HARMONY™

FINANCIAL REPORT
30 JUNE 2024

MINING WITH PURPOSE

CONTENT

ABOUT THIS REPORT

This Financial Report 2024 covers the financial year ended 30 June 2024 (FY24) and presents the complete consolidated and company annual financial statements (collectively the annual financial statements) for Harmony Gold Mining Company Limited (Harmony) for the period.

These annual financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and IFRIC Interpretations Committee (IFRIC) Interpretations (collectively IFRS), the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act of South Africa.

The Harmony board of directors is responsible for the preparation, integrity and fair presentation of these annual financial statements. The directors are also responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. See the Directors' statement of responsibility on page 19. These annual financial statements were audited by Ernst & Young Inc – see their report on page 20.

OUR 2024 REPORTING SUITE

This report is supplemented by and should be read with our full reporting suite, comprising:

Integrated report, which provides our stakeholders with a balanced, holistic and transparent overview of our business model, strategy, performance and value creation.

Mineral Resources and Mineral Reserves report, produced in accordance with SAMREC and section 12.13 of the JSE Listings Requirements (as updated from time to time).

Environment, social and governance (ESG) report, which provides insight into our ESG performance for 2024 and over the past five years, along with our aspirations. It is intended as a useful guide to support analysis and provides information about our shared value.

Remuneration report provides clear and comprehensive information on our remuneration policies and practices with the goal of aligning director pay and remuneration in general, with company performance and good governance.

Notice to shareholders provides valuable information to shareholders who wish to participate in Harmony's upcoming annual general meeting (AGM), inclusive of the proxy form.

Annual **Form 20-F** report filed with the United States Securities and Exchange Commission, in compliance with the listing requirements of the New York Stock Exchange.

Operational report, a supplementary report, which includes technical and operational information about our operations.

Climate action and impact report (previously the TCFD report), a supplementary report, which discloses our climate-related governance, risk management, strategy, metrics and targets.

These reports and supporting documents are available at **www.harmony.co.za**.

Scan the QR code to download the 2024 reporting suite.

OUR OPERATIONS

Harmony operates in South Africa and Australasia, and has an abundance of opportunities to deploy capital across the world. We carefully determine which projects will deliver optimal return on capital on the basis of where we operate, how we manage risk and what skills we can leverage.

Having organised our operations into four strategic business areas (see the **Our strategy** section in our **Integrated report** for more details), we have actively pursued opportunities to extend the life of some of our larger and higher-grade assets, adding lower-risk, higher-margin ounces to our portfolio. This enables optimal value creation and free cash flow generation through assets already in our portfolio.

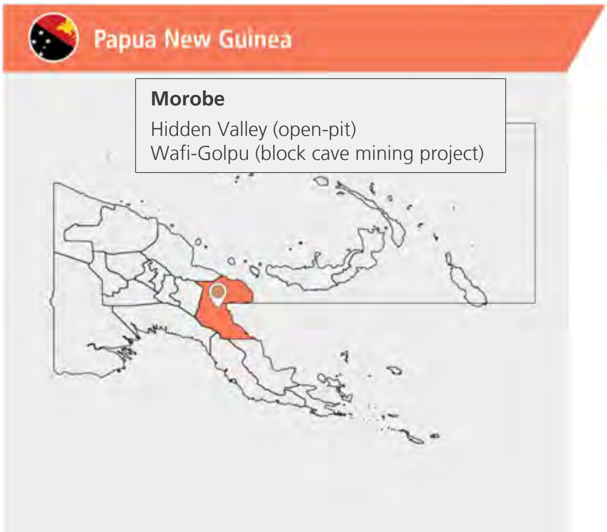
The Eva Copper Project positions Harmony as a positive contributor to a carbon-neutral future and augments our existing copper exposure afforded by the Wafi-Golpu Project in Papua New Guinea.

A summary of our operations is presented below and detailed information can be found in our **Operational report**.

