3 527 835
Mpilo Platinum (RF) Proprietary Limited	8 213 241
Zambezi Platinum Women's SPV (RF) Proprietary Limited	5 264 191
Northam Zondereinde Community Trusts	2 191 116
Northam Booysendal Community Trust	2 191 116
Northam Employees' Trust	1 996 122
Residual Northam Shares distributed to Zambezi Ordinary Shareholders pursuant to the Net Value Share Distribution	26 911 456

The Net Value Share Distribution made to the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and ESOP will continue to be treated as Treasury Shares.

26. Equity-settled share-based payment reserve

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Equity-settled share-based payment reserve	–	–	–	–
	–	–	–	–

The Zambezi BEE Transaction constituted a share-based payment as defined which was classified as an equity-settled share-based payment to be delivered after the 10-year Lock-in period. IFRS 2 requires equity-settled transactions to be accounted for at the fair value at grant date, defined as the date at which the entity and other party agree to a share-based payment arrangement, being the date when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement.

There were no vesting conditions attached to the BEE equity that were held by the BEE participants. This resulted in the full share-based payment in respect of the Zambezi BEE Transaction being incurred on day one of the Zambezi BEE Transaction.

There was no new equity-settled share-based payment transactions during the current or previous financial year.

As part of the Composite Transaction, the Net Value Distribution resulted in the derecognition of the R874.4 million balance in the equity settled share-based payment reserve, originally recognised pursuant to the Zambezi BEE Transaction, with the movement recognised in retained earnings.

27. Deferred tax asset and liability

The principal components of the deferred tax asset and liability are as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Deferred tax assets				
Employee benefits relating to leave pay and bonus	444 544	337 284	–	–
Decommissioning and environmental restoration provisions	258 543	259 575	–	–
Share-based payment liabilities	170 725	199 239	–	–
Metal inventory	208 716	709 168	–	–
Deferred income	7 596	9 621	–	–
Lease liabilities	23 572	20 059	–	–
Other	17 599	3 412	–	–
Calculated capital and tax losses	–	64 009	–	–
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	(142 799)	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	(838 835)	–	–	–
	149 661	1 602 367	–	–
Deferred tax liabilities				
Property, plant and equipment	(5 310 069)	(5 384 034)	–	–
Depreciation component included in metals on hand and in transit	(77 731)	(56 520)	–	–
Northam Platinum Restoration Trust Fund	(41 567)	(38 498)	–	–
Section 24C allowances in respect of long-term receivables	(1 835)	(2 573)	–	–
	(5 431 202)	(5 481 625)	–	–
Net deferred tax liability	(5 281 541)	(3 879 258)	–	–

The net deferred tax liability is made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Deferred tax asset	–	142 799	–	–
Deferred tax liability	(5 281 541)	(4 022 057)	–	–
Net deferred tax liability	(5 281 541)	(3 879 258)	–	–

There are no balances relating to deferred tax included in Northam Holdings company.

The charge in the deferred tax balance is reconciled as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Net deferred tax liability at the beginning of the year	(3 879 258)	(3 141 657)	–	–
Charge for the year (refer to note 9)	(1 402 283)	(737 601)	–	–
Employee benefits relating to leave pay and bonus	107 260	5 746	–	–
Decommissioning and environmental restoration provisions	(1 032)	32 006	–	–
Share-based payment liabilities	(28 514)	(120 725)	–	–
Metal inventory	(500 452)	(196 620)	–	–
Deferred income	(2 025)	(5 873)	–	–
Lease liabilities	3 513	(2 690)	–	–
Other	14 187	1 312	–	–
Calculated capital and tax losses	(64 009)	64 009	–	–
Previously recognised deferred tax asset relating to Eland Platinum Proprietary Limited derecognised	(142 799)	–	–	–
Current year deferred tax asset relating to Eland Platinum Proprietary Limited not recognised	(838 835)	–	–	–
Property, plant and equipment	73 965	(511 651)	–	–
Depreciation component included in metals on hand and in transit	(21 211)	(3 153)	–	–
Northam Platinum Restoration Trust Fund	(3 069)	(410)	–	–
Section 24C allowance in respect of long-term receivables	738	448	–	–
			–	–
Net deferred tax liability	(5 281 541)	(3 879 258)	–	–

On 23 February 2022, the South African Minister of Finance confirmed that the corporate tax rate reductions announced in the 2021 budget speech would become effective for companies from the year of assessment ending on or after 31 March 2023. This changed the corporate tax rate from 28.0% to 27.0% during F2022.

Significant judgements: Utilisation of a deferred tax asset

The group offsets deferred tax assets and liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure and other capital management transactions). To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Estimation is required to determine whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require the assessment of the likelihood that sufficient taxable earnings will be generated in future periods, in order to utilise recognised deferred tax assets.

The utilisation of a deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences.

Due to the latest forecast commodity prices, a reassessment was performed regarding the utilisation of a deferred tax asset relating to Eland, and it is believed that due to the latest forecast commodity prices it is not probable that a deferred tax asset will be utilised in the near term.

Accordingly, a deferred tax asset, to the value of R981.6 million, was not raised during the current year and the previously recognised deferred tax asset was derecognised (30 June 2022: a deferred tax asset of R142.8 million was raised).

This position will be assessed continuously.

28. Long-term provisions

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance at the beginning of the year	961 391	812 747	–	–
Change in estimate relating to the decommissioning costs (refer to note 11)	(56 619)	13 310	–	–
Change in estimate relating to restoration costs (refer to note 4)	(29 885)	65 438	–	–
Unwinding of discount (refer to note 6)	82 680	69 896	–	–
Total rehabilitation and decommissioning liability provision	957 567	961 391	–	–

Below is a breakdown of the long-term provision:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	644 461	581 170	–	–
Change in estimate relating to the decommissioning costs (refer to note 11)	(56 619)	13 310	–	–
Unwinding of discount	55 424	49 981	–	–
Total provision for decommissioning costs	643 266	644 461	–	–
Provision for restoration costs				
Balance at the beginning of the year	316 930	231 577	–	–
Change in estimate relating to restoration costs (refer to note 4)	(29 885)	65 438	–	–
Unwinding of discount	27 256	19 915	–	–
Total provision for restoration costs	314 301	316 930	–	–
Total rehabilitation and decommissioning liability provision	957 567	961 391	–	–

The long-term provision is made up of the provision relating to the rehabilitation and decommissioning liability of:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Northam Platinum Limited (Zondereinde operations)	203 033	200 395	–	–
Booysendal Platinum Proprietary Limited (Booysendal operations)	256 610	263 041	–	–
Eland Platinum Proprietary Limited (Eland operations)	497 924	497 955	–	–
Total rehabilitation and decommissioning liability provision	957 567	961 391	–	–

On an annual basis, at year-end, a third-party expert is engaged to estimate the decommissioning and restoration liability for each of the operations within the group.

The latest assessment was performed as at 30 June 2023.

There are no balances relating to long-term provisions included in Northam Holdings company.

Below is a breakdown of the rehabilitation and decommissioning liability provision of the various operations:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	139 360	156 397	348 704	644 461
Change in estimate relating to the decommissioning costs	(4 921)	(18 455)	(33 243)	(56 619)
Unwinding of discount	11 985	13 450	29 989	55 424
Total provision for decommissioning costs	146 424	151 392	345 450	643 266
Provision for restoration costs				
Balance at the beginning of the year	61 035	106 644	149 251	316 930
Change in estimate relating to restoration costs	(9 675)	(10 597)	(9 613)	(29 885)
Unwinding of discount	5 249	9 171	12 836	27 256
Total provision for restoration costs	56 609	105 218	152 474	314 301
Total rehabilitation and decommissioning liability provision	203 033	256 610	497 924	957 567

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000
Provision for decommissioning costs				
Balance at the beginning of the year	117 090	141 129	322 951	581 170
Change in estimate relating to the decommissioning costs	12 200	3 131	(2 021)	13 310
Unwinding of discount	10 070	12 137	27 774	49 981
Total provision for decommissioning costs	139 360	156 397	348 704	644 461
Provision for restoration costs				
Balance at the beginning of the year	51 467	95 416	84 694	231 577
Change in estimate relating to restoration costs	5 142	3 022	57 274	65 438
Unwinding of discount	4 426	8 206	7 283	19 915
Total provision for restoration costs	61 035	106 644	149 251	316 930
Total rehabilitation and decommissioning liability provision	200 395	263 041	497 955	961 391

At the reporting date the net (overfunded)/unfunded future obligations were as follows, based on the latest Department of Mineral Resources and Energy (DMRE) assessment per operation:

	Zondereinde operations 30 June 2023	Booysendal operations 30 June 2023	Eland operations 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000
Undiscounted obligation based on the DMRE requirements, including Value Added Tax (VAT)	292 093	279 988	329 828	901 909
Less funds held by Northam Platinum Restoration Trust Fund (refer to note 17)	(76 976)	(76 976)	–	(153 952)
Less environmental guarantees (refer to note 18)	(225 187)	(255 662)	(260 240)	(741 089)
Total (overfunded)/unfunded current rehabilitation obligation in terms of current legislation	(10 070)	(52 650)	69 588	6 868

	Zondereinde operations 30 June 2022	Booysendal operations 30 June 2022	Eland operations 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000
Undiscounted obligation based on the DMRE requirements, including Value Added Tax (VAT)	269 079	262 219	297 342	828 640
Less funds held by Northam Platinum Restoration Trust Fund (refer to note 17)	(71 293)	(71 293)	–	(142 586)
Less environmental guarantees (refer to note 18)	(225 187)	(247 975)	(260 240)	(733 402)
Total (overfunded)/unfunded current rehabilitation obligation in terms of current legislation	(27 401)	(57 049)	37 102	(47 348)

The future value of the environmental obligation could either be paid over to the Northam Platinum Restoration Trust Fund over the remaining life of the various operations, or through other financial provisions, insurance or financial products as approved by the DMRE in terms of NEMA.

The environmental obligation will be financed, other than the amounts already covered by the investment held through the Northam Platinum Restoration Trust Fund, either by way of guarantees or other insurance products and not through cash contributions to the Northam Platinum Restoration Trust Fund, due to the uncertainty created by changes in legislation.

The group procures the issue of guarantees in respect of the unfunded decommissioning and restoration costs, not covered by the investment held through the Northam Platinum Restoration Trust Fund.

Refer to notes 17 and 18 for details on the Northam Platinum Restoration Trust Fund as well as the various environmental guarantees issued.

Significant judgements and estimates: Determination of the restoration and decommissioning liabilities of the group

Northam's mining activities are subject to extensive environmental laws and regulations. These laws and regulations are continually changing and are generally becoming more onerous and more restrictive. The group has incurred, and expects to incur in future, expenditure to comply with such laws and regulations, but cannot predict the full amount of such expenditure. Estimated future rehabilitation costs are based on current legal and regulatory requirements.

NEMA, as well as the MPRDA, which apply to all prospecting and mining operations, require that operations be carried out in accordance with generally accepted principles of sustainable development. It is a NEMA requirement that an applicant for a mining right must make prescribed financial provisions for the rehabilitation or management of negative environmental impacts, which must be reviewed annually.

In terms of NEMA, mining operations are required to make financial provisions for decommissioning and restoration costs that will be incurred upon the cessation of mining activities.

The group makes full provision for the future commercial cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mines and installing and using those facilities. The restoration and decommissioning provision represent the present value of rehabilitation and decommissioning costs relating to mine sites, which are expected to be incurred once mining ceases. These provisions are based on assessments prepared by an independent third-party expert, SRK Consulting (South Africa) Proprietary Limited, with the Principal Scientist being James Lake Pr Sci Nat, Msc (Geochemistry), which was carried out for the year ended 30 June 2023 (F2023), being the last assessment performed.

The provision is based on the current best estimate for rehabilitation and decommissioning costs and is determined using commercial closure cost assessments and not the DMRE published rates. Management believes using commercial closure cost assessments more accurately reflects the potential future costs and therefore the liability. The commercial closure costs assessment is significantly more than what the liability would have been should the current published DMRE rates have been applied.

Financial provision is not required to be made for the decommissioning of certain structures, such as housing, which may have an alternative use.

The present value of the environmental restoration obligation was determined by applying a pre-tax discount rate of 9.5% (30 June 2022: 8.6%) and a long-term inflation rate of 6.25% (30 June 2022: 6.0%) over the remaining life of the various mines.

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions which would affect future financial results. Furthermore, the timing of rehabilitation will likely depend on when the various operations cease to produce at economically viable rates which will, in turn, depend on future commodity prices and exchange rates, which are inherently uncertain.

On 20 November 2015, NEMA Financial Provisioning (FP) Regulations, 2015 (2015 FP Regulations) were promulgated, resulting in significant changes from the MPRDA's requirements. The Northam group constitutes Existing Holders for purposes of the 2015 FP Regulations and these Regulations are therefore not yet applicable to the Northam group.

The 2015 FP Regulations were immediately applicable to applicants for a mining permit or a prospecting, mining, exploration or production right after 20 November 2015. Under the 2015 FP Regulations a 15-month transitional period was included for holders of a right or permit who applied for such right or permit prior to 20 November 2015 (Existing Holders) to comply with the 2015 FP Regulations. Due to an outcry from the minerals industry regarding the limited transitional period, Existing Holders were initially granted an extended transitional period until February 2019 to comply. Further extended transitional periods for Existing Holders to comply with the 2015 FP Regulations have subsequently been published, with the latest extension date being 19 September 2023. A draft notice was published in May 2023 of the Environmental Minister's intention to further extend the transitional period to 19 February 2024.

On 11 July 2022, the Environmental Minister published her intention to repeal the 2015 FP Regulations and publish the proposed 2022 Draft FP Regulations, being the fourth set of revised draft FP Regulations published since the 2015 FP Regulations. The 2022 Draft FP Regulations have not been enacted into law. It is envisaged that the final FP Regulations, based largely on the 2022 Draft FP Regulations, will be published shortly. This is also given the commencement into law of various sections of the National Environmental Management Laws Amendment Act 2 of 2022 on 30 June 2023, to, *inter alia*, align NEMA with the FP Regulations.

The FP regulatory framework has been subject to severe criticism and significant resistance since the 2015 FP Regulations' promulgation and the Minerals Council of South Africa (MINCOSA) has over the years since its publication expressed fundamental concerns relating to policy proposals and implementation challenges that would be experienced by the mining industry. Subsequent revised versions did signal traction in addressing certain critical concerns raised by the MINCOSA. Despite the progress, the MINCOSA has noted that some of the mining industry's fundamental concerns have not been addressed in the 2022 Draft FP Regulations. These include, among others, tax implications for inclusion of VAT; legal and administrative burden; above-inflation increases to the calculated quantum, which would impact negatively on the cost of doing business; and the environmental liability of a mining company remaining after closure (despite the issuing of a closure certificate and the requirement that FP must be ceded to the DMRE by a mineral right holder on closure). MINCOSA's Environmental Portfolio Committee's general view is that the 2022 Draft FP Regulations has no substantial changes; none of the real critical issues to the mining sector raised by MINCOSA in submissions to, or lobbying of, the Department of Environmental Affairs, Forestry and Fisheries were addressed; the issues remain largely the same; and that the publication of the final draft of the FP Regulations will likely not address these issues and require court challenge by MINCOSA / its members.

The group will comply with the relevant FP Regulations when required to do so.

29. Long-term loans

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Security of supply contribution	28 132	35 633	–	–
Heraeus Deutschland GmbH & Co. KG	42 969	49 169	–	–
Total long-term loans	71 101	84 802	–	–
Current portion of security of supply contribution	(7 502)	(7 501)	–	–
Current portion of Heraeus Deutschland GmbH & Co. KG	–	–	–	–
Long-term portion	63 599	77 301	–	–

The security of supply contribution relates to amounts received to guarantee the supply of future product. These amounts are recognised over the guaranteed supply period, which commenced during the 2017 financial year.