Grouping of our assets based on grade and life-of-mine (LoM) as per our equity strategy (four strategic business areas) looks as follows:

- South African (SA) high-grade underground operations: Moab Khotsong and Mponeng
- SA underground optimised operations with a focus on free cash generation: Tshepong North, Tshepong South, Doornkop, Joel, Target 1, Kusasalethu and Masimong
- SA high-margin surface assets: Mine Waste Solutions, Phoenix, Central Plant reclamation and dumps
- International assets: Hidden Valley, Wafi-Golpu copper-gold Project (Papua New Guinea) and Eva Copper Project (Australia).

Major capital allocation for our underground assets is determined by grade and returns.



South Africa

Location: Witwatersrand Basin and Kraaipan Greenstone Belt
Production: 1.40Moz (89.5% of group) (FY23: 1.33Moz (90.4% of group))
Total workforce: 43 667

Assets:
» Eight underground operations
» One open-pit mine
» Several surface source operations.

At 30 June 2024, our South African operations accounted for 66.3% of group Mineral Resources and 55.9% of group Mineral Reserves, both inclusive of gold and gold equivalent ounces.

Underground

	North West	West Rand[1]		
	Moab Khotsong	**Mponeng**	**Doornkop**	**Kusasalethu**
Workforce*	**6 499**	**5 490**	**4 152**	**3 968**
Production for FY24	212 162oz 8.03g/t grade	281 350oz 9.94g/t grade	111 562oz 4.26g/t grade	123 523oz 6.58g/t grade
LoM per FY25 plan	**20 years** 9.3Moz Resources 3.5Moz Reserves	**20 years** 24.6Moz Resources 4.5Moz Reserves	**18 years** 7.5Moz Resources 1.9Moz Reserves	**3 years** 3.1Moz Resources 0.4Moz Reserves

	Free State				
	Tshepong North	**Tshepong South**	**Target 1**	**Joel**	**Masimong**
Workforce*	**3 774**	**3 490**	**2 005**	**1 927**	**2 093**
Production for FY24	104 426oz 4.47g/t grade	100 599oz 6.73g/t grade	59 769oz 4.02g/t grade	55 718oz 4.32g/t grade	57 229oz 3.76g/t grade
LoM per FY25 plan	**7 years** 10.2Moz Resources 0.8Moz Reserves	**6 years** 14.5Moz Resources 0.7Moz Reserves	**5 years** 3.4Moz Resources 0.5Moz Reserves	**6 years** 1.8Moz Resources 0.4Moz Reserves	**2 years** 0.9Moz Resources 0.1Moz Reserves

Surface

	North West	Waste rock dumps		
	Kalgold	**Free State**	**North West**	**West Rand[1]**
Workforce*	**741**	**850****	**692****	**865****
Production for FY24	45 815oz 0.96g/t grade	35 141oz 0.48g/t grade	4 565oz 0.41g/t grade	15 722oz 0.32g/t grade
LoM per FY25 plan	**12 years** 2.0Moz Resources 0.6Moz Reserves	**±1 year** 0.16Moz Resources	**±1 year** 0.04Moz Resources	**±1 year** 0.002Moz Resources

Tailings

	North West	West Rand	Free State	
	Mine Waste Solutions (MWS)	**Savuka**	**Phoenix**	**Central Plant Reclamation (CPR)**
Workforce*	**2 396**	**240**	**347**	**250**
Production for FY24	121 207oz 0.17g/t grade	19 579oz 0.15g/t grade	29 674oz 0.15g/t grade	19 773oz 0.16g/t grade
LoM per FY25 plan	**15 years** 1.7Moz Resources 1.4Moz Reserves	**3 years** 0.4Moz Resources 0.1Moz Reserves	**4 years** 0.4Moz Resources 0.2Moz Reserves	**11 years** 0.4Moz Resources 0.4Moz Reserves

Workforce* | Production for FY24 | LoM per FY25 plan

¹ Western side of Gauteng that borders North West.
** Includes permanent employees and contractors at 30 June 2024.*
*** Some of this material is treated along with reef, while some is treated at dedicated waste rock treatment plants. The numbers for the Free State, North West and West Rand facilities above exclude MWS, Phoenix, CPR and Kalgold.*

Papua New Guinea

Location: New Guinea Mobile Belt in Morobe
Production: 0.16Moz (10.5% of group) (FY23: 0.14Moz (9.6% of group))
Total workforce: 2 264

Assets:
» Hidden Valley (open-pit gold and silver mine)
» Wafi-Golpu Project (significant copper-gold portfolio)
» Multiple exploration areas.

At 30 June 2024, our Papua New Guinea operation accounted for 28.0% of group Mineral Resources and 44.1% of group Mineral Reserves, both inclusive of gold and gold-equivalent ounces.

* *Based on the 2018 feasibility study update*

Surface

Hidden Valley

Workforce	**2 083**
Production for FY24	164 000oz 1.52g/t grade
LoM per FY25 plan	**5 years** 2.55Moz Resources 1.04Moz Reserves

Project

Wafi-Golpu

Workforce	**61**
LoM per FY25 plan	**26 years*** 35.13Moz Resources 16.69Moz Reserves

Australia

Location: Mt Isa Inlier, Queensland, Australia
Production: Project feasibility stage and exploration
Total workforce: 129**

Assets:
» Eva Copper Project
» Rosby exploration tenements.

We are making good progress with the feasibility study update for the Eva Copper Project in Queensland, Australia. On 25 March 2024, the Queensland government declared the Eva Copper Project as a "Prescribed Project" due to the strategic importance for the region. In addition, we have received conditional grant funding of A$20.7 million to further help accelerate the development of this project.

We have drilled 82 000 metres, growing the copper and gold Mineral Resource base. Harmony's current declared mineral resources is 366Mt at 0.4% copper for 1 472Kt of copper and 196Mt at 0.07g/t gold for 440Koz of gold. We anticipate the average annual copper production to be between 50 000 and 60 000 tonnes, subject to finalisation of the feasibility study. Eva accounts for 5.7% of group Mineral Resources at 30 June 2024.

** *Includes Australia head office; includes both permanent employees and contractors at 30 June 2024.*

Project

Eva Copper

Workforce	**25**
LoM per FY25 plan	**15 years** 7.76Moz Resources

■ Eva Copper

Workforce | Production for FY24 | LoM per FY25 plan

HOW WE PERFORMED

FIVE-YEAR SUMMARY

	Unit	FY24	FY23	FY22	FY21[2]	FY20
Operating performance						
Ore milled	000t	**51 319**	52 135	53 801	49 253	25 429
Gold produced	kg	**48 578**	45 651	46 236	47 755	37 863
	000oz	**1 562**	1 468	1 487	1 535	1 217
Operating costs	R/kg	**758 736**	735 634	701 024	600 592	553 513
	US$/oz	**1 262**	1 288	1 434	1 213	1 099
All-in sustaining costs	R/kg	**901 550**	889 766	835 891	723 054	651 356
	US$/oz	**1 500**	1 558	1 709	1 460	1 293
Underground grade	g/t	**6.11**	5.78	5.37	5.51	5.45
Financial performance						
Revenue	Rm	**61 379**	49 275	42 645	41 733	29 245
Production costs	Rm	**38 923**	34 866	33 099	29 774	22 048
Production profit	Rm	**22 456**	14 409	9 546	11 959	7 197
Operating margin	%	**36.6**	29.2	22.4	28.7	24.6
Net profit/(loss) for the year	Rm	**8 688**	4 883	(1 012)	5 124	(850)
Total headline earnings/(loss) per share	SA cents	**1 852**	800	499	987	(154)
Capital expenditure	Rm	**8 398**	7 640	6 214	5 142	3 610
Exploration spend[1]	Rm	**1 047**	506	214	177	205
Dividend paid	Rm	**1 394**	136	414	677	—
Net cash/(debt)	Rm	**2 899**	(2 828)	(757)	(542)	(1 361)
Market performance						
Average gold price received	R/kg	**1 201 653**	1 032 646	894 218	851 045	735 569
	US$/oz	**1 999**	1 808	1 829	1 719	1 461
Total market capitalisation	Rbn	**106.3**	49.0	32.0	32.5	43.3
	US$bn	**5.8**	2.6	2.0	2.3	2.5
Average exchange rate	R/US$	**18.70**	17.76	15.21	15.40	15.66
Reserves						
Gold and gold equivalents	Moz	**40.3**	39.3	39.8	42.5	36.5
Geographical distribution						
– South Africa	%	**55.9**	51.3	54.2	58.3	47.7
– Papua New Guinea	%	**44.1**	48.7	45.8	41.7	52.3
Safety						
Number of loss-of-life incidents		**7**	6	13	11	6
Group FIFR – fatal injury frequency rate	per million hours worked	**0.07**	0.06	0.13	0.11	0.08
Group LTIFR – lost-time injury frequency rate[3]	per million hours worked	**5.53**	5.49	5.65	6.18	6.33
Health (South Africa)						
Shifts lost due to injury		**25 087**	25 058	26 761	28 943	25 205
Silicosis cases certified[4]		**45**	62	184	54	67