In terms of an agreement entered into with Heraeus Deutschland GmbH & Co. KG an annual payment of R9.4 million is made for development and research costs for a period of 20 years. A liability was recognised at contract inception, being 16 April 2016. The liability is measured at the present value of the R9.4 million payments over 20 years using the prevailing South African prime interest rate. The contra side of the entry was included as a cost to the smelter furnace, in the 2016 financial year.

The development and research cost of R9.4 million was waived by Heraeus Deutschland GmbH & Co. KG for a period of four years, during F2022, and a once off modification on the agreement was recognised in the statement of profit and loss during F2022. The annual payment of R9.4 million as per the original agreement will resume from 30 June 2026, onwards.

Below is a reconciliation of the Heraeus Deutschland GmbH & Co. KG liability:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	49 169	92 662	–	–
Profit on modification of the agreement terms relating to the research and development liability with Heraeus Deutschland GmbH & Co. KG (refer to note 7)	–	(43 493)	–	–
Unwinding of the research and development liability (included in other sundry income refer to note 7)	(6 200)	–	–	–
Payments made	–	–	–	–
Closing balance Heraeus Deutschland GmbH & Co. KG liability	42 969	49 169	–	–

The unwinding of the research and development liability includes both the unwinding as well as the impact of the change in the South African prime interest rate during the year.

No payments have been made during the current or previous financial year.

There are no balances relating to long-term loans included in Northam Holdings company.

30. Lease liabilities

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	74 291	81 247	–	–
New lease agreement entered into	15 660	–		
Change in lease terms – reassessment of IFRS 16 Leases (refer to note 11)	2 065	432	–	–
Finance costs relating to lease liabilities (refer to note 6)	6 752	6 981	–	–
Payments made	(11 463)	(14 369)	–	–
Total lease liabilities	87 305	74 291	–	–
Current portion of lease liabilities	(8 963)	(10 107)	–	–
Non-current portion of lease liabilities	78 342	64 184	–	–

Included in the costs capitalised to the right-of-use assets, refer to note 11, are leasehold improvements to the value of R2.5 million incurred outside the new corporate office lease agreement entered into during the year with regards to permanent fixtures.

The following amounts relating to lease liabilities and associated right-of-use assets were recognised in profit or loss:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Depreciation relating to right-of-use assets (refer to note 11)	7 895	10 457	–	–
Finance costs relating to lease liabilities (refer to note 6)	6 752	6 981	–	–
Expenses relating to leases of low-value assets (included in sundry operating costs as per note 4)	34 651	22 723	–	–
	49 298	40 161	–	–

Lease liabilities relate to leases for offices, accommodation and a notarial agreement of lease of land for Booysendal.

The corporate office lease is for a period of five years ending 31 October 2025, with the option to renew the lease for an additional five years.

During the current year, Northam Platinum entered into an additional lease agreement in respect of the corporate office. The lease commencement date was 29 May 2023 with an initial lease period of five years. The lease includes the option to renew the agreement for a further period of five years after the initial lease period expires on 30 April 2028.

The notarial agreement for lease of land relating to Booysendal is for the life of mine and is payable to the Bakoni Ba Petla Communal Property Association.

The group also has certain leases for assets with low value, relating to leases for Information Technology and office equipment. The group has applied the lease of low value assets recognition exemptions for these assets under IFRS 16.

Refer to note 11 for a reconciliation on the right-of-use assets.

The maturity analysis of the lease liabilities is disclosed in note 47.

Significant estimate: Estimating the incremental borrowing rate

The group cannot readily determine the interest rate implicit to its leases. Therefore, the relevant incremental borrowing rate (IBR) is used to measure lease liabilities. The IBR is the rate of interest that the group would have to pay to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment over a similar term, and with a similar security.

The group estimates the IBR using observable inputs when available and considers certain contract and entity-specific judgements such as the lease term and the group's credit rating.

There are no balances relating to lease liabilities included in Northam Holdings company.

31. Domestic Medium-Term Notes

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Non-current Domestic Medium-Term Notes (DMTNs)				
DMTNs (NHM015)	500 000	500 000	–	–
Transaction costs relating to the NHM015 issue	(8 070)	(8 070)	–	–
Amortisation of transaction costs over the period of the Notes issued	5 725	4 112	–	–
	497 655	496 042	–	–

On 13 December 2019, the Industrial Development Corporation of South Africa Limited (IDC) subscribed to NHM015, which is R500.0 million worth of five-year senior unsecured floating rate Notes. These Notes attract a floating coupon rate of 3-month JIBAR plus 330 basis points, which is payable on a quarterly basis in December, March, June and September of each year from issue date for a five-year period. These Notes mature on 13 December 2024.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM016)	550 000	550 000	–	–
DMTNs tap issue - Tranche 2	130 000	130 000		
DMTNs tap issue - Tranche 3	165 967	165 967	–	–
DMTNs tap issue - Tranche 4	200 000	200 000	–	–
DMTNs tap issue - Tranche 5	100 000	100 000	–	–
DMTNs tap issue - Tranche 6	2 534 435	2 534 435	–	–
DMTNs tap issue - Tranche 7	15 000	15 000	–	–
Transaction costs relating to the NHM016 issue	(108 126)	(108 126)	–	–
Amortisation of transaction costs over the period of the Notes issued	60 095	34 313	–	–
	3 647 371	3 621 589	–	–

On 11 May 2020, Northam Platinum issued NHM016. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 425 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a five-year period. These Notes mature on 11 May 2025.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM018)	–	1 021 300	–	–
DMTNs tap issue - Tranche 3	–	253 000	–	–
DMTNs tap issue - Tranche 4	–	100 000	–	–
DMTNs tap issue - Tranche 5	–	150 000	–	–
NHM018 switched to NHM016 and NHM019	–	(665 800)	–	–
DMTNs tap issue - Tranche 6	–	535 000	–	–
DMTNs tap issue - Tranche 7	–	897 000	–	–
Transaction costs relating to the NHM018 issue	–	(89 154)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	64 326	–	–
Transfer to current DMTNs	–	(2 265 672)	–	–
	–	–	–	–

On 25 May 2020, Northam Platinum issued NHM018. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 25 May 2023.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM019)	450 000	450 000	–	–
DMTNs tap issue - Tranche 2	390 000	390 000	–	–
DMTNs tap issue – Tranche 3	1 770 935	1 770 935	–	–
DMTNs tap issue – Tranche 4	630 000	630 000	–	–
DMTNs tap issue – Tranche 5	275 000	275 000	–	–
Transaction costs relating to the NHM019 issue	(80 620)	(80 620)	–	–
Amortisation of transaction costs over the period of the Notes issued	54 750	26 051	–	–
Transfer to current DMTNs	(3 490 065)	–	–	–
	–	3 461 366	–	–

On 25 May 2020, Northam Platinum issued NHM019. All Tranches were issued under the same terms and conditions. The Notes attract a floating coupon rate of 3-month JIBAR plus 400 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a four-year period. These Notes mature on 25 May 2024.

DMTNs (NHM020)	132 000	132 000	–	–
DMTNs tap issue - Tranche 2	100 000	100 000	–	–
DMTNs tap issue - Tranche 3	450 000	450 000	–	–
Transaction costs relating to the NHM020 issue	(11 623)	(11 623)	–	–
Amortisation of transaction costs over the period of the Notes issued	9 104	2 849	–	–
Transfer to current DMTNs	(679 481)	–	–	–
	–	673 226	–	–

On 25 November 2020, Northam Platinum issued NHM020. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a three-year period. These Notes mature on 25 November 2023.

DMTNs (NHM021)	245 000	245 000	–	–
DMTNs tap issue - Tranche 2	78 000	78 000	–	–
DMTNs tap issue - Tranche 3	250 000	250 000	–	–
Transaction costs relating to the NHM021 issue	(9 574)	(9 574)	–	–
Amortisation of transaction costs over the period of the Notes issued	2 660	631	–	–
	566 086	564 057	–	–

On 26 November 2021, Northam Platinum issued NHM021. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 425 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a five-year period. These Notes mature on 26 November 2026.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM022)	3 500 000	–	–	–
Transaction costs relating to the NHM022 issue	(97 900)	–	–	–
Amortisation of transaction costs over the period of the Notes issued	15 066	–	–	–
	3 417 166	–	–	–

On 23 September 2022, Northam Platinum issued NHM022. The Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in December, March, June and September of each year from issue date for a five-year period. These Notes mature on 23 September 2027.

DMTNs (NHM023)	243 000	–	–	–
Transaction costs relating to the NHM023 issue	(3 992)	–	–	–
Amortisation of transaction costs over the period of the Notes issued	922	–	–	–
	239 930	–	–	–

On 21 October 2022, Northam Platinum issued NHM023. These Notes attract a floating coupon rate of 3-month JIBAR plus 300 basis points, which is payable on a quarterly basis in January, April, July and October of each year from issue date for a three-year period. These Notes mature on 21 October 2025.

DMTNs (NHM025)	900 000	–	–	–
Transaction costs relating to the NHM025 issue	(14 110)	–	–	–
Amortisation of transaction costs over the period of the Notes issued	476	–	–	–
	886 366	–	–	–

On 25 May 2023, Northam Platinum issued NHM025. These Notes attract a floating coupon rate of 3-month JIBAR plus 300 basis points, which is payable on a quarterly basis in February, May, August and November of each year from issue date for a three-year period. These Notes mature on 25 May 2026.

DMTNs (NHM026)	1 290 000	–	–	–
Transaction costs relating to the NHM026 issue	(20 116)	–	–	–
Amortisation of transaction costs over the period of the Notes issued	407	–	–	–
	1 270 291	–	–	–

On 25 May 2023, Northam Platinum issued NHM026. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in February, May, August and November of each year from issue date for a five-year period. These Notes mature on 25 May 2028.

Total non-current Domestic Medium-Term Notes	10 524 865	8 816 280	–	–

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Current DMTNs				
DMTNs (NHM007)	–	141 186	–	–
DMTNs tap issue – Tranche 2	–	150 000	–	–
DMTNs tap issue – Tranche 3	–	100 000	–	–
DMTNs tap issue – Tranche 4	–	60 000	–	–
NHM007 switched to NHM016 and NHM019	–	(100 000)	–	–
NHM007 switched to NHM012	–	(100 000)	–	–
NHM007 switched to NHM018	–	(210 000)	–	–
Transaction costs relating to the NHM007 issue	–	(8 439)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	8 439	–	–
DMTNs repaid	–	(41 186)	–	–
	–	–	–	–

On 16 April 2019, Northam Platinum issued NHM007. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in April, July, October and January of each year from issue date for a three-year period. These Notes matured on 16 April 2022.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM009)	–	100 000	–	–
DMTNs tap issue – Tranche 2	–	300 000	–	–
DMTNs tap issue – Tranche 3	–	100 000	–	–
DMTNs tap issue – Tranche 4	–	15 000	–	–
NHM009 switched to NHM016 and NHM019	–	(100 000)	–	–
NHM009 switched to NHM018	–	(115 000)	–	–
NHM009 switched to NHM020	–	(300 000)	–	–
Transaction costs relating to the NHM009 issue	–	(9 848)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	9 848	–	–
	–	–	–	–

On 26 April 2019, Northam Platinum issued NHM009. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in April, July, October and January of each year from issue date for a three-year period. These Notes matured on 26 April 2022.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM011)	–	173 000	–	–
DMTNs tap issue – Tranche 2	–	345 000	–	–
DMTNs tap issue – Tranche 3	–	100 000	–	–
NHM011 switched to NHM016 and NHM019	–	(50 000)	–	–
NHM011 switched to NHM018	–	(325 000)	–	–
Transaction costs relating to the NHM011 issue	–	(11 783)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	11 783	–	–
DMTNs repaid	–	(243 000)	–	–
	–	–	–	–

On 24 May 2019, Northam Platinum issued NHM011. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 24 May 2022.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
DMTNs (NHM012)	–	30 470	–	–
NHM017 switched to NHM012	–	492 100	–	–
NHM014 switched to NHM012	–	1 908 300	–	–
NHM012 switched to NHM016 and NHM019	–	(2 428 870)	–	–
DMTNs tap issue – Tranche 4	–	100 000	–	–
Transaction costs relating to the NHM012 issue	–	(44 734)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	44 734	–	–
DMTNs repaid	–	(102 000)	–	–
	–	–	–	–

On 13 June 2019, Northam Platinum issued NHM012. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in June, September, December and March of each year from issue date for a three-year period. These Notes matured on 13 June 2022.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM014)	–	11 700	–	–
DMTNs tap issue – Tranche 3	–	10 000	–	–
Transaction costs relating to the NHM014 issue	–	(34 466)	–	–
Amortisation of transaction costs over the period of the Notes issued	–	34 466	–	–
DMTNs repaid	–	(21 700)	–	–
	–	–	–	–

On 20 November 2019, Northam Platinum issued NHM014. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 250 basis points, which was payable on a quarterly basis in November, February, May and August of each year from issue date for a two-year period. These Notes matured on 20 November 2021.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
DMTNs (NHM018)	671 300	671 300	–	–
DMTNs tap issue – Tranche 2	350 000	350 000	–	–
DMTNs tap issue – Tranche 3	253 000	253 000	–	–
DMTNs tap issue – Tranche 4	100 000	100 000	–	–
DMTNs tap issue – Tranche 5	150 000	150 000	–	–
NHM018 switched to NHM016 and NHM019	(665 800)	(665 800)	–	–
DMTNs tap issue – Tranche 6	535 000	535 000	–	–
DMTNs tap issue – Tranche 7	897 000	897 000	–	–
Transaction costs relating to the NHM018 issue	(89 154)	(89 154)	–	–
Amortisation of transaction costs over the period of the Notes issued	89 154	64 326	–	–
DMTNs repaid	(2 290 500)	–	–	–
	–	2 265 672	–	–

On 25 May 2020, Northam Platinum issued NHM018. All Tranches were issued under the same terms and conditions. These Notes attracted a floating coupon rate of 3-month JIBAR plus 375 basis points, which was payable on a quarterly basis in May, August, November and February of each year from issue date for a three-year period. These Notes matured on 25 May 2023.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
NHM019 transferred from non-current to current	3 490 065	–	–	–
	3 490 065	–	–	–

On 25 May 2020, Northam Platinum issued NHM019. All Tranches were issued under the same terms and conditions. The Notes attract a floating coupon rate of 3-month JIBAR plus 400 basis points, which is payable on a quarterly basis in May, August, November and February of each year from issue date for a four-year period. These Notes mature on 25 May 2024.

NHM020 transferred from non-current to current	679 481	–	–	–
	679 481	–	–	–

On 25 November 2020, Northam Platinum issued NHM020. All Tranches were issued under the same terms and conditions. These Notes attract a floating coupon rate of 3-month JIBAR plus 375 basis points, which is payable on a quarterly basis in November, February, May and August of each year from issue date for a three-year period. These Notes mature on 25 November 2023.

DMTNs (NHM024)	100 000	–	–	–
Transaction costs relating to the NHM024 issue	(1 790)	–	–	–
Amortisation of transaction costs over the period of the Notes issued	181	–	–	–
	98 391	–	–	–

On 25 May 2023, Northam Platinum issued NHM024. These Notes attract a floating coupon rate of 3-month JIBAR plus 200 basis points, which is payable on a quarterly basis in August, November, February and May from issue date for a year. These Notes mature on 25 May 2024.

Total current Domestic Medium-Term Notes	4 267 937	2 265 672	–	–
Total Domestic Medium-Term Notes	14 792 802	11 081 952	–	–

There are no balances relating to Domestic Medium-Term Notes included in Northam Holdings company.

Northam Platinum established a DMTN Programme pursuant to a Programme Memorandum dated 3 August 2012 (the Previous Programme Memorandum), in terms of which Northam Platinum may, from time to time, issue Notes.

Northam Platinum amended and restated the Previous Programme Memorandum to, *inter alia*, incorporate Booysendal as guarantor (Amended and Restated Programme Memorandum).

The amendments are incorporated in an Amended and Restated Programme Memorandum dated 29 October 2020.

The DMTN Programme's current Programme Amount amounts to R15.0 billion (30 June 2022: R15.0 billion).