[1] *As per income statement.*
[2] *On 1 October 2020, Harmony acquired AngloGold Ashanti Limited's remaining South African operations (Mponeng operations and related assets). FY21 therefore only contains nine months of metrics and is not directly comparable to FY22 or FY20.*
[3] *FY24 assured by independent assurance providers. Please refer to the assurance report and to the glossary of terms on the website at www.harmony.co.za. The assured indicators include the results of Mponeng for the period 1 October 2020 to 30 June 2021. The Mponeng results were not assured in FY21.*
[4] *The number of cases of pure silicosis confirmed by South Africa's Medical Bureau of Occupational Diseases.*

	Unit	FY24	FY23	FY22	FY21[2]	FY20
People						
Total employees and contractors		**46 078**	45 546	47 345	48 112	39 582
South Africa: Employees		**33 123**	33 341	35 989	36 873	31 502
South Africa: Contractors		**10 544**	9 834	9 013	8 860	5 841
Papua New Guinea: Employees		**1 465**	1 472	1 527	1 536	1 434
Papua New Guinea: Contractors		**799**	795	751	778	748
Australia: Employees		**127**	100	65	63	54
Australia: Contractors		**2**	4	—	2	3
Employment equity (historically disadvantaged South Africans in management)[3]	%	**70**	68	67	65	64
Number of people in single rooms[3, 5]		**7 457**	7 662	8 057	8 547	8 008
Number of people sharing accommodation[3]		**—**	—	—	—	—
Number attending critical skills training[3]		**182**	163	96	83	81
Community						
South Africa – mine community development	Rm	**151**	179	138	102	150
Papua New Guinea – socio-economic investment	Rm	**115**	75	55	63	64
Total group community spend	Rm	**266**	254	193	165	214
South Africa						
Total discretionary spend	Rm	**17 576**	16 454	14 265	10 667	7 682
Preferential procurement (BEE-compliant spend)[3]	Rm	**14 659**	13 995	11 213	7 938	5 695
Preferential procurement spend	%	**83.4**	85.1	78.6	74.4	74.1
Papua New Guinea						
Total procurement spend	Rm	**2 714**	2 078	2 324	2 148	2 233
Procurement expenditure in rest of PNG	Rm	**862**	849	1 133	851	877
Procurement expenditure in Morobe Province	Rm	**1 242**	611	583	672	749
Procurement expenditure with landowner companies	Rm	**610**	618	608	625	607
Environment						
Mineral waste (volume disposed)[3]	000t	**82 142**	78 985	76 989	71 000	52 100
Total electricity use (purchased)[3]	000MWh	**4 176**	4 111	4 254	4 123	3 171
CO_2 emissions						
Scope 1[3]	000t CO_2e	**179**	200	180	136	126
Scope 2[3]	000t CO_2e	**4 086**	4 252	4 568	4 251	3 316
Scope 3[3]	000t CO_2e	**990**	1 003	1 065	871	570
Water used for primary activities[3]	000m^3	**34 813**	29 350	33 417	30 306	19 692
Funding/guarantees for rehabilitation and closure	Rm	**8 388**	7 581	7 126	6 865	4 416

[2] On 1 October 2020, Harmony acquired AngloGold Ashanti Limited's remaining South African operations (Mponeng operations and related assets). FY21 therefore only contains nine months of metrics and is not directly comparable to FY22 or FY20.