The Amended and Restated Programme Memorandum applies to all Notes issued under the Programme on or after 29 October 2020 (Programme Date) and will, in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety. For the avoidance of doubt, subject to all applicable laws, the Previous Programme Memorandum will remain applicable to all Notes in issue prior to the Programme Date.

Transaction costs are amortised over the period of the financial liability.

Johannesburg Interbank Average Rate (JIBAR)

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets.

The South African Reserve Bank (SARB) has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments.

ZARONIA has been published for the purposes of observing the rate and how it behaves. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the group.

Significant judgements and estimates: Tax deductibility of the interest on certain of the Notes issued

DMTNs were issued specifically to finance the purchase of Zambezi Preference Shares in previous years. The interest and transaction cost relating to these specific Notes are therefore not deductible for tax, as the interest is deemed to be unproductive in nature.

Interest paid is deemed unproductive when associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

Below is a summary of the Notes issued to purchase Zambezi Preference Shares:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
NHM016 – Tranche 3	165 967	165 967	–	–
NHM016 – Tranche 4	200 000	200 000	–	–
NHM016 – Tranche 6 – switched from NHM012	954 150	954 150	–	–
NHM018 – Tranche 2	–	300 000	–	–
NHM018 – Tranche 3	–	253 000	–	–
NHM018 – Tranche 6 – switched from NHM011	–	325 000	–	–
NHM019 – Tranche 1	400 000	400 000	–	–
NHM019 – Tranche 2	390 000	390 000	–	–
NHM019 – Tranche 3 – switched from NHM012	954 150	954 150	–	–
NHM020 – Tranche 1	132 000	132 000	–	–
	3 196 267	4 074 267	–	–

The interest associated with the DMTNs which was classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the DMTNs (refer to note 6)	1 498 193	733 809	–	–
Unproductive finance costs relating to the DMTNs	(422 436)	(324 188)	–	–
Finance costs relating to the DMTNs deductible for tax purposes	1 075 757	409 621	–	–

The maturity profile of the group's DMTNs are set out below, into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Maturing during F2023	N/A	2 290 500	–	–
NHM018 – 25 May 2023	N/A	2 290 500	–	–
Maturing during F2024	4 297 935	4 197 935	–	–
NHM020 – 25 November 2023	682 000	682 000	–	–
NHM019 – 25 May 2024	3 515 935	3 515 935	–	–
NHM024 – 25 May 2024	100 000	–	–	–
Maturing during F2025	4 195 402	4 195 402	–	–
NHM015 – 13 December 2024	500 000	500 000	–	–
NHM016 – 11 May 2025	3 695 402	3 695 402	–	–
Maturing during F2026	1 143 000	–	–	–
NHM023 – 21 October 2025	243 000	–	–	–
NHM025 – 25 May 2026	900 000	–	–	–
Maturing during F2027	573 000	573 000	–	–
NHM021 – 26 November 2026	573 000	573 000	–	–
Maturing during F2028	4 790 000	–	–	–
NHM022 – 23 September 2027	3 500 000	–	–	–
NHM026 – 25 May 2028	1 290 000	–	–	–
Domestic Medium-Term Notes (excluding capitalised transaction costs)	14 999 337	11 256 837	–	–
Transaction costs incurred	(355 921)	(416 437)	–	–
Amortised transaction costs	149 386	241 552	–	–
Total Domestic Medium-Term Notes	14 792 802	11 081 952	–	–

During the year, the following movements occurred relating to the DMTNs:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	11 256 837	7 754 023	–	–
Notes issued	6 033 000	8 305 370	–	–
NHM007 – Tranche 3	–	100 000	–	–
NHM007 – Tranche 4	–	60 000	–	–
NHM009 – Tranche 3	–	100 000	–	–
NHM009 – Tranche 4	–	15 000	–	–
NHM012 – Tranche 4	–	100 000	–	–
NHM016 – Tranche 6	–	2 534 435	–	–
NHM016 – Tranche 7	–	15 000	–	–
NHM018 – Tranche 5	–	150 000	–	–
NHM018 – Tranche 6	–	535 000	–	–
NHM018 – Tranche 7	–	897 000	–	–
NHM019 – Tranche 3	–	1 770 935	–	–
NHM019 – Tranche 4	–	630 000	–	–
NHM019 – Tranche 5	–	275 000	–	–
NHM020 – Tranche 2	–	100 000	–	–
NHM020 – Tranche 3	–	450 000	–	–
NHM021 – Tranche 1	–	245 000	–	–
NHM021 – Tranche 2	–	78 000	–	–
NHM021 – Tranche 3	–	250 000	–	–
NHM022 – Tranche 1	3 500 000	–	–	–
NHM023 – Tranche 1	243 000	–	–	–
NHM024 – Tranche 1	100 000	–	–	–
NHM025 – Tranche 1	900 000	–	–	–
NHM026 – Tranche 1	1 290 000	–	–	–
Notes repaid	(2 290 500)	(407 886)	–	–
NHM007	–	(41 186)	–	–
NHM011	–	(243 000)	–	–
NHM012	–	(102 000)	–	–
NHM014	–	(21 700)	–	–
NHM018	(2 290 500)	–	–	–
Notes switched	–	(4 394 670)	–	–
NHM007 switched to NHM016 and NHM019	–	(100 000)	–	–
NHM007 switched to NHM012	–	(100 000)	–	–
NHM007 switched to NHM018	–	(210 000)	–	–
NHM009 switched to NHM016 and NHM019	–	(100 000)	–	–
NHM009 switched to NHM018	–	(115 000)	–	–
NHM009 switched to NHM020	–	(300 000)	–	–
NHM011 switched to NHM016 and NHM019	–	(50 000)	–	–
NHM011 switched to NHM018	–	(325 000)	–	–
NHM012 switched to NHM016 and NHM019	–	(2 428 870)	–	–
NHM018 switched to NHM016 and NHM019	–	(665 800)	–	–
Domestic Medium-Term Notes (excluding capitalised transaction costs)	14 999 337	11 256 837	–	–
Transaction costs incurred	(355 921)	(416 437)	–	–
Amortised transaction costs	149 386	241 552	–	–
Total Domestic Medium-Term Notes	14 792 802	11 081 952	–	–

32. Zambezi Preference Share liability

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	7 203 829	13 910 946	–	–
Accrued dividends up to the Zambezi Scheme Implementation Date	–	205 401	–	–
Zambezi Preference Share liability	7 203 829	14 116 347	–	–
Premium Amount	–	1 568 483	–	–
Settlement of Revised Accumulated Dividends through the transfer of 57 054 413 Northam Platinum Shares to Northam Holdings	–	(9 128 706)	–	–
Accrued dividends from the Zambezi Scheme Implementation Date to year-end	–	647 705	–	–
Accrued dividends for the year	998 935	–	–	–
Elimination/derecognition of Zambezi Preference Shares held by Northam together with accrued dividends recognised	(8 202 764)	(7 203 829)	–	–
Liquidity fees paid on Zambezi Preference Shares relating to the Zambezi BEE Transaction net of accumulated amortisation	–	(64 197)	–	–
Current year amortisation of liquidity fees accounted for in profit or loss	–	64 197	–	–
Zambezi Preference Share liability	–	–	–	–

On 18 May 2015, 159 905 453 cumulative redeemable Preference Shares were issued by Zambezi at an issue price of R41.00 per share. The Zambezi Preference Shares were redeemable in 10 years' time (from inception), which would have been 17 May 2025, at R41.00 per share plus the accumulated unpaid preference dividends. The Zambezi Preference Shareholders were entitled to receive a dividend equal to the issue price multiplied by the dividend rate of the South African prime interest rate plus 3.5% calculated on a daily basis based on a 365-day year compounded annually and capitalised at the end of December of every year.

As per the previous terms and conditions of the Zambezi Preference Shares (prior to their amendment pursuant to the Zambezi MOI Amendments), if the Zambezi Preference Shares were settled using Northam Platinum Shares, a premium would have been applied to the settlement. Consequently, the Zambezi Preference Shares Accumulated Dividends were settled at an 11.11% premium (Premium Amount) to the Face Value of the Zambezi Preference Shares at the Zambezi Scheme Implementation Date, being 23 August 2021 (Revised Accumulated Dividends) through a repurchase by Northam Platinum of Northam Platinum Shares held by Zambezi, valued at R160.00 per Northam Platinum Share resulting in 57 054 413 Northam Platinum Shares being transferred on 3 September 2021.

No dividends were received from Northam Platinum during the year (30 June 2022: R Nil). 90% of all dividends received from Northam Platinum must be used to settle the Preference Share liability.

The preference rights, limitations and other terms associated with the Zambezi Preference Shares are set out in the Zambezi MOI.

Subject to certain exceptions, the redeemable Zambezi Preference Shares do not carry the right to vote.

During 2015 subscription undertakings for the full value of the Zambezi Preference Shares were secured at a 2.5% liquidity fee, amounting to R163.9 million.

The liquidity fees were previously amortised over the 10-year lock-in period, with the balance being amortised in full during F2022 as a result of the implementation of, *inter alia*, the Zambezi Scheme.

The 159 905 453 cumulative redeemable preference shares issued by Zambezi were previously listed on the Main Board of the JSE and traded under preference share code ZPLP, but delisted from the Main Board of the JSE from commencement of trade on 24 August 2021 as part of the execution of the acceleration of maturity and wind-up of the Zambezi BEE Transaction.

In terms of the Zambezi Scheme, Northam Platinum acquired all the Zambezi Preference Shares not held by Northam Platinum on the Zambezi Scheme Implementation Date, being 23 August 2021.

There are no balances relating to the Zambezi Preference Share liability included in Northam Holdings company.

Impact of the Composite Transaction: Zambezi Scheme, Zambezi Delisting and Zambezi MOI Amendments

On the Zambezi Scheme Implementation Date, being 23 August 2021, Northam Platinum acquired all of the Zambezi Preference Shares not already held by Northam Platinum for the Zambezi Offer Consideration, calculated as Face Value plus a premium of 15.99% (Premium Amount) at the Implementation Date. Simultaneously with the Zambezi Scheme, the Zambezi Preference Shares were delisted from the Main Board of the JSE and the Zambezi MOI Amendments, including the Zambezi Pref Share Term Amendments, became effective.

For the avoidance of doubt, the Zambezi Preference Shares acquired by Northam Platinum pursuant to the Zambezi Scheme will remain in issue and will be held by Northam Platinum until the Zambezi Preference Share Redemption is implemented.

Further details of the Zambezi Scheme, the Zambezi Delisting and the Zambezi Pref Share Term Amendments are contained in the Zambezi Scheme Circular.

Northam Platinum made the Zambezi Offer to Zambezi Preference Shareholders in terms of the Zambezi Scheme Circular. The Zambezi Offer was implemented by way of the Zambezi Scheme, proposed by the Zambezi board of directors, between Zambezi and the Zambezi Preference Shareholders, in terms of section 114(1) as read with section 115 of the Companies Act.

Simultaneously with the Zambezi Scheme, the Zambezi board of directors approved (i) the Zambezi Delisting; and (ii) various amendments to the Zambezi MOI to enable the implementation of certain components of the Transaction, including:

- amendments to the Zambezi Pref Share Terms to increase the Accumulated Dividends in respect of each Zambezi Preference Share by the Premium Amount; provide for the settlement by Zambezi of all the Revised Accumulated Dividends on the Repurchase Implementation Date, and to permit settlement thereof by way of a transfer by Zambezi of so many Northam Platinum Shares held by Zambezi, valued at R160.00, as equal in value to the amount of the Revised Accumulated Dividends; and permit the voluntary redemption of Zambezi Preference Shares by Zambezi from time to time, after the Net Value Distribution Date at Zambezi's election, provided that Zambezi shall be obliged to redeem all the Zambezi Preference Shares by no later than 17 May 2025 (being the scheduled redemption date, as contemplated in the Zambezi Pref Share Terms), in cash or by way of a transfer by Zambezi of Northam Platinum Shares held by Zambezi, together with other amendments necessary to give effect to and implement the Transaction (collectively, the Zambezi Pref Share Term Amendments), with effect from the Zambezi Scheme Implementation Date;
- amendments to the Zambezi N Share Terms with effect from the Net Value Distribution Date to provide the Zambezi N Shareholder, being Northam Platinum, with the right to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders and to receive 100% of the Distributions made by Zambezi (subject to the Zambezi Pref Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount), together with other amendments necessary to give effect to and implement the Transaction (the Zambezi N Share Term Amendments); and
- amendments to the Zambezi MOI to (i) enable Zambezi to implement the Transaction, with effect from the Zambezi Scheme Implementation Date and (ii) convert Zambezi into a private company, with effect from the date on which the Zambezi Delisting becomes effective, together with other amendments necessary to give effect to and implement the Transaction (Zambezi MOI Amendments).

As per the original Zambezi Pref Share Terms, the Zambezi Preference Share liability was due at the end of the 10-year lock-in period, which was 17 May 2025. Settlement of dividends in respect of the Zambezi Preference Shares would have occurred in part through a Distribution to Zambezi Preference Shareholders of 90% of any dividends received by Zambezi from Northam Platinum during the 10-year lock-in period. At the end of the 10-year lock-in period settlement of unpaid dividends and the redemption of the Zambezi Preference Shares would have taken place through a Distribution to Zambezi Preference Shareholders of Northam Platinum Shares and/or cash held by Zambezi (if any). In the event that this was not sufficient to settle the Zambezi Preference Share liability, the Northam Guarantee would be called upon.

With the implementation of the Zambezi Scheme, on the Repurchase Implementation Date, Zambezi settled the Revised Accumulated Dividends, by way of a repurchase by Northam Platinum (being the only Zambezi Preference Shareholder after implementation of the Zambezi Scheme) of 57 054 413 Northam Platinum Shares held by Zambezi (valued at a price of R160.00 per Northam Platinum Share), which was equal in value to the amount of the Revised Accumulated Dividends, in accordance with the Zambezi Pref Share Terms (as amended pursuant to the Zambezi Pref Share Term Amendments).

Below is a reconciliation of the accrued dividends as per the Zambezi Preference Share liability relating to Zambezi and the amounts recognised in profit or loss:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Accrued Zambezi Preference Share dividends	998 935	853 106	–	–
Premium Amount	−	1 568 483	–	–
Less the Zambezi Preference Share dividends and the Premium Amount accrued to Northam Platinum with regards to the Zambezi Preference Shares held by Northam Platinum	(998 935)	(2 395 985)	–	–
Zambezi Preference Share dividends per the statement of profit or loss and other comprehensive income	−	25 604	–	–

Below is a reconciliation of the loss on derecognition of the Zambezi Preference Share liability recognised during previous reporting periods:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance of Zambezi Preference Shares held by Northam Platinum	7 203 829	12 176 882	–	–
Acquisition of Zambezi Preferences Shares, including transaction costs	−	2 046 300	–	–
Zambezi Preference Share dividends and the Premium Amount accrued to Northam Platinum with regards to the Zambezi Preference Shares held by Northam Platinum	998 935	2 395 985	–	–
Settlement of Revised Accumulated Dividends through the transfer of 57 054 413 Northam Platinum Shares to Northam Platinum	−	(9 128 706)	–	–
Derecognition of Zambezi Preference Shares held by Northam Platinum together with accrued dividends recognised	(8 202 764)	(7 203 829)	–	–
Loss on derecognition of the Zambezi Preference Share liability	−	286 632	–	–

The loss on derecognition of the Zambezi Preference Share liability accounted for during the previous year relates to the difference between the Face Value per Zambezi Preference Share and the price paid together with transaction costs incurred on the purchases of those Zambezi Preference Shares.

In terms of the Zambezi Scheme, Northam Platinum acquired all of the Zambezi Preference Shares not already held by Northam Platinum, for the Zambezi Offer Consideration that was calculated as the Face Value plus a premium of 15.99% at the implementation date, being 23 August 2021, which represented an offer consideration of R102.40 per Zambezi Preference Share.

Significant judgements and estimates: Consolidation of Zambezi Platinum (RF) Proprietary Limited

Previously, in terms of the Zambezi BEE Transaction, Zambezi held a combined 31.4% interest in Northam Platinum's issued stated capital.

The transaction was financed by way of 159 905 453 listed Zambezi Preference Shares, redeemable at the end of a 10-year Lock-in period. These Zambezi Preference Shares were guaranteed by Northam Platinum and as a result of the Northam Guarantee, Zambezi was consolidated into the Northam group results.

Prior to the implementation of the Zambezi Scheme and the MOI Amendments becoming effective:

- In terms of the Preference Share Terms, the Preference Shareholders were entitled to receive dividends equal to the South African prime interest rate plus 3.5% over the 10-year Lock-in period.
- Settlement of dividends in respect of the Zambezi Preference Shares would have occurred in part through 90% of the dividends received by Zambezi from Northam Platinum. There was however no obligation to settle the Zambezi Preference Share liability during the 10-year Lock-in period should no dividends be received from Northam Platinum.
- In terms of the Zambezi Preference Share Terms, the Zambezi Preference Share dividends would accumulate (compounded) at the rate mentioned above for the 10-year Lock-in period if not paid by Zambezi.
- The Zambezi Preference Shares were compulsorily redeemable on the day immediately succeeding the 10th anniversary of the implementation date. The Zambezi Preference Shares could only be redeemed before this date upon the occurrence of an early redemption event which was defined in the Preference Share Terms in Zambezi's MOI.
- On the redemption date, Zambezi was required to settle any accumulated unpaid dividends, together with the redemption price. The redemption price will be equal to the issue price of the Zambezi Preference Shares. Zambezi did not have any discretion to avoid the payment of accumulated unpaid dividends and the redemption price and was therefore obliged to settle this amount by Distributing to Preference Shareholders a variable number of Northam Platinum Shares and/or cash held by Zambezi (if any). In the event that this was not sufficient to settle the liability, the Preference Share liability was secured in terms of the Northam Guarantee. Should a liability have arisen under the Northam Guarantee, Northam Platinum may have settled this liability by capitalising Zambezi with cash and/or Northam Platinum Shares before the redemption amount became due or making payment directly to the Zambezi Preference Shareholders. The manner of settlement is a choice and was not contractually specified between the two ways mentioned above.

The redemption price of the Zambezi Preference Shares as well as any accumulated and unpaid preference dividends meet the definition of a financial liability and therefore accounted for as such in the statement of financial position of Zambezi and consolidated in the annual financial statements of Northam in terms of IFRS. This previously meant that the Northam group reflected the BEE equity issued shares (i.e., Northam Platinum Shares) as Treasury Shares (for accounting purposes Zambezi Preference Shares were reflected as a liability).

Zambezi was created and designed for the sole purpose of providing Northam with BEE credentials as well as a structure to issue the listed Zambezi Preference Shares.

Northam Platinum assumed full responsibility for the administration of Zambezi as well as any costs incurred by Zambezi up to a certain limit in line with the agreement. Furthermore, Northam Platinum provided the Northam Guarantee for Zambezi's obligation in respect of the Zambezi Preference Shares.

In terms of the Zambezi BEE Transaction, an N share was issued to Northam Platinum, which gave it the right to implement mitigating action should Zambezi not comply with certain undertakings as per the Zambezi BEE Transaction agreements and in other limited instances aimed at maintaining the integrity of the Zambezi BEE Transaction at all times. Zambezi also could not dispose of the Northam Platinum Shares without the prior consent of Northam Platinum. Northam Platinum had significant exposure to the variable returns of Zambezi, through the creation and maintenance of the BEE credentials during the 10-year Lock-in period as well as through the Northam Guarantee. The decision-making power of Zambezi's board of directors was restricted in terms of the ring-fencing provisions contained in the Zambezi MOI.

All of these factors had been considered in determining that even though Northam Platinum did not have majority of the voting rights in Zambezi, it still had control over the entity, and therefore consolidated the results of Zambezi.

As part of the early maturity of the Zambezi BEE Transaction, certain amendments were made, including to the terms of the N Share. These amendments increased the number of authorised N Shares to 1 000 000 N Shares and provided the Zambezi N Shareholder with the right to exercise 99% of all the votes exercisable by all the Zambezi Ordinary Shareholders and to receive 100% of the Distributions made by Zambezi (subject to the Zambezi Pref Share Terms and the settlement of the Net Value Distribution and the Zambezi Retention Release Amount) with effect from the Net Value Distribution Date, being 6 September 2021.

With the Zambezi N Share Term Amendments, Northam Platinum has, in its capacity as the Zambezi N Shareholder, assumed voting and economic control of Zambezi and Zambezi has become a subsidiary of Northam Platinum and was converted into a private company with effect from the date of the Zambezi Delisting.

33. Share-based payment liabilities

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Performance and retention share-based payment liability	244 961	293 319	–	–
Lock-in and incentive mechanism share-based payment liability	387 355	444 603	–	–
Total share-based payment liabilities	632 316	737 922	–	–
Short-term portion of share-based payment liabilities	(104 373)	(174 619)	–	–
Long-term share-based payment liabilities	527 943	563 303	–	–

The movement in the share-based payment liabilities are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	737 922	1 142 727	–	–
Share-based payment expense during the year (refer to note 4)	89 281	146 716	–	–
Performance and retention shares cash settled during the year	(194 887)	(551 521)	–	–
Total share-based payment liabilities	632 316	737 922	–	–

The short-term portion is based on the shares which will be settled or expire in the next 12 months.

All other share-based payment liabilities are disclosed as non-current due to the contractual terms as per the share incentive plan (SIP).

There are no balances relating to share-based payment liabilities included in Northam Holdings company.

Share incentive plan (SIP)

The SIP was approved in 2011 when shareholders approved that the Northam share option scheme be discontinued and replaced by the SIP.

In order to avoid any future dilution, all shares will either be cash-settled or equity-settled through purchases in the open market. Currently all shares are treated as cash settled.

The remuneration committee shall be entitled to determine that a participant shall receive the settlement amount in lieu of receiving the conditional shares (including Zambezi BEE Transaction conditional shares) on settlement.

The remuneration committee, which is charged with overseeing the group's remuneration policy, reviews the performance criteria annually and revises them as economic and operational circumstances dictate.

Below is an analysis of share incentives held relating to performance and retention shares:

	30 June 2023 Retention shares Number of awards	**30 June 2023** Performance shares Number of awards	**30 June 2023** Total Number of awards
Balance as at 1 July 2022	615 385	2 720 590	3 335 975
Performance shares awarded to middle management reclassified to retention shares	184 926	(184 926)	–
Shares awarded during the year in terms of the rules of the SIP	370 050	2 207 850	2 577 900
Performance conditions remeasured at vesting date	–	100 914	100 914
Shares forfeited	(102 887)	(478 473)	(581 360)
Shares cash settled during the year	(367 650)	(850 379)	(1 218 029)
Balance as at 30 June 2023	699 824	3 515 576	4 215 400

During the previous year, no retention shares were awarded, however after interactions with shareholders and difficulties experienced in attracting and retaining skills, the remuneration committee reinstated retention shares for Paterson D band employees only, relating to middle management. All other participants will only be awarded performance shares.

The shares awarded in terms of the rules of the SIP comprise: retention shares, which vest after three years from grant date with no performance conditions, and performance shares, which also vest after three years from grant date. The final number of performance shares that an employee will receive will be subject to certain performance conditions being met, which includes safety, production, unit cash cost and share performance.

The remuneration committee elects the settlement of all SIP awards of conditional shares in cash or with shares. Currently all awards are expected to be settled in cash and are therefore treated as cash settled.

All awards that had not yet vested but were cash-settled during the year relate to employees who retired or passed away.

	30 June 2022 Retention shares Number of awards	**30 June 2022** Performance shares Number of awards	**30 June 2022** Total Number of awards
Balance as at 1 July 2021	1 344 915	3 938 833	5 283 748
Shares awarded during the year in terms of the rules of the SIP	–	1 286 850	1 286 850
Shares forfeited/adjusted for performance conditions*	(45 625)	(421 423)	(467 048)
Shares cash settled during the year	(683 905)	(2 083 670)	(2 767 575)
Balance as at 30 June 2022	615 385	2 720 590	3 335 975

**The performance conditions are based on a preliminary assessment at year-end and is updated at the vesting date.*

The following table lists the inputs to the model used for the valuation of the share-based payment liabilities:

	30 June 2023 F2020 awards	**30 June 2023** F2021 awards	**30 June 2023** F2022 awards
Dividend yield (%)	–	–	–
Forfeiture rate (%)	10.0	10.0	10.0
Expected life of share awards (years)	0.34	1.34	2.34
30-Day VWAP (R/share)	R150.72	R150.72	R150.72
Model used*	Market value	Market value	Market value
Valuation per share award (R/share)	R145.96	R132.66	R120.60

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, therefore the 30-Day VWAP at year-end adjusted for dividends forfeited during the vesting period was used.*

	30 June 2022 F2020 awards	**30 June 2022** F2021 awards	**30 June 2022** F2022 awards
Dividend yield (%)	–	–	–
Forfeiture rate (%)	10.0	10.0	10.0
Expected life of share awards (years)	0.34	1.34	2.34
30-Day VWAP (R/share)	R174.83	R174.83	R174.83
Model used*	Market value	Market value	Market value
Valuation per share award (R/share)	R169.31	R153.92	R139.89

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, therefore the 30-Day VWAP at year-end adjusted for dividends forfeited during the vesting period was used.*

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the incentive shares is indicative of future trends, which may not necessarily be the actual outcome.

Lock-in and incentive mechanism (LIM)

Below is a summary of the LIM incentives held:

	30 June 2023	**30 June 2022**
	Number of awards	Number of awards
Opening balance	4 350 000	4 350 000
LIM shares cancelled during the year	(200 000)	–
Total number of LIM shares awarded	4 150 000	4 350 000

The implementation of the Zambezi BEE Transaction resulted in a number of significant benefits for the group including compliance with the required empowerment criteria in terms of the MPRDA and the Mining Charter, as well as a significant cash injection to fund both acquisitions and organic growth.

However, the related Northam Guarantee to the holders of the Zambezi Preference Shares may have resulted in a dilution for Northam Platinum shareholders, eroding shareholder value as a result.

Therefore, at the request of shareholders, Northam Platinum introduced a management incentive plan on implementation of the Zambezi BEE Transaction in 2015.

Vesting was previously subject to the satisfaction of the performance condition that Zambezi fully settles the redemption amount and fully settles or makes adequate provision for all its tax liabilities arising from settlement of the redemption amount. This was on the basis that no Northam Guarantee liability would arise, and no member of the group would have been required to give any direct or indirect financial assistance for the purpose of or in connection with, the settlement of the redemption amount.

In terms of the rules of the Northam SIP (Rules), a redemption by Zambezi of the Zambezi Preference Shares prior the original maturity date of the Zambezi Preference Shares, being 17 May 2025 (Original Maturity Date) would have resulted in the Zambezi BEE Transaction Conditional Shares awarded to the management team under the LIM (Participants) being subject to a proportionate vesting with the balance lapsing (Proportionate Vesting). The implementation of the Composite Transaction entailed the Zambezi Preference Shares being redeemed by Zambezi on or prior to the Original Maturity Date, at Zambezi's election. The Proportionate Vesting could therefore occur as a result of the implementation of the Transaction to the extent that Zambezi elects to redeem, and redeems, the Zambezi Preference Shares prior to the Original Maturity Date.

In order to maintain the retention of the management team and to continue to incentivise the management team until the Original Maturity Date, and to prevent the possible Proportionate Vesting upon implementation of the Composite Transaction, the Rules were amended, with effect from the Zambezi Scheme Implementation Date, being 23 August 2021 to, *inter alia*, cater for: no Proportionate Vesting to occur if Zambezi elects to redeem, and redeems, the Zambezi Preference Shares prior to the Original Maturity Date; the Zambezi BEE Transaction Conditional Shares, subject to the vesting condition (as defined in the Rules) being fulfilled on such date, vesting on the Original Maturity Date and the performance condition (as defined in the Rules) relating thereto being deemed to have been fulfilled on such date; subject to certain provisions applicable in respect of no fault termination and early retirement (as defined in the Rules), dividends which are declared and paid in respect of Northam Platinum Shares from the Zambezi Scheme Implementation Date until the Original Maturity Date shall notionally accrue to the Zambezi BEE Transaction Conditional Shares and the aggregate amount of such notional dividends shall be paid in cash to the Participants within 30 days of the Original Maturity Date, provided that the vesting condition has been fulfilled on the Original Maturity Date.

This avoided a cliff vesting event and ensures continued alignment of the interests of the management team and Northam Holdings shareholders.

In terms of the LIM share awards, a maximum aggregate of five million shares could be awarded.

The following table lists the inputs to the model used for the LIM plan valuation:

	30 June 2023	**30 June 2022**
Dividend yield (%)	–	–
Forfeiture rate (%)	–	–
Expected life of share awards (years)	1.88	2.88
Spot price (R/share)	R125.48	R171.29
Model used*	Market value	Market value
Valuation per share award (R/share)	R125.48	R171.29

**Given that the value of the shares will be paid out, and not just the growth in the price, an option valuation model is not appropriate, but the share price at year-end adjusted for dividends forfeited during the vesting period was used.*

All LIM share awards will vest on 17 May 2025, irrespective of the grant date.

34. Revolving credit facility

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	1 450 000	–	–	–
Amounts drawn down on the revolving credit facility during the year	11 605 000	8 900 000	–	–
Amounts repaid during the year	(13 055 000)	(7 450 000)	–	–
Total facility utilised at year-end	–	1 450 000	–	–
Transaction costs incurred on the previous revolving credit facility	(33 345)	(33 345)	–	–
Amortisation of transaction costs on the previous revolving credit facility amortised over the period of the facility (refer to note 6)	33 345	17 484	–	–
Transaction cost incurred on the new revolving credit facility	(187 827)	–	–	–
Amortisation of transaction cost on the new revolving credit facility amortised over the period of the facility (refer to note 6)	27 670	–	–	–
	(160 157)	1 434 139	–	–

During the current year, Northam Platinum negotiated a R10.0 billion (30 June 2022: R4.0 billion) 5-year RCF which matures on 24 August 2027.

The interest rate relating to the RCF is calculated at JIBAR plus 2.30% (previously 2.45%), plus a utilisation fee of between 0.10% and 0.50% per annum, depending on the amount of the RCF drawdown. The effective interest rate on the RCF therefore ranges between JIBAR plus 2.40% and JIBAR plus 2.80%, depending on the amount of the drawdown (previously the effective interest rate on the RCF ranged between JIBAR plus 2.55% and JIBAR plus 2.95%, depending on the amount of the drawdown).

Commitment fees are payable on the RCF amounting to 0.75% per annum (30 June 2022: 0.80% per annum) on the unutilised portion of the facility. No commitment fee shall accrue during periods where more than 80% of the total facility had been utilised.

The utilised RCF is disclosed as non-current as Northam has the discretion to refinance or roll over the outstanding facility for at least 12 months after the reporting date under the existing loan facility.

The RCF has financial covenant requirements which are reported on at each reporting date.

The financial covenant requirements are as follows:

Net Debt to EBITDA Ratio: the Net Debt to EBITDA Ratio in respect of any Measurement Period shall not exceed 2.5:1.

Net Debt to Equity Ratio: the Net Debt to Equity Ratio in respect of any Measurement Period shall not exceed 0.8:1.

Interest Cover Ratio: the Interest Cover Ratio in respect of any Measurement Period shall not be less than 4.0:1.

None of the financial covenant requirements, as measured at year-end, have been breached or are close to being breached. It is believed that the group is currently not at risk of breaching any of the financial covenant requirements.

Refer to the note 48 for guarantees issued by companies within group relating to the Northam RCF. Northam Holdings, Booysendal and Eland are guarantors in respect of the RCF.

Below is a summary of the facility available:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Total revolving credit facility	10 000 000	4 000 000	–	–
Facility utilised at year-end	–	(1 450 000)	–	–
Available facility at year-end	10 000 000	2 550 000	–	–

There are no balances relating to the revolving credit facility included in Northam Holdings company.