[3] FY24 assured by independent assurance providers. Please refer to the assurance report and to the glossary of terms on the website at www.harmony.co.za. The assured indicators include the results of Mponeng for the period 1 October 2020 to 30 June 2021. The Mponeng results were not assured in FY21.

[5] The number of single rooms only represent hostels which are 100% converted.

FINANCIAL DIRECTOR'S REPORT

25% increase in revenue to **R61.4 billion** (US$3.3 billion) due to a higher average gold price received increasing from R1 032 646/kg to R1 201 653/kg and gold sold increasing from 48 222kg to 45 690kg in FY24.

Production profit of **R21.9 billion** (US$1.2 billion), a 57% increase from the prior year's R14.0 billion (US$787 million).

Operating free cash flow increased **111%** from R6.0 billion (US$340 million) to R12.7 billion (US$681 million).

132% increase in headline earnings per share from 800 SA cents (45 US cents) in the prior year to 1 852 SA cents (99 US cents) in the current year.

Net debt:EBITDA decreased from **0.2x to -0.2x** at 30 June 2024 as a result of lower debt and an increase in net cash due to improved operating results and a higher gold price.

Declaration of interim and final dividend of **147 SA cents** (7.61 US cents) and **94 SA cents** (5.27 US cents) per share respectively (FY23: total dividend for the year of 75 SA cents (4.03 US cents)).

Delivering on strategy

In FY24, Harmony achieved excellent operating results which drove our improved profitability. Our strong balance sheet provides flexibility to invest in our large capital projects and allocate more capital towards sustaining our current operations as we continue to produce safe, profitable ounces. Harmony continues to grow its Mineral Reserves through the execution of projects, including the extension projects at Moab Khotsong, Mine Waste Solutions, Hidden Valley and the most recently approved Mponeng extension. Harmony's commitment to transition to a low-cost gold-copper producer is underway, with the Eva Copper feasibility planned to be completed during FY25.

Our CEO, Peter, delves deeper into these strategic decisions in the **Chief executive officer's review** in the **Integrated report**.

Financial performance against strategic objectives

The key features of our financial performance in FY24 are unpacked below in terms of our four strategic pillars.

Responsible stewardship

We continue to deliver on our social compact through the support of our host communities, the circular economy which is directly linked to our Kareerand extension project and our continued focus on safety as a first priority. Harmony's robust and flexible balance sheet puts us in a strong position to deliver on our capital projects as well as to identify value-accretive acquisitions. These projects extend the life of various mines to around 20 years, ensuring we continue to provide opportunities for employees, host communities and the South African economy for years to come.

To align with our decarbonisation strategy and support our various LoM extensions, we had to expand our renewable programme. Our revised plan includes 500 MW (previously 363MW) in installed capacity from renewable energy sources by FY26, plus an opportunity for an additional 200MW through purchase power agreements by FY28. Phase 1 of our renewables projects was commissioned in FY23 and we expect to commence construction of the 100MW solar photovoltaic plant at Moab Khotsong in FY25.

Read more about Climate change, energy and GHG emissions management in the **ESG report**.

Operational excellence

During FY24, we achieved outstanding combined operating results across our operations. The group's gold production and gold sales increased to 48 578kg (1 561 815oz) and 48 222kg (1 550 373oz) from 45 651kg (1 467 715oz) and 45 690kg (1 468 966oz) respectively.

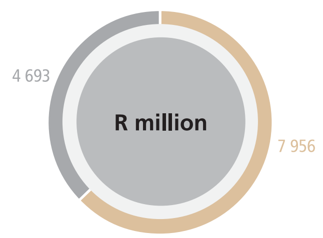
Harmony has done an exceptional job of curtailing costs during FY24 with the group's all in sustaining cost (AISC) increasing only 1% to R901 550/kg (US$1 558/oz) from R889 766/kg (US$1 558/oz). This is well below inflation figures seen during FY24 as well as our guidance of R920 000/kg. Our focus on higher-quality ounces will continue to reduce our AISC in the future and combined with our hedging strategy will drive our projects up the value curve. These costs will further be controlled by the five-year wage agreement concluded in April 2024, giving future certainty of labour costs, the largest component together with electricity.