Significant judgements and estimates: Tax deductibility of the interest on the RCF

On 9 November 2022, Northam announced its firm intention to make an offer to acquire the remaining shares in RBPlat which it did not already own, excluding RBPlat Treasury Shares (Offer).

The Offer Consideration would have been settled fully in cash or, subject to the level of acceptance of the Offer, a combination of cash and Northam Holdings Shares. Northam committed R17.0 billion for purposes of settling the Cash Consideration pertaining to the Offer (Maximum Cash Consideration).

In accordance with Regulations 111(4) and 111(5), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) issued a cash confirmation to the TRP for a portion of the Maximum Cash Consideration, with the balance covered by a guarantee that was issued by Absa Bank Limited (acting through its Corporate and Investment Banking division).

An amount of R11.5 billion was deposited into an escrow account at Nedbank Limited, a portion of which was funded by the RCF, for purposes of the Offer, and therefore unproductive in nature.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to fund the TRP Cash Confirmation	7 155 000	–	–	–
	7 155 000	–	–	–

Following the termination of the Offer the drawdown was repaid in full.

During F2022 drawdowns were made to finance the share purchase from certain Strategic Partners during September 2021 as part of the Composite Transaction, whereby 14 571 063 Northam Holdings Shares were purchased at a price of R165.29 per share. As a result, an amount of R2.0 billion was drawn down to finance the share repurchases:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to acquire Northam Platinum Holdings Limited Shares from the Strategic Partners	–	2 000 000	–	–
	–	2 000 000	–	–

The R2.0 billion was repaid in full from cash generated from operations, during F2022.

In addition, a drawdown to the value of R3.0 billion was made to finance the purchase of 93 930 378 RBPlat Shares.

Northam Holdings acquired the 93 930 378 RBPlat Shares from a wholly owned subsidiary of RBH.

The purchase consideration was partially settled by issuing 34 399 725 Northam Holdings Shares to RBIH, with the balance of R8.6 billion settled in cash. R3.0 billion was paid upfront, from funds drawn from the RCF.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Drawdowns made to acquire RBPlat Shares	–	3 000 000	–	–
	–	3 000 000	–	–

The R3.0 billion drawdown to purchase RBPlat Shares was repaid in full during F2022.

As at 29 April 2022 the first tranche of the Deferred Acquisition Consideration was settled in terms of the agreement entered into with RBH to acquire 93 930 378 RBPlat Shares. To settle the Deferred Acquisition Consideration R2.1 billion was drawn down on the RCF during F2022 with R1.5 billion settled before 30 June 2022, and the balance settled during F2023.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Drawdowns made to settle Deferred Acquisition Consideration	–	2 100 000	–	–
	–	2 100 000	–	–

All other drawdowns on the RCF were made to finance operational expenditure.

For these transactions listed above the interest on the RCF is deemed to be unproductive in nature. Interest paid is deemed unproductive when associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

The interest associated with the RCF classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Finance costs relating to the revolving credit facility (refer to note 6)	426 610	116 380	–	–
Unproductive finance costs relating to the revolving credit facility	(390 444)	(105 129)	–	–
Finance costs relating to the revolving credit facility deductible for tax purposes	36 166	11 251	–	–

35. Term loan facility

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Opening balance	–	–	–	–
Amounts drawn down on the Term loan facility	2 445 000	–	–	–
Amounts repaid on the Term loan facility during the year	(2 445 000)	–	–	–
Total Term loan facility utilised at year-end	–	–	–	–
Transaction costs including upfront utilisation costs incurred on the Term loan facility	(59 504)	–	–	–
Amortisation of transaction costs on the Term loan facility (refer to note 6)	59 504	–	–	–
	–	–	–	–

The group secured a senior, unsecured Term loan facility with a syndicate of lenders, for R2.4 billion (30 June 2022: R Nil).

The Term loan facility accrued interest at 3-month JIBAR plus 2.50%.

Commitment fees were payable on the Term loan facility amounting to 0.75% per annum on the unutilised portion of the facility.

Northam Holdings, Booysendal and Eland were all guarantors in respect of the Term loan facility.

During the year, the Term loan facility was repaid in full and cancelled and is therefore no longer available.

Significant judgements and estimates: Tax deductibility of the interest on the Term loan facility

On 9 November 2022, Northam announced its firm intention to make an offer to acquire the remaining shares in RBPlat which it did not already own, excluding RBPlat Treasury Shares (Offer).

The Offer Consideration would have been settled fully in cash or, subject to the level of acceptance of the Offer, a combination of cash and Northam Holdings Shares. Northam committed R17.0 billion for purposes of settling the Cash Consideration pertaining to the Offer (Maximum Cash Consideration).

In accordance with Regulations 111(4) and 111(5), Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) issued a cash confirmation to the TRP for a portion of the Maximum Cash Consideration, with the balance covered by a guarantee that was issued by Absa Bank Limited (acting through its Corporate and Investment Banking division).

An amount of R11.5 billion was deposited into an escrow account with Nedbank Limited, a portion of which was funded by the Term loan, for purposes of the Offer.

Interest paid is deemed unproductive when the associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

The interest associated with the Term loan facility classified as unproductive amounted to the following balances:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the Term loan facility (refer to note 6)	158 922	N/A	–	N/A
Unproductive finance costs relating to the Term loan facility	(158 922)	N/A	–	N/A
Finance costs relating to the Term loan facility deductible for tax purposes	–	N/A	–	N/A

There are no balances relating to the Term loan facility included in Northam Holdings company.

36. Acquisition facility

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	–	–	–	–
Amounts drawn down on the Acquisition facility	–	–	–	–
Amounts repaid on the Acquisition facility	–	–	–	–
Total Acquisition facility utilised	–	–	–	–
Transaction costs including upfront utilisation costs incurred on the Acquisition facility	(111 235)	–	(111 235)	–
Amortisation of transaction costs on the Acquisition facility (refer to note 6)	111 235	–	111 235	–
	–	–	–	–

Northam Holdings obtained a R5.5 billion acquisition facility (Acquisition facility) with Absa Bank Limited (acting through its Corporate and Investment Banking division) during the year. The facility accrued interest at 3-month JIBAR plus a margin. The margin *amounted* to 2.15% for the period up to (and including) the first anniversary of the Condition Precedent (CP) fulfilment date and thereafter 2.30% nominal annual compounded quarterly in arrears.

The financial covenants applicable to the existing RCF extended to the Acquisition facility.

Commitment fees were payable on the Acquisition facility amounting to 0.75% per annum on the unutilised portion of the facility.

Absa Bank Limited provided a bank guarantee in accordance with Regulations 111(4) and 111(5) (Bank Guarantee) in connection with the Offer.

Guarantee fees were payable on the Acquisition facility at a rate of 0.5% per annum as a result of the guarantee issued to the TRP by Absa Bank Limited.

On 5 April 2023, Northam Holdings released an announcement to indicate the occurrence of Material Adverse Changes and the consequential termination of the Offer with immediate effect.

The guarantee issued by Absa Bank Limited as well as the Acquisition facility were therefore subsequently cancelled.

Significant judgements and estimates: Tax deductibility of cost associated with the Acquisition facility

The cost associated with the Acquisition facility is not deductible for tax, as the cost is deemed to be unproductive in nature. Costs are deemed unproductive when the associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

37. Deferred Acquisition Consideration

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Acquisition of 93 930 378 RBPlat Shares (trading under JSE share code: RBP)	16 278 441	16 278 441	16 278 441	16 278 441
Partially settled through the issue of 34 399 725 Northam Holdings Limited Shares (trading under JSE share code: NPH) at R223.64 per share	(7 693 154)	(7 693 154)	(7 693 154)	(7 693 154)
Cash consideration	8 585 287	8 585 287	8 585 287	8 585 287
Upfront cash settlement financed by way of a revolving credit facility draw down (refer to note 34)	(3 000 000)	(3 000 000)	(3 000 000)	(3 000 000)
Escalation of the R4.0 billion Deferred Acquisition Consideration at a nominal annual rate of 12.0% compounded quarterly in arrears (refer to note 6)	211 906	211 906	211 906	211 906
Settlement of cash distributions declared and paid by Royal Bafokeng Platinum Limited pertaining to the Acquisition Shares	(502 528)	(502 528)	(502 528)	(502 528)
Settlement of R4.0 billion Sale Consideration together with Escalation less cash distributions received	(3 709 378)	(3 709 378)	(3 709 378)	(3 709 378)
Escalation of the R1.6 billion Deferred Acquisition Consideration at a nominal annual rate of 12.0% compounded quarterly in arrears (refer to note 6)	168 686	119 503	168 686	119 503
Settlement of cash distributions declared and paid by Royal Bafokeng Platinum Limited pertaining to the Acquisition Shares	(230 129)	–	(230 129)	–
Settlement of R1.6 billion Sale Consideration together with Escalation less cash distributions received	(1 523 844)	–	(1 523 844)	–
Total Deferred Acquisition Consideration including Escalation	–	1 704 790	–	1 704 790

Northam acquired an initial investment of 93 930 378 RBPlat Shares from a wholly owned subsidiary of RBH (Acquisition Shares).

The purchase consideration for the Acquisition Shares was settled by Northam Holdings issuing 34 399 725 Northam Holdings Shares to RBIH, with the balance of R8.6 billion settled in cash. R3.0 billion was paid upfront, R4.0 billion was deferred to, and settled on, 29 April 2022 (R4.2 billion including escalation at the Escalation Rate) and the remaining R1.6 billion (R1.8 billion including escalation at the Escalation Rate) was paid on 30 September 2022.

The Deferred Acquisition Consideration escalated, from the Acquisition Implementation Date, being 19 November 2021, until the date of payment of the relevant Deferred Acquisition Consideration, at a nominal annual rate of 12.0% compounded quarterly in arrears (Escalation Rate).

Any amounts received by Northam Holdings in respect of any cash distribution declared and paid by RBPlat pertaining to the Acquisition Shares had to be utilised to settle all or a part of the Deferred Acquisition Consideration that remained outstanding.

Northam Holdings and RBIH entered into a pledge and cession agreement in terms of which Northam Holdings had pledged and ceded in securitatem debiti the Acquisition Shares and the relevant option shares acquired by Northam Holdings for the Deferred Option Consideration (to the extent applicable), in favour of RBIH as security for the payment by Northam Holdings of the Deferred Acquisition Consideration and Deferred Option Consideration, to the extent applicable.

The security was released subsequent to the payment of the last portion of the Deferred Acquisition Consideration on 30 September 2022.

Northam Platinum, Booysendal and RBIH entered into a guarantee, in terms of which Northam Platinum and Booysendal guaranteed the payment obligations of Northam Holdings in respect of the Deferred Acquisition Consideration and Deferred Option Consideration.

The guarantee expired on the settlement of the final Deferred Acquisition Consideration payment on 30 September 2022.

Significant judgements and estimates: Tax deductibility of the interest on the Deferred Acquisition Consideration

The interest associated with the Deferred Acquisition Consideration is not deductible for tax, as the interest is deemed to be unproductive in nature. Interest paid is deemed unproductive when the associated borrowings are utilised for non-operational purposes for example buying an investment that generates exempt dividend income.

The interest associated with the Deferred Acquisition Consideration classified as unproductive amounted to:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Finance costs relating to the Deferred Acquisition Consideration (refer to note 6)	49 183	331 409	49 183	331 409
Unproductive finance costs relating to the Deferred Acquisition Consideration	(49 183)	(331 409)	(49 183)	(331 409)
Finance costs relating to the Deferred Acquisition Consideration deductible for tax purposes	–	–	–	–

38. Bridge facility

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Opening balance	3 000 000	–	–	–
Amounts drawn down on the Bridge facility	–	3 000 000	–	–
Amounts repaid on the Bridge facility during the year	(3 000 000)	–	–	–
Total Bridge facility utilised at the year-end	–	3 000 000	–	–
Transaction costs including upfront utilisation costs incurred on the Bridge facility	(63 250)	(63 250)	–	–
Amortisation of transaction costs on the Bridge facility (refer to note 6)	63 250	32 562	–	–
	–	2 969 312	–	–

During F2022 the group secured a senior, unsecured term loan facility (Bridge facility) of R3.0 billion with Nedbank Limited to facilitate operational expenses.

The Bridge facility accrued interest at 1-month JIBAR plus 2.0% per annum, plus a utilisation fee of 0.2%, on draw downs.

The Bridge facility was available for a maximum period of 12 months, and matured on 14 December 2022.

Commitment fees were payable on the Bridge facility amounting to 0.6% per annum on the unutilised portion of the facility.

Refer to note 48 for guarantees previously issued by group companies relating to the Bridge facility. Northam Holdings, Booysendal and Eland have all signed a letter of guarantee relating to this facility.

Below is a summary of the Bridge facility available during the previous year:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Total Bridge facility	N/A	3 000 000	–	–
Bridge facility utilised at the year-end	N/A	(3 000 000)	–	–
Available Bridge facility at the year-end	N/A	–	–	–

As the Bridge facility was used to finance operational expenses, and therefore all interest relating to the Bridge facility was deductible for tax purposes.

There are no balances relating to the Bridge facility included in Northam Holdings company.

39. Trade and other payables

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Trade payables	1 774 294	1 359 338	–	–
Provisional pricing payables	23 024	–	–	–
Accruals	608 767	508 327	7 583	27 234
Concentrate purchased accruals	1 298 190	646 215	–	–
Accrual relating to capital expenditure	128 612	97 416	–	–
South African Revenue Service – Value Added Tax	87 440	152 974	–	–
South African Revenue Service – amounts payable relating to the Mineral and Petroleum Resources Royalty	–	33 827	–	–
Accrued interest and commitment fees	172 429	122 488	–	–
Employee related accruals	1 245 443	946 973	–	–
Other	85 984	74 046	–	–
	5 424 183	3 941 604	7 583	27 234

Trade payable and accrual balances are unsecured, non-interest bearing and generally settled on 30-day terms.

The carrying amount of trade and other payables approximate their fair value, due to their short-term nature.

Below are the uncovered foreign currency denominated balances as at the reporting date included in trade and other payables above:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Euro (€000)	3 602	524	–	–
€ closing exchange rate*	R20.55	R17.07	–	–
Trade and other payables denominated in € (R000)	74 040	8 960	–	–
US dollars (USD000)	27 274	24 649	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Trade and other payables denominated in USD (R000)	513 686	401 292	–	–
Pound Sterling (£000)	1 077	116	–	–
£ closing exchange rate*	R23.93	R19.82	–	–
Trade and other payables denominated in £ (R000)	25 785	2 294	–	–

**Rounded to the nearest cent.*

Refer to note 47 for the fair value and financial risk disclosure.

40. Provisional pricing liabilities

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Provisional pricing liabilities	40 372	–	–	–
	40 372	–	–	–

Provisional pricing liabilities relate to amounts received in advance of the quotational period for chrome and nickel deliveries. Therefore, any negative movement in the price of chrome and nickel subsequent to payment being received will result in a payable to the customer as reflected above.

Subsequent to the quotation period, the selling price is finalised, and any amounts required to be refunded are accounted for as a provisional pricing payable, refer to note 39.

There are no balances relating to provisional pricing liabilities included in Northam Holdings company.

41. Short-term provisions

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance at the beginning of the year	510 523	426 992	–	–
Additional amounts raised	724 372	593 837	–	–
Leave pay utilised	(651 166)	(510 306)	–	–
	583 729	510 523	–	–

Employee entitlements to annual leave are recognised when they accrue to employees. An estimated liability for annual leave as a result of services rendered by employees up to the reporting date based on the basic cost of employment and available leave entitlement at that date is recognised.

There are no balances relating to short-term provisions included in Northam Holdings company.

42. Other long-term employee benefits

The Toro Employee Empowerment Trust is an employee profit scheme at the Zondereinde mine for eligible employees (Paterson C band employees and below). 4% of after-tax profits of the Zondereinde mine is contributed to the Toro Employee Empowerment Trust. Eligible employees receive payment at the end of each five year cycle, the first and second of which were made in 2013 and 2018 respectively.

Contributions to the Toro Employee Empowerment Trust will be made for the life of mine and a minimum cycle pay out of R15 000 per eligible employee has been guaranteed by the company, with the next payment due in 2023.

Northam Platinum entered into an agreement with the representative unions at the Zondereinde mine in terms of which Northam Platinum has undertaken to contribute 4% of its after-tax profits to the Toro Employee Empowerment Trust, providing Northam's Zondereinde mine's unskilled and semi-skilled employees an opportunity to participate in the profits of the company. Eligible employees will receive payment at the end of each five-year cycle, starting from September 2013.

The asset or liability comprises the present value of the obligation less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets (cash) that are held by the Trust and are not available to the creditors of the group.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Assets as at 1 July	499 411	553 069	–	–
Interest income	37 489	27 135	–	–
Employer contributions	185 691	(55 984)	–	–
Benefits paid	(83 436)	(7 051)	–	–
Actuarial gain/(loss)	28 539	(17 357)	–	–
Administration costs	(29 955)	(401)	–	–
Assets as at 30 June	637 739	499 411	–	–
Unrecognised due to asset ceiling limit*	320 104	246 854	–	–
Below is a breakdown of other long-term employee benefits:				
Other long-term employee benefit as at 1 July	252 557	321 038	–	–
Service costs	104 520	119 649	–	–
Past service cost	(5 384)	–	–	–
Interest cost	19 978	24 022	–	–
Actuarial loss/(gain)	59 355	(204 700)	–	–
Benefits paid	(83 436)	(7 051)	–	–
Administration costs	(29 955)	(401)	–	–
Other long-term employee benefit as at 30 June	317 635	252 557	–	–
Asset/(liability) recognised on the statement of financial position	–	–	–	–

**The 'asset ceiling limit' ensures the asset to be recognised on the company's statement of financial position is subject to the present value of any economic benefits available to Northam Platinum in the form of refunds or reductions in future contributions.*

Northam Platinum's contribution to the Toro Employee Empowerment Trust amounts to R108.3 million (30 June 2022: R84.0 million), refer to note 4, and will be paid to the Toro Employee Empowerment Trust subsequent to year-end based on the audited results for F2023.

There are no balances relating to other long-term employee benefits included in Northam Holdings company.

43. Cash generated from/(utilised by) operations

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Profit/(loss) before taxation	6 743 838	13 725 578	(4 227 088)	148 761
Adjustments:				
Profit on sale of property, plant and equipment and mining properties and Mineral Resources	(13 642)	(22 376)	–	–
Depreciation and write-offs	1 147 094	932 597	–	–
Impairment of property, plant and equipment	2 718 275	–	–	–
Changes in long-term provisions	59 396	212 155	–	–
Changes in long-term receivables	181	(2 632)	–	–
Changes in short-term provisions	73 206	83 531	–	–
Share of earnings from SSG Holdings Proprietary Limited	(25 235)	(22 469)	–	–
Share of earnings from Royal Bafokeng Platinum Limited	(139 905)	(777 049)	–	–
Dividends received from Royal Bafokeng Platinum Limited*	–	–	(781 713)	(536 175)
Impairment of investment in associate	4 103 608	–	4 504 542	–
Zambezi Preference Share dividends	–	25 604	–	–
Amortisation of liquidity fees paid on Zambezi Preference Shares	–	64 197	–	–
Loss on derecognition of Zambezi Preference Share liability	–	286 632	–	–
Net foreign exchange difference	(89 500)	(15 994)	–	–
Amortisation of security of supply contribution	(7 501)	(19 704)	–	–
Settlement of the share-based payment liabilities	(194 887)	(551 521)	–	–
Finance charges excluding Zambezi Preference Share dividends	2 540 133	1 534 602	652 819	331 409
Investment revenue	(751 894)	(106 350)	(467 671)	(4 725)
Revaluation of the Put and Call options relating to Royal Bafokeng Platinum Limited Shares	131 485	(41 013)	131 485	(41 013)
Profit on modification and unwinding of the research and development liability with Heraeus Deutschland Gmbh & Co. KG	(6 200)	(43 493)	–	–
Lock-in Fee forfeited due to a Disposal Event	–	(32 420)	–	–
Interest on Employee Labour Court Judgement	–	(16 010)	–	–
	16 288 452	15 213 865	(187 626)	(101 743)

**Dividends received from Royal Bafokeng Platinum Limited have been disclosed separately in the Statement of cash flows in the current and prior years for improved disclosure.*

44. Change in working capital

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Movement in inventories	(1 333 031)	(260 852)	–	–
Movement in trade and other receivables	(131 816)	(759 108)	2 360	(2 818)
Movement in trade and other payables	1 363 536	101 021	(19 651)	27 234
Movement in provisional pricing liabilities	40 372	–	–	–
	(60 939)	(918 939)	(17 291)	24 416

45. Tax paid

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Balance (owing)/refundable at the beginning of the year	(93 630)	53 641	235	–
Amounts recognised in profit or loss	(2 787 512)	(3 142 173)	(242)	(1 079)
Balance (refundable)/owing at the end of the year	(19 450)	93 630	(5)	(235)
	(2 900 592)	(2 994 902)	(12)	(1 314)

46. Changes in liabilities arising from financing activities

Below is a reconciliation of the changes in liabilities arising from financing activities:

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Other	Closing balance
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 29)	35 633	–	–	–	(7 501)	28 132
Heraeus Deutschland GmbH & Co. KG (refer to note 29)	49 169	–	–	–	(6 200)	42 969
Lease liabilities (refer to note 30)	74 291	–	(11 463)	6 752	17 725	87 305
Domestic Medium-Term Notes (refer to note 31)	11 081 952	6 033 000	(2 428 408)	–	106 258	14 792 802
Revolving credit facility (refer to note 34)	1 434 139	11 605 000	(13 242 827)	–	43 531	(160 157)
Deferred Acquisition Consideration (refer to note 37)	1 704 790	–	(1 585 287)	49 183	(168 686)	–
Term loan facility (refer to note 35)	–	2 445 000	(2 504 504)	–	59 504	–
Acquisition facility (refer to note 36)	–	–	(111 235)	–	111 235	–
Bridge facility (refer to note 38)	2 969 312	–	(3 000 000)	–	30 688	–

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Other	Closing balance
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Group	R000	R000	R000	R000	R000	R000
Security of supply contribution (refer to note 29)	55 337	–	–	–	(19 704)	35 633
Heraeus Deutschland GmbH & Co. KG (refer to note 29)	92 662	–	–	–	(43 493)	49 169
Lease liabilities (refer to note 30)	81 247	–	(14 369)	6 981	432	74 291
Domestic Medium-Term Notes (refer to note 31)	7 594 235	8 305 370	(4 969 281)	–	151 628	11 081 952
Zambezi Preference Share liability (refer to note 32)	1 669 867	–	(2 046 300)	853 106	(476 673)	–
Revolving credit facility (refer to note 34)	(23 182)	8 900 000	(7 450 000)	–	7 321	1 434 139
Deferred Acquisition Consideration (refer to note 37)	–	8 585 287	(7 211 906)	331 409	–	1 704 790
Bridge facility (refer to note 38)	–	3 000 000	(63 250)	–	32 562	2 969 312

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Other	Closing balance
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000	R000
Short-term subsidiary loan payable (refer to note 20)	10 334 718	13 280 825	(11 967 621)	–	–	11 647 922
Deferred Acquisition Consideration (refer to note 37)	1 704 790	–	(1 585 287)	49 183	(168 686)	–
Acquisition facility (refer to note 36)	–	–	(111 235)	–	111 235	–

	Opening balance	Changes from financing cash inflows	Changes from financing cash outflows	Interest	Other	Closing balance
	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022	30 June 2022
Company	R000	R000	R000	R000	R000	R000
Short-term subsidiary loan payable (refer to note 20)	–	10 334 718	–	–	–	10 334 718
Deferred Acquisition Consideration (refer to note 37)	–	8 585 287	(7 211 906)	331 409	–	1 704 790

47. Financial risk management objectives and policies

The group's activities are exposed to a variety of financial risks, market risk (including foreign currency risk, interest rate risk and commodity price risks), credit risk and liquidity risks. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Financial risk management is carried out by the finance department. Policies are approved by the board of directors, which sets guidelines to identify, evaluate and manage financial risks in co-operation with the operating units. The board of directors review and agree policies for managing each of these risks which are summarised below.

The group's principal financial liabilities comprise loans and borrowings, as well as trade and other payables. The main purpose of these financial liabilities is to finance the group's operations and to provide guarantees to support its operations. The group has various financial assets such as trade and other receivables, investments, other financial assets, long-term receivables and cash and cash equivalents, which arise directly from its operations.

Market risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise the following types of risk: foreign currency risk, interest rate risk, commodity price risk and other price risk, such as equity risk.

Foreign currency risk

The group operates on international commodity markets and is therefore exposed to foreign exchange risk primarily with respect to the USD. Foreign exchange risks arise from future commercial transactions and are recognised both in financial assets and liabilities. To manage foreign exchange risks arising from future commercial transactions, the group, from time to time, may use forward exchange contracts within board-approval limits.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The group has transactional currency exposures. Such exposure arises from sales in currencies other than the functional currency. The majority of the group's sales are denominated in currencies other than functional currency of the operating unit making the sale, whilst most of the costs are denominated in the functional currency, the South African Rand (ZAR).

Refer to notes 22, 23 and 39 for some of the balances denominated in foreign currency values included in the statement of financial position.

The exposure to foreign currency denominated balances included in trade and other receivables as at 30 June was as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	30 264	26 605	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Trade and other receivables denominated in USD (R000)	569 974	433 124	–	–

**Rounded to the nearest cent.*

The exposure to foreign currency denominated balances included in cash and cash equivalents as at 30 June were as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
US dollars (USD000)	21 991	51 414	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Cash and cash equivalents denominated in USD (R000)	414 165	836 999	–	–

**Rounded to the nearest cent.*

Below are the uncovered foreign currency denominated balances as at 30 June included in trade and other payables:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Euro (€000)	3 602	524	–	–
€ closing exchange rate*	R20.55	R17.07	–	–
Trade and other payables denominated in € (R000)	74 040	8 960	–	–
US dollars (USD000)	27 274	24 649	–	–
USD closing exchange rate*	R18.83	R16.28	–	–
Trade and other payables denominated in USD (R000)	513 686	401 292	–	–
Pound Sterling (£000)	1 077	116	–	–
£ closing exchange rate*	R23.93	R19.82	–	–
Trade and other payables denominated in £ (R000)	25 785	2 294	–	–

**Rounded to the nearest cent.*

The following table demonstrates the sensitivity to a possible change in exchange rates with all other variables held constant of the group's profit before tax due to changes in the fair value of monetary assets and liabilities, with a debit to profit or loss being disclosed in brackets.

There is no direct impact on the group or company's equity.

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
ZAR weakening by 10% to the USD	47 045	86 883	–	–
ZAR strengthening by 10% to the USD	(47 045)	(86 883)	–	–
ZAR weakening by 10% to the €	(7 404)	(896)	–	–
ZAR strengthening by 10% to the €	7 404	896	–	–
ZAR weakening by 10% to the £	(2 579)	(229)	–	–
ZAR strengthening by 10% to the £	2 579	229	–	–

The group did not enter into any foreign currency hedging contracts during the current or previous year.

The group has a policy of not hedging against foreign currency of commodity price fluctuations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rate. The group's exposure to risk of changes in market interest rates relates primarily to the group's cash balances, investments, RCF, GBF and DMTNs with floating interest rates.

As part of the process of managing the group's interest rate risk, all borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the group's profit before tax (through the impact on floating rate borrowings and cash and cash equivalents). There is no direct impact on the group or company's equity.

	Group		**Company**	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Investments held by Northam Platinum Restoration Trust Fund				
Increase of 1%	1 540	1 426	–	–
Decrease of 1%	(1 540)	(1 426)	–	–
Cash and cash equivalents				
Increase of 1%	53 530	11 752	8	7
Decrease of 1%	(53 530)	(11 752)	(8)	(7)
Floating rate borrowings				
Increase of 1%	(149 994)	(157 068)	–	–
Decrease of 1%	149 994	157 068	–	–

The group monitors its exposure to fluctuating interest rates.

Cash and cash equivalents are invested with short-term maturity dates, which exposes the group to cash flow interest rate risk.

Commodity price risk

The group is subject to commodity price risks as a result of the prices at which it sells its products being determined by reference to international commodity exchanges. PGMs are sold to third-party clients, with prices being fixed based on contractual terms relating to the month in which the product was sold. Trade receivables relate to PGM debtors who settle the outstanding receivable balances between 2 – 5 days. In addition, PGM concentrate is sold to honour the Everest offtake agreement, the PGM debtor relating to this sale has a provisional quotation period payment term of four months after month of delivery.

Provisional pricing receivables are made up as follows:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
PGM provisional receivable	522 190	323 766	–	–
Chrome provisional receivable	680 068	418 876	–	–
Nickel provisional receivable	45 922	153 940	–	–
Total provisional priced receivables (refer to note 22)	1 248 180	896 582	–	–
Provisional pricing payables (refer to note 39)	(23 024)	–	–	–
Provisional pricing liabilities (refer to note 40)	(40 372)	–	–	–
	(63 396)	–	–	–
Total provisional pricing exposure	1 184 784	896 582	–	–

Provisional pricing PGM debtors have a provisional quotation period payment term of four months after month of delivery. Chrome provisional receivables are settled within 45 days from date of delivery and nickel provisional receivables are settled within 60 days from date of delivery.

Base metal and chrome provisional pricing receivables

Base metal and chrome sales allow for price adjustments based on the market price at the end of the relevant quotational period stipulated in the sales agreements. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after delivery to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the quotational period. The period between provisional invoicing and the end of the quotational period can be between one and four months.

Provisional pricing receivables are non-interest bearing, but are exposed to future commodity price movements over the quotational period and are measured at fair value up until the date of settlement. Provisional pricing receivables are initially measured at the amount which the group expects to be entitled, being the estimate of the price expected to be received at the end of the quotational period.

The full value of the provisional invoice relating to chrome sales is received in cash a month after delivery. Any negative movement in the chrome price could therefore result in amounts required to be refunded to the customer, refer to notes 39 and 40.

For all base metal sales, payment is only due after the end of the quotational period.

PGM provisional pricing receivables

The group sells PGM concentrate from the Booysendal mine under terms containing provisional pricing features, to honour the Everest offtake agreement.

The salient feature of the agreement contains payment terms calculated with reference to a Price Index (PI) based on ruling market prices over the month in which concentrate is delivered to the counterparty. The calculated PI is applied against assayed 4E content from delivered concentrate, and with a contractually agreed fixed percentage being applied in respect of assayed base metals content from delivered concentrate. Where assayed results are not yet available in respect of delivered concentrate, an estimate of 4E content and base metals included in concentrate delivered during a particular month is made. The calculated USD-denominated purchase price (receivable from the counterparty) is converted in applying the average exchange rate over the month prior to the month of payment.

The concentrate purchase price calculated (with reference to the above) is payable four months following the month during which concentrate for which payment is due was delivered.

The following is an indication of the effect that changes in provisionally priced receivables would have on profit before tax, should there be a change in commodity prices based on the outstanding accounts receivable balance at year-end. There is no direct impact on the group or company's equity.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Weakening by 10% of the respective commodity prices	(118 478)	(89 658)	–	–
Strengthening by 10% of the respective commodity prices	118 478	89 658	–	–

The group did not enter into any commodity hedging contracts during the year.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities with banks and financial institutions. The group trades only with recognised, creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the group's exposure to bad debts is not significant.

With respect to credit risk arising from other financial assets of the group, which comprise cash and cash equivalents, investments and loans, the group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

There is no material concentration of credit risk in cash and cash equivalents, trade and other receivables and loans. The group has policies that limit the amount of credit exposure related to cash and cash equivalents to any single financial institution by only dealing with well-established financial institutions of high credit quality standing. The credit exposure to any one of the counterparties is managed by setting exposure limits which are approved by the board.