Our tailings retreatment continue to produce excellent results. With the LoM extension project at Mine Waste Solutions, we will be in a good position to take advantage of the strong gold prices combined with the lower cost associated with these types of operations. Further, with the streaming contract at Mine Waste Solutions that concluded on 23 October 2024, we expect to see improved revenue from the operation.

Cash certainty

Harmony achieved record operating free cash flow, increasing to R12.7 billion (US$681 million) from R6.0 billion (US$339 million), a 111% increase, mainly as a result of increased underground recovered grades and the higher gold price received. This drove a 64% increase in cash and cash equivalents from R2.9 billion (US$258 million) in the prior year to R4.7 billion (US$152 million) in the current year.

Net headroom



We maintained a healthy headroom of R12.6 billion (US$695 million) at year end in the form of cash and undrawn facilities. All revolving credit facilities were repaid during the year ensuring access to future funds to deliver on our project pipeline.

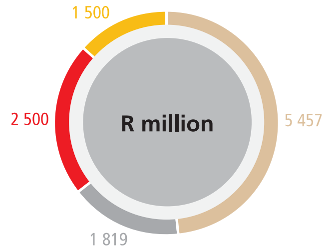
Earnings before interest, taxes, depreciation and amortisation (EBITDA) increased by 56% from R12.2 billion (US$646 million) in FY23 to R18.9 billion (US$1.0 billion) in FY24. Our total net debt:EBITDA decreased from 0.2x to negative 0.2x at 30 June 2024 as a result of our positive cash position at the end of FY24.

The following significant drawdowns and repayments were made during the year:

- Drawdown and subsequent repayment of R300 million (US$16 million) of the R2.5 billion sustainability-linked facility
- Repayment of R3.7 billion (US$200 million) of the US$400 million sustainability-linked facility.

Debt covenant tests were performed for the loan facilities for FY24 and FY23 and no breaches were noted. Management believes that it is very likely that the covenant requirements will be met in the foreseeable future given the current earnings and interest levels, as well as the net cash position.

Total loan facilities*



* *Total includes undrawn facilities*

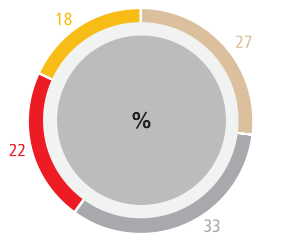
Effective capital allocation

We continue allocating significant capital to our major projects as well as sustaining capital at our current operations to fund future capital requirements. Our capital spend increased to R8.3 billion (US$445 million) from R7.6 billion (US$428 million) in FY23, primarily due to the Mine Waste Solutions tailings storage facility (TSF) expansion project which is nearing first deposition. While we are in a period of high-capital expenditure, with R10.8 billion (US$592 million) planned for FY25, our robust balance sheet ensures capital commitments are affordable. With the growing number of projects, we have established a central projects team to ensure we deliver our projects on time, within budget and at the highest possible standards.

We continue to spend on exploration focusing on projects that we can drive up the value curve, being mainly brownfield exploration close to existing infrastructure. Our exploration expenditure increased >100% (R1.0 billion (US$56 million)) from R506 million (US$28 million) during FY24. This was mainly due to the update of the feasibility, drilling and early works at the Eva Copper project. We continue to allocate funds to exploration to drive short- to medium-term organic ore reserve replacement and growth to increase quality ounces and mitigate ore reserve base depletion.

We consider our growth aspirations and how to balance this with investor expectations for returns. Our dividend policy is set at 20% of net free cash subject to future major capital expenditure and meeting solvency and liquidity requirements as well as current banking covenants. Following a strong performance, our board of directors declared an interim dividend of 147 SA cents (7.6 US cents) and a final dividend of 94 SA cents (5.27 US cents) per share for FY24, an increase from the final dividend of 75 SA cents (4.03 US cents) in FY23.