With regard to trade and other receivables, the group has policies in place to ensure that sales are only made to customers with an appropriate credit history. Trade debtors comprise a number of customers, dispersed across different geographical areas. Credit evaluations are performed on the financial conditions of these and other receivables from time to time. Trade receivables are presented in the statement of financial position net of any provision for impairment.

Credit risk relating to loans mainly consists of employee housing loans, refer to note 16. These loans are secured by a second bond over residential properties. The maximum credit risk (before taking into account any collateral held) relating to the long-term receivables amount to the outstanding balance.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. The group has undrawn facilities (which includes both the RCF and the GBF) of R11.0 billion (30 June 2022: R3.6 billion).

The group's treasury operations are managed by a reputable treasury management institution.

They assist the group in monitoring its risk to a shortage of funds by only depositing its surplus cash funds with major banks of high credit standing. They consider and monitor the maturity and returns of all financial investments. Management performs regular projected cash flow forecasts for the group.

Management regularly monitors rolling forecasts of the liquidity reserve comprising undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows. Cash and cash equivalents are immediately available.

Prudent liquidity management enables the ongoing viability of our business including our ongoing growth strategy. It involves the management of sufficient cash and cash equivalents, as well as available funding through committed credit facilities.

It further provides flexibility to return value to shareholders and the ability to manage other stakeholder expectations and effective liquidity risk management improves our credit ratings which leads to reduced borrowing costs.

The following should be taking into account when considering liquidity management for the group:

- Prudent liquidity risk management is available through uncommitted credit facilities.
- Cash preservation flexibility, where various capital projects can be suspended or postponed, and the overall capital budget can be minimised as far as possible without affecting current production. This capital budget flexibility is enabled by Northam's modular expansion approach which it has adopted at the Booysendal mine complex as well as at the Zondereinde mine and Eland mine.
- Policy parameters on Net Debt to EBITDA ratios has been implemented that inform borrowing and spending decisions.
- Regular structured review and approval of capital allocations.
- An active approach to forward looking cash flow management, through regular updates to, and reviews of, Northam's cash flow projections. These comprise short, medium and long-term cash flow projections which include various sensitivity and scenario analysis, including a range of simulated metal price and exchange rate forecasts.
- Maintained focus on cost and capital discipline.

As at 30 June 2023, the current liabilities exceeded current assets for Northam Holdings company. However subsequent to year-end the investment in RBPlat was sold which provides additional liquidity to the company.

The maturity profile of the group and company's financial liabilities for F2023 is set out below, into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000
Trade payables	–	1 774 294	–	–	1 774 294
Provisional pricing payables	–	23 024	–	–	23 024
Accruals	–	608 767	–	–	608 767
Concentrate purchased accruals	–	1 298 190	–	–	1 298 190
Capital accruals	–	128 612	–	–	128 612
Accrued interest and commitment fees	–	172 429	–	–	172 429
Employee related accruals	–	1 245 443	–	–	1 245 443
Other	–	12 357	–	73 627	85 984
Long-term loans	–	–	–	94 000	94 000
Lease liabilities	816	4 117	5 071	155 134	165 138
Domestic Medium-Term Notes	–	682 000	3 615 935	10 701 402	14 999 337

	Payable on demand	1 – 6 months	More than 6 months	More than a year	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000
Trade and other payables	–	7 583	–	–	7 583
Short-term subsidiary loan payable	11 647 922	–	–	–	11 647 922

Northam Holdings has provided a guarantee for both the RCF (R10.0 billion) and GBF (R1.0 billion) and the maximum credit exposure with regards to both these facilities are the face value of these guarantees as disclosed in note 48. As at year-end the outstanding balance was R Nil.

Notes to the annual financial statements continued

The maturity profile of the group and company's financial liabilities for F2022 is set out below, into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date representing the undiscounted contractual cash flows:

	Payable on demand	**1 – 6 months**	**More than 6 months**	**More than a year**	**Total**
	30 June 2022	**30 June 2022**	**30 June 2022**	**30 June 2022**	**30 June 2022**
Group	R000	R000	R000	R000	R000
Trade payables	–	1 359 338	–	–	1 359 338
Provisional pricing payables	–	–	–	–	–
Accruals	–	508 327	–	–	508 327
Concentrate purchased accruals	–	646 215	–	–	646 215
Capital accruals	–	97 416	–	–	97 416
Accrued interest and commitment fees	–	122 488	–	–	122 488
Employee related accruals	–	946 973	–	–	946 973
Other	–	4 469	–	69 577	74 046
Long-term loans	–	–	9 400	112 800	122 200
Lease liabilities	1 237	6 215	3 676	133 726	144 854
Domestic Medium-Term Notes	–	–	2 290 500	8 966 337	11 256 837
Revolving credit facility	–	–	–	1 450 000	1 450 000
Deferred Acquisition Consideration	–	1 753 969	–	–	1 753 969
Bridge facility	–	3 000 000	–	–	3 000 000

	Payable on demand	**1 – 6 months**	**More than 6 months**	**More than a year**	**Total**
	30 June 2022	**30 June 2022**	**30 June 2022**	**30 June 2022**	**30 June 2022**
Company	R000	R000	R000	R000	R000
Trade and other payables	–	27 234	–	–	27 234
Deferred Acquisition Consideration	–	1 753 969	–	–	1 753 969
Short-term subsidiary loan payable	10 334 718	–	–	–	10 334 718

Fair value

The fair value of financial instruments is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using other valuation techniques.

The fair values have been determined using available market information and appropriate valuation methodologies.

Management applies the established fair value hierarchy that categorises the inputs into valuation techniques used to measure fair value into three levels:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 – a technique where all inputs that have an impact on the value are observable, either directly or indirectly; and

Level 3 – a technique where all inputs that have an impact on the value are not observable.

The carrying amount of financial assets and financial liabilities approximate their fair value with the exception of the following:

The carrying amount of the investment in RBPlat:

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
	R000	R000	R000	R000
Carrying amount (refer to note 13)	12 943 355	17 688 771	12 943 355	17 447 897
Fair value as per the closing share price of Royal Bafokeng Platinum Limited (trading under JSE share code: RBP)	12 514 415	14 682 164	12 514 415	14 682 164

The carrying amount as at 30 June 2023, is based on the value received on acceptance of the Implats Mandatory Offer. Subsequent to year-end, Northam Holdings accepted the Implats Mandatory Officer, and cash to the value of R9.0 billion, together with 30 065 866 Implats Shares, were received.

The carrying amount of the investment as at 30 June 2022 was based on the price paid together with Northam's share of earnings as well as dividends received relating to the investment in RBPlat, which was believed to be recoverable, based on a discounted cash flow valuation model calculated from information available in the public domain.

The fair value of the investment in RBPlat has been determined with reference to the closing share price of RBPlat Shares at the reporting date, therefore the fair value has been determined as level 1.

	Group		Company	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Number of RBPlat Shares held by Northam Holdings	100 219 552	100 219 552	100 219 552	100 219 552
Closing share price of Royal Bafokeng Platinum Limited (trading under JSE share code: RBP)	R124.87	R146.50	R124.87	R146.50
Fair value as per the closing share price of RBPlat Shares (R000)	12 514 415	14 682 164	12 514 415	14 682 164

Provisional pricing liabilities and receivables are classified as level 2 as the balances are underlined by quoted commodity prices. Options relating to RBPlat Shares are also classified as level 2 as the balance is underlined by the quoted RBPlat share price.

Investments held in the Northam Platinum Restoration Trust Fund, the environmental guarantee investments and the Buttonshope Conservancy Trust are classified as level 2 as inputs to these balances are either directly or indirectly observable.

Capital management (including equity risk)

The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. In addition, capital management objectives included the group's ability to continue as a going concern, in order to provide returns for shareholders and benefits to other stakeholders while maintaining an optimal capital structure to reduce the cost of capital.

The group manages its capital structure (which consists of equity) and makes adjustments to it, in light of changes in economic conditions.

No changes were made in the objectives, policies or processes during the year.

Categories of financial instruments

The following table summarises the classification of financial instruments for the group and company:

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Group	R000	R000	R000	R000	R000
Long-term receivables	–	85 612	–	–	85 612
Investment held by Northam Platinum Restoration Trust Fund	153 952	–	–	–	153 952
Environmental guarantee investments	130 470	–	–	–	130 470
Buttonshope Conservancy Trust	1 272	–	–	–	1 272
Trade and other receivables	1 248 180	342 497	–	357 064	1 947 741
Cash and cash equivalents	–	5 352 987	–	–	5 352 987
Other financial assets	–	160 157	–	–	160 157
Long-term loans	–	–	(71 101)	–	(71 101)
Domestic Medium-Term Notes	–	–	(14 792 802)	–	(14 792 802)
Trade and other payables	(23 024)	–	(5 313 719)	(87 440)	(5 424 183)
Provisional pricing liabilities	(40 372)	–	–	–	(40 372)
Other financial liabilities	(90 472)	–	–	–	(90 472)

	Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments	Total
	30 June 2023	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	R000	R000	R000	R000	R000
Trade and other receivables	–	458	–	–	458
Cash and cash equivalents	–	770	–	–	770
Short-term group loans	–	–	(11 647 922)	–	(11 647 922)
Trade and other payables	–	–	(7 583)	–	(7 583)
Other financial liabilities	–	(90 472)	–	–	(90 472)

Group	Fair value through profit or loss 30 June 2022 R000	Financial assets at amortised cost 30 June 2022 R000	Financial liabilities at amortised cost 30 June 2022 R000	Non-financial instruments 30 June 2022 R000	Total 30 June 2022 R000
Long-term receivables	–	85 793	–	–	85 793
Investment held by Northam Platinum Restoration Trust Fund	142 586	–	–	–	142 586
Environmental guarantee investments	93 214	–	–	–	93 214
Buttonshope Conservancy Trust	11 243	–	–	–	11 243
Trade and other receivables	896 582	230 686	–	649 109	1 776 377
Cash and cash equivalents	–	1 175 225	–	–	1 175 225
Other financial assets	41 013	–	–	–	41 013
Long-term loans	–	–	(84 802)	–	(84 802)
Domestic Medium-Term Notes	–	–	(11 081 952)	–	(11 081 952)
Revolving credit facility	–	–	(1 434 139)	–	(1 434 139)
Deferred Acquisition Consideration	–	–	(1 704 790)	–	(1 704 790)
Bridge facility	–	–	(2 969 312)	–	(2 969 312)
Trade and other payables	–	–	(3 754 803)	(186 801)	(3 941 604)

Company	Fair value through other comprehensive income 30 June 2022 R000	Fair value through profit or loss 30 June 2022 R000	Financial assets at amortised cost 30 June 2022 R000	Financial liabilities at amortised cost 30 June 2022 R000	Non-financial instruments 30 June 2022 R000	Total 30 June 2022 R000
Trade and other receivables	–	–	2 818	–	–	2 818
Cash and cash equivalents	–	–	720	–	–	720
Other financial assets	–	41 013	–	–	–	41 013
Short-term group loans	–	–	–	(10 334 718)	–	(10 334 718)
Deferred Acquisition Consideration	–	–	–	(1 704 790)	–	(1 704 790)
Trade and other payables	–	–	–	(27 234)	–	(27 234)

48. Related parties

Related party relationships exist between the company, subsidiaries and an associate within the Northam Holdings group of companies.

Below is a summary of the directly held subsidiary of Northam Holdings as well as interest in associates:

	Effective holding	Stated capital and premium	Investment	Indebtedness
	30 June 2023	30 June 2023	30 June 2023	30 June 2023
Company	%	R000	R000	R000
Northam Platinum Limited	100.00%	9 878 034	8 198 063	(11 647 922)
Investment in Royal Bafokeng Platinum Limited	34.52%	–	12 943 355	–

For the financial year, the group's share of earnings from RBPlat amounted to R140.0 million, and a dividend of R781.7 million was declared and paid.

Subsequent to year-end and in accordance with the terms of the Implats Mandatory Offer as contained in the Implats Mandatory Offer (details of which are contained in the offer circular issued by Implats dated 17 January 2022) Northam disposed of all its RBPlat Shares. The offer consideration receivable per RBPlat Share tendered into the Implats Mandatory Offer amounted to R90.00 in cash and 0.3 new ordinary shares in Implats. Northam Holdings therefore received, in aggregate, R9.0 billion in cash and 30 065 866 Implats Shares (JSE share code: IMP), (collectively, the Aggregate Offer Consideration).

The Aggregate Offer Consideration was used to determine the recoverable amount relating to Northam's investment in RBPlat as at 30 June 2023 and resulted in a non-cash impairment being recognised.

Refer to note 13 for more details on the investment held in RBPlat.

Below is a summary of the key related party transactions:

Guarantees

Northam Holdings has granted the following guarantees:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Eskom Holdings SOC Limited	340 600	–	340 600	–
Revolving credit facility	10 000 000	4 000 000	10 000 000	4 000 000
General banking facility	1 000 000	1 000 000	1 000 000	1 000 000
Bridge facility	–	3 000 000	–	3 000 000
Total guarantees	11 340 600	8 000 000	11 340 600	8 000 000

Eskom Holdings SOC Limited (Eskom)

Northam Holdings has issued parent company guarantees to Eskom to the value of R340.6 million, in respect of electricity charges for Northam Platinum, Booysendal and Eland.

With the increasing production profile of the group, the value of guarantees provided to Eskom could potentially increase over time to an amount of R500.0 million.

Revolving credit facility (RCF)

Northam Platinum has a R10.0 billion 5-year RCF available with a syndicate of lenders which matures on 24 August 2027.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the RCF.

General banking facility (GBF)

Northam Platinum has a GBF of R1.0 billion with Nedbank Limited which operates as an overdraft facility.

Northam Holdings, Booysendal and Eland have all signed a letter of guarantee concerning the GBF.

Significant judgements and estimates: Determining the fair value of a guarantee contract

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the entity fails to make a payment when due, in accordance with the terms of the loan agreements.

Financial guarantees are initially recognised at fair value, adjusted for the transaction costs that are directly attributable to the issuance of the guarantee.

Subsequent to initial recognition, the liability under each guarantee is measured at the higher of the amount initially recognised less the cumulative amortisation, and the best estimate of the amount required to settle any financial obligation arising as a result of the guarantee (ECL). The day one fair value of the guarantee is amortised on a straight-line basis over the term of the guarantee.

Changes in the carrying amount of the financial liability is recognised in profit or loss.

Consideration must be given to IFRS 13 which requires the fair value of a liability to reflect the effect of non-performance risk, which includes, but may not be limited to, an entity's own credit risk. The fair value of the liability should therefore include the impact of the guarantor's risk of non-performance (e.g., credit risk) to the extent that market participants would take it into account in the pricing. This is in addition to the consideration of the credit risk of the guaranteed entity.

It was further considered that the credit rated entity within the group is Northam Platinum and the rating achieved is merely extended to Northam Holdings. The reason being that Northam Holdings is an investment holding entity.

Therefore, the fair value on day one and subsequent expected credit losses were not considered material and hence why a financial liability had not been raised by Northam Holdings.

The Northam Zondereinde Community Trust, Northam Booysendal Community Trust and Northam Employees' Trust

The manner in which the Northam Zondereinde Community Trust, Northam Booysendal Community Trust and ESOP (the Zambezi Trusts) were set up and the contracts governing the relationships between Northam Platinum and the Zambezi Trusts, direct the relevant activities determined when the Zambezi Trusts were created and will continue to be carried out until such time as empowerment credentials are no longer required by Northam. There is no scope for any other commercial activity outside of the maintenance of the empowerment credentials and the allocation of returns on the Northam Holdings Shares for the benefit of the beneficiaries of the Zambezi Trusts.

The Zambezi Trusts are therefore, from an accounting perspective, under the control of Northam Platinum and consolidated into the group.