Capital expenditure (FY24 actual)



Derivatives and hedging

During FY24, our hedging policy was expanded and a new gold hedging limit was set as 30%, 20% and 10% of production in a 12-, 24- and 36-month period (previously 20% over a 24-month period). The limit for silver remained at 50% over a 24-month period. We further introduced gold-collar hedging to our hedging programme. Harmony may execute on the hedging strategy when we achieve a minimum margin of 25% above all-in sustaining cost (AISC) and inflation. An additional minimum margin of 30% above AISC and inflation was introduced for the last third of the volume hedged.

In FY24, Harmony's derivative programme remained in a net liability position of R1.1 billion (US$60 million) decreasing from a liability of R1.2 billion (US$61 million) at 30 June 2023. The net liability position is mainly attributable to the spot rand gold forward prices exceeding locked-in prices, resulting in the negative valuation of all outstanding commodity contracts held at 30 June 2024.

Revenue includes a realised hedging loss of R1.3 billion (US$68 million) compared to a loss of R184 million (US$10 million) in FY23, relating to the realised effective portion of hedge-accounted gold derivatives.

Key drivers of financial performance

		FY24	FY23	% Change
Gold produced	kg	**48 578**	45 651	6
	oz	**1 561 815**	1 467 715	6
Underground grade	g/t	**6.11**	5.78	6
Gold price received	R/kg	**1 201 653**	1 032 646	16
	US$/oz	**1 999**	1 808	11
All-in sustaining costs	R/kg	**901 550**	889 766	(1)
	US$/oz	**1 500**	1 558	4
Production profit	R million	**21 880**	13 977	57
	US$ million	**1 170**	787	49
Net (debt)/cash	R million	**2 899**	(2 828)	>100
	US$ million	**159**	(150)	>100
Net debt to EBITDA ratio[1]	times	**(0.2)**	0.2	
Average exchange rate	R:US$	**18.70**	17.76	5

[1] *The calculation of EBITDA is based on definitions included in our debt facility agreements, which exclude certain exceptional items such as impairments, translation differences and gains/losses on derivatives.*

Revenue

Revenue increased by R12.1 billion or 25% to R61.4 billion, mainly due to an increase in the gold sold to 48 222kg (FY23: 45 690kg) and an increased average gold price received in FY24 of R1 201 653/kg (FY23: R1 032 646/kg). In US dollar terms, revenue increased by US$508 million or 18% to US$3.3 billion. The average US$ gold price received increased by 11% to US$1 999/oz (FY23: US$1 808/oz).

Production costs

Production costs increased by 12% or R4.1 billion to R38.9 billion during FY24, mainly due to above-inflation increases on labour, including the impact of production-related bonuses, and electricity costs. Contributing further was a decrease in the credit from stripping activities at Hidden Valley as well as higher royalty taxes on revenue due to increased profitability. In US dollar terms, production costs increased by US$118 million or 6% to US$2.1 billion.

Amortisation and depreciation

Amortisation and depreciation increased by R1.2 billion or 34%, which was driven by higher gold production at the Hidden Valley and Kalgold operations, and additional assets brought into use. A decrease in the reserve tonnes base on which depreciation is calculated further drove the depreciation up. In US dollar terms, amortisation and depreciation increased by US$54 million to US$248 million.

Impairment of assets

In FY24, an impairment loss of R2.8 billion (US$154 million) was recognised on undeveloped property attributable to the Target North property. The preliminary results of the exploration programme conducted at Target North indicated a decrease in the Mineral Resource estimate used to determine its recoverable amount, resulting in the impairment. No impairment or reversal thereof was recognised for FY23.

Refer overleaf for further details regarding accounting considerations for material transactions.

Gains/losses and expenses included in operating profit

The change of the foreign exchange translation loss of R634 million (US$36 million) to a gain of R97 million (US$5 million) in FY24 was caused by the strengthening of the rand/US$ exchange rate (FY24: R18.19 versus FY23: R18.83). This had a positive impact on the translation of the US dollar loan balances.

Included in operating profit is the gain on derivatives of R453 million (US$24 million), compared to a loss of R194 million (US$11 million) in FY23. Exploration expenditure increased by R541 million (US$29 million), mainly due to Eva Copper. Other operating expenses increased by R411 million (US$22 million) year on year as a result of the remeasurement of the contingent consideration relating to the Mponeng extension.