Below is a summary of the net asset value of the Zambezi Trusts:

	30 June 2023	**30 June 2022**
	R000	R000
Investment in Northam Platinum Holdings Limited	800 356	1 092 548
Trade and other receivables	2 610	2 360
Cash and cash equivalents classified as restricted cash for the group (refer to note 23)	214 997	225 579
Amounts receivable from South African Revenue Service relating to Value Added Tax	883	298
Trade and other payables	(4 682)	(955)
Amounts payable to South African Revenue Service	(63)	(162)
Net asset value of the Zambezi Trusts	1 014 101	1 319 668
Number of Northam Platinum Holdings Limited Shares held by the Zambezi Trusts	6 378 354	6 378 354
Closing share price of Northam Platinum Holdings Limited Shares (JSE share code: NPH)	R125.48	R171.29
Investment held in Northam Platinum Holdings Limited	800 356	1 092 548

The number of Northam Holdings Shares held by the Zambezi Trusts are allocated as follows:

	30 June 2023	**30 June 2022**
	Number of shares	Number of shares
Northam Zondereinde Community Trust	2 191 116	2 191 116
Northam Booysendal Community Trust	2 191 116	2 191 116
Northam Employees' Trust	1 996 122	1 996 122
	6 378 354	6 378 354

Other related party transactions

SSG Holdings Proprietary Limited (SSG)

The group has a 33.7% (30 June 2022: 33.7%) interest in SSG, owning 3 000 shares out of 8 900 issued shares.

SSG provides security, cleaning and facility services to the Northam group.

Below is a summary of transactions between the group and SSG:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
SSG Facilities Proprietary Limited	61 197	68 571	–	–
SSG Cleaning Proprietary Limited	1	3	–	–
SSG Securities Solutions Proprietary Limited	109 131	105 202	–	–
Security, cleaning and facilities services provided by SSG Holdings Proprietary Limited to the group accounted for as part of operating costs	170 329	173 776	–	–
Dividends received (refer to note 13)	–	606	–	–
Amounts payable to SSG Holdings Proprietary Limited included as part of trade and other payables	27 874	19 313	–	–

Refer to note 13 for details of the investment held in SSG.

Dwaalkop

Dwaalkop is a joint operation between Mvelaphanda Resources Proprietary Limited (Mvelaphanda), a wholly owned subsidiary of Northam Platinum owning 50% and Western Platinum Proprietary Limited, a subsidiary of Sibanye-Stillwater Limited (Sibanye-Stillwater) owning the other 50%. The joint operation is managed by Sibanye-Stillwater. The Dwaalkop asset is not currently being mined.

Dwaalkop is accounted for as a Joint Arrangement. The Joint Arrangement meets the accounting requirements for recognition as a Joint Operation and as such, all its assets and liabilities relating to Dwaalkop are included in the annual financial statements.

The Dwaalkop Mineral Resource includes portions of the farms Dwaalkop, Rooibokbult and Turfpan. The mineral deposit has the potential to be developed into an open stope retreat mining operation.

Key management remuneration

	Fees 30 June 2023	Remuneration package 30 June 2023	Performance bonus and retention bonus payments 30 June 2023	Benefits and other 30 June 2023	Gain on share-based payments 30 June 2023	Total 30 June 2023
	R000	R000	R000	R000	R000	R000
Executive directors' remuneration						
PA Dunne	–	12 634	8 556	–	9 354	30 544
AH Coetzee	–	6 176	4 153	491	4 217	15 037
Non-executive directors' remuneration						
HH Hickey	1 395	–	–	–	–	1 395
NY Jekwa	1 162	–	–	–	–	1 162
MH Jonas	888	–	–	–	–	888
TE Kgosi	795	–	–	–	–	795
TI Mvusi	1 281	–	–	–	–	1 281
JG Smithies	1 051	–	–	–	–	1 051
GT Lewis	723	–	–	–	–	723
	7 295	18 810	12 709	491	13 571	52 876

	Fees 30 June 2022	Remuneration package 30 June 2022	Performance bonus and retention bonus payments 30 June 2022	Benefits and other 30 June 2022	Gain on share-based payments 30 June 2022	Total 30 June 2022
	R000	R000	R000	R000	R000	R000
Executive directors' remuneration						
PA Dunne	–	11 863	8 597	2	37 194	57 656
AH Coetzee	–	5 799	4 096	408	15 946	26 249
Non-executive directors' remuneration						
DH Brown	1 141	–	–	–	–	1 141
HH Hickey*	971	–	–	–	–	971
NY Jekwa	983	–	–	–	–	983
MH Jonas	606	–	–	–	–	606
TE Kgosi	779	–	–	–	–	779
TI Mvusi**	918	–	–	–	–	918
JJ Nel***	433	–	–	–	–	433
JG Smithies	926	–	–	–	–	926
GT Lewis	686	–	–	–	–	686
	7 443	17 662	12 693	410	53 140	91 348

**Mrs HH Hickey was appointed lead independent director with effect from 20 June 2022.*

***Mr TI Mvusi was appointed as lead independent director from 27 September 2021 and as chairman from 20 June 2022.*

****Mr JJ Nel resigned as a director with effect from 17 December 2021.*

Details of share incentives granted to directors

	6 Nov 2018 Share award	8 Nov 2019 Share award	31 Oct 2020 Share award	31 Oct 2021 Share award	31 Oct 2022 Share award	Share award LIM shares	Total
Chief executive officer							
Balance at 1 July 2022	–	71 600	39 600	43 630	–	1 500 000	1 654 830
Performance shares awarded during the year	–	–	–	–	90 800	–	90 800
Shares adjusted for performance conditions met during the year	–	(13 425)	–	–	–	–	(13 425)
Shares cash settled during the year	–	(58 175)	–	–	–	–	(58 175)
Balance at 30 June 2023	–	–	39 600	43 630	90 800	1 500 000	1 674 030
Balance at 1 July 2021	177 753	71 600	39 600	–	–	1 500 000	1 788 953
Performance shares awarded during the year	–	–	–	43 630	–	–	43 630
Shares adjusted for performance conditions met during the year	9 688	–	–	–	–	–	9 688
Shares cash settled during the year	(187 441)	–	–	–	–	–	(187 441)
Balance at 30 June 2022	–	71 600	39 600	43 630	–	1 500 000	1 654 830

	6 Nov 2018 Share award	8 Nov 2019 Share award	31 Oct 2020 Share award	31 Oct 2021 Share award	31 Oct 2022 Share award	Share award LIM shares	Total
Chief financial officer							
Balance at 1 July 2022	–	32 280	18 330	20 440	–	350 000	421 050
Performance shares awarded during the year	–	–	–	–	42 700	–	42 700
Shares adjusted for performance conditions met during the year	–	(6 054)	–	–	–	–	(6 054)
Shares cash settled during the year	–	(26 226)	–	–	–	–	(26 226)
Balance at 30 June 2023	–	–	18 330	20 440	42 700	350 000	431 470
Balance at 1 July 2021	76 209	32 280	18 330	–	–	350 000	476 819
Performance shares awarded during the year	–	–	–	20 440	–	–	20 440
Shares adjusted for performance conditions met during the year	4 151	–	–	–	–	–	4 151
Shares cash settled during the year	(80 360)	–	–	–	–	–	(80 360)
Balance at 30 June 2022	–	32 280	18 330	20 440	–	350 000	421 050

49. Capital and other commitments, including guarantees provided

The group had the following commitments arising in the ordinary course of business:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Capital commitments – Zondereinde mine				
Authorised but not contracted	2 130 306	1 927 685	–	–
Contracted	803 120	317 268	–	–
	2 933 426	2 244 953	–	–
Capital commitments – Booysendal mine				
Authorised but not contracted	926 376	1 232 900	–	–
Contracted	401 064	254 056	–	–
	1 327 440	1 486 956	–	–
Capital commitments – Eland mine				
Authorised but not contracted	948 898	1 638 100	–	–
Contracted	229 232	58 631	–	–
	1 178 130	1 696 731	–	–
Total capital commitments	5 438 996	5 428 640	–	–

Capital commitment relate to commitments and forecasted capital expenditure.

These commitments will be funded from a combination of internal retentions and debt.

Below is a summary of the bank guarantees issued:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Bank guarantees				
Eskom Holdings SOC Limited	–	143 709	–	–
The Commission for Conciliation, Mediation and Arbitration (CCMA) relating to a labour dispute case at Booysendal Platinum Proprietary Limited	2 737	2 737	–	–
Renewable energy strategy service provider (G7 Renewable Energies Proprietary Limited)	24 000	–	–	–
Other	298	298	–	–
	27 035	146 744	–	–

Northam Holdings has issued a parent company guarantee to Eskom during the year to the value of R340.6 million, in respect of electricity charges for Northam Platinum, Booysendal and Eland.

As a result, all bank guarantees previously issued to Eskom were cancelled during the year, refer to note 23.

Other than the CCMA guarantee issued, all other guarantees have been issued by Northam Platinum.

Below is a summary of guarantees issued to the DMRE:

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	R000	R000	R000	R000
Department of Mineral Resources and Energy	741 089	733 402	–	–
	741 089	733 402	–	–

These environmental guarantees were issued by Guardrisk Insurance Company and Centriq Insurance Company Limited, refer to note 18.

There were no guarantees in issue relating to Northam Holdings company.

50. Employee Labour Court judgement

Northam Platinum received judgement in a Labour Court case in which employees claimed that they were unfairly dismissed when they did not return to work after an unprotected work stoppage in 2016.

According to the Labour Court, the employees' dismissal was substantively unfair. Northam Platinum had been ordered to pay compensation for each employee equivalent to 12 months' remuneration calculated at the rate of remuneration on dismissal, which amounted to R54.3 million.

The employees sought reinstatement and were granted leave to appeal to the Labour Appeal Court. Northam Platinum opposed the appeal. The matter was heard in the Labour Appeal Court on 11 February 2020, and the appeal was dismissed by the Labour Appeal Court on 14 September 2021.

All amounts due and payable including interest of R16.0 million was paid into an attorneys' trust account and Northam believes that the matter has been settled in full during F2022. Refer to note 6 for details on the finance charges relating to the Employee Labour Court Judgement recognised during F2022.

51. South African Revenue Service Value Added Tax (VAT) claim

In 2015 Northam Platinum concluded a R6.6 billion Broad Based Economic Empowerment (BEE) transaction which secured a 31.4% Historically Disadvantaged South African interest in Northam Platinum and at the same time secured funding for the group's expansion and growth plans. As part of the transaction, a BEE special purpose vehicle (Zambezi Platinum (RF) Proprietary Limited, previously known as Zambezi Platinum (RF) Limited) acquired ordinary Northam Platinum Shares from existing shareholders and through Northam Platinum issuing new shares, referred to as the Zambezi BEE Transaction.

Northam Platinum claimed input VAT in relation to the Zambezi BEE Transaction.

The South African Revenue Services (SARS) disallowed this input VAT, alleging that the relevant costs were not incurred for the purpose of consumption, use or supply in the course of making taxable supplies. Additional assessments were raised by SARS to disallow the input VAT claimed by Northam Platinum and an understatement penalty was imposed in terms of section 223(1) of the Tax Administration Act, No. 28 of 2011.

The objection raised by Northam Platinum against the additional assessments and understatement penalties was disallowed, upon which Northam Platinum appealed to the Tax Court. SARS and Northam Platinum reached a settlement prior to the matter being heard in the Tax Court. In terms of the settlement agreement, Northam Platinum was liable for an amount of R16.8 million as full and final settlement of the dispute, which was equal to the capital amount assessed and recovered by SARS from the VAT refund that was due to Northam Platinum in respect of the August 2018 tax period. Refer to note 8 for amounts relating to the settlement of the VAT dispute with SARS during F2022.

It was also agreed that all the other amounts that have been assessed, and recovered from Northam Platinum by SARS, be remitted and the difference between the capital amount and the total amount recovered by SARS through the reduction of the refund that was due in respect of the August 2018 tax period, being an amount of R15.9 million, with interest be refunded by SARS to Northam Platinum.

All refunds were received during the year.

52. Contingent asset – COVID-19 Temporary Employee Relief Scheme (C-19 TERS)

Due to the COVID-19 pandemic affecting business, government introduced the COVID-19 Temporary Employee Relief Scheme (C-19 TERS) available to all businesses affected by the lockdown during F2022.

Northam submitted C-19 TERS claims to the value of R121.3 million, of which an amount of R108.9 million has been received in previous years, refer to note 7 for amounts received during F2022.

No further amounts are anticipated to be received.

53. Contingent asset – Awarding of legal costs

In August and September of 2022, judgements favourable to Northam Holdings were handed down by the Competition Appeal Court of South Africa (CAC) in relation to the proposed transaction between Implats and RBPlat. In both judgements, Implats and RBPlat were ordered to pay Northam's costs. Northam Holdings is in the process of recovering the applicable costs from Implats and RBPlat.

The type of legal costs awarded by the CAC are those incurred by Northam Holdings in litigating the suspension application and the appeal and review, in accordance with court tariffs as gazetted and as taxed by the CAC's taxing master or agreed between the parties. The court tariffs determine which costs can be claimed for and at which rate. They do not include all legal costs incurred relating to the matter.

54. Events after the reporting period

There have been no events, other than what has been disclosed, subsequent to year-end which require additional disclosure or adjustment to these annual financial statements.

Analysis of Northam Holdings shareholders

The analysis of shareholders as at 30 June 2023 was as follows:

Shareholding range	Number of shareholders	Total shareholding	Percentage holding (%)
	30 June 2023	30 June 2023	30 June 2023
1 – 5 000	20 926	12 815 681	3.23
5 001 – 10 000	524	3 824 801	0.96
10 001 – 50 000	752	17 748 921	4.48
50 001 – 100 000	207	14 216 348	3.58
100 001 – 1 000 000	309	88 341 342	22.27
1 000 001 and more	55	259 668 785	65.48
	22 773	396 615 878	100.00

Geographical analysis of shareholders	Total shareholding	Percentage holding (%)
	30 June 2023	30 June 2023
South Africa	280 748 118	70.79
Americas	65 774 043	16.58
Europe	19 883 166	5.02
United Kingdom	15 594 376	3.93
Far East (excluding the People's Republic of China)	9 720 670	2.45
Africa (excluding South Africa)	3 966 836	1.00
Middle East	608 243	0.15
Australasia	240 947	0.06
The People's Republic of China	79 479	0.02
	396 615 878	100.00

Shareholders with a holding of more than 5% of the issued share capital	Total shareholding	Percentage holding (%)
	30 June 2023	30 June 2023
Public Investment Corporation (SOC) Limited	70 318 623	17.73
M and G Investment Managers Proprietary Limited	39 520 586	9.96
Royal Bafokeng Investment Holding Company Proprietary Limited	34 399 725	8.67
BlackRock Inc.	22 546 536	5.68
Old Mutual Limited	19 995 373	5.04

Shareholder spread	Number of shareholders	Number of shares held	Percentage holding (%)
	30 June 2023	30 June 2023	30 June 2023
Public	22 761	387 305 333	97.65
Non-public			
Directors of Northam Platinum Holdings Limited or of any of its major subsidiaries	7	266 788	0.07
Associates of Northam Platinum Holdings Limited and/or of any of its major subsidiaries	4	6 378 355	1.61
Associates of directors of Northam Platinum Holdings Limited or of any of its major subsidiaries	1	2 665 402	0.67
Trustees of any employee share scheme or pension fund established for the benefit of any directors or employees of Northam Platinum Holdings Limited or any of its subsidiaries	–	–	–
Prescribed officers of Northam Platinum Holdings Limited	–	–	–
Controlling shareholder/s	–	–	–
Any person restricted on trading in Northam Platinum Holdings Limited's listed securities, as imposed by Northam Platinum Holdings Limited	–	–	–
	22 773	396 615 878	100.00

Administration and contact information

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ISIN code: ZAE000298253
JSE share code: NPH

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Registration number 1977/003282/06
Debt issuer code: NHMI

Bond code: NHM015
Bond ISIN: ZAG000164922
Bond code: NHM016
Bond ISIN: ZAG000167750
Bond code: NHM019
Bond ISIN: ZAG000168105
Bond code: NHM020
Bond ISIN: ZAG000172594
Bond code: NHM021
Bond ISIN: ZAG000181496
Bond code: NHM022
Bond ISIN: ZAG000190133
Bond code: NHM023
Bond ISIN: ZAG000190968
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