Taxation

The group's taxation expense increased from R1.7 billion (US$97 million) to R3.1 billion (US$165 million) in FY24. This was predominantly due to an increased current tax expense as a result of higher taxable income resulting from higher gold sales combined with increased gold prices realised. The deferred tax expense decreased mainly due to a decrease in the deferred tax rate applied to assets and liabilities recognised in Mponeng following the annual revision of rates.

Net profit/(loss)

Harmony's financial performance reflects growth of 78% in FY24 with profit increasing to R8.7 billion (US$465 million) from R4.9 billion (US$275 million) in the previous year. Headline earnings increased by 132% to 1 852 SA cents per share (99 US cents) from a headline earnings of 800 SA cents (45 US cents) per share in FY23.

Outlook

Through a clear capital allocation framework and our future outlook of transforming into a global low-cost, gold-copper mining company, we continue to allocate sustaining capital to our major high-grade and surface retreatment projects as well as focusing on current extension projects and exploration opportunities. This will ensure the future of Harmony through Mineral Reserve replacement as well as organic growth opportunities.

By containing costs, deliberate allocation of capital, and leveraging the high gold prices to fund and grow our operations, we endeavour to maintain a balance between capital expenditure and providing returns to our shareholders in line with our policy during this period of high-capital expenditure.

Boipelo Lekubo
Financial director

25 October 2024

Noligwa Plant, Moab Khotsong

Accounting considerations for material transactions

The impairment assessment of property, plant and equipment

For the year ended 30 June 2024, management performed an assessment of the property, plant and equipment with the audit and risk committee considering the following:

- Assessed whether an indicator of potential impairment existed at the reporting date
- Assessed whether an indicator of reversal of previously recognised impairment existed at the reporting date
- Assessed recoverable amounts of the assets determined by using discounted estimated after-tax future cash flows as well as resource values
- Considered the excess of recoverable amount over the carrying value for each cash-generated unit.

Following the above, an impairment of R2.8 billion (US$154 million) was recognised on the Target North property. Management concluded that no reversal of previously recognised impairment was required to be recognised.

AUDIT AND RISK COMMITTEE: CHAIRPERSON'S REPORT

Dear shareholder

I am pleased to present the audit and risk committee report for the financial year ended 30 June 2024 (FY24).

In this report, we address the key material matters that the audit and risk committee (the committee) has deliberated on during the reporting period. Our focus extends beyond statutory compliance, encompassing our role in supporting Harmony's strategic objectives and driving value creation. The committee is dedicated to providing diligent oversight and ensuring that our processes effectively contribute to the company's long-term success.

Introduction

This committee is an independent, statutory committee whose members are appointed annually by Harmony's shareholders in compliance with section 94 of the South African Companies Act of 2008, as amended (the Act), and the principles of good governance. In addition to this Act, the committee's duties are guided by the JSE Listings Requirements, the King IV Code on Corporate Governance™* 2016 (King IV) and its terms of reference. Furthermore, the board of directors delegates oversight of specific functions to the committee.

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Terms of reference and discharge of responsibilities

The formal board approved committee terms of reference (available on our corporate website, **www.harmony.co.za**), are reviewed and updated annually (or more frequently if required) by both the committee and the board. The committee is satisfied that, during FY24, it has conducted its affairs and discharged its legal and other responsibilities in accordance with its terms of reference.

Composition and function

Members: J Wetton (Chairperson); K Nondumo; G Sibiya; B Nqwababa; M Prinsloo.

The members were re-elected at the annual general meeting on 4 December 2023. All members have the appropriate academic qualifications, financial literacy, business and financial acumen. As at the date of this report, the committee has five members, all of whom (in the opinion of the board) are independent non-executive directors.

For further detail on their qualifications, expertise and experience, refer to our website at **www.harmony.co.za/who-we-are/board**.

Refer to **Directors' report** for further detail.

The chairman of the board is not a member of the committee but may attend meetings by invitation. Board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair and do not have a vote.

The group chief executive officer (CEO) and financial director (FD) – together with members of the executive team and senior managers representing areas relevant to the discussions at the committee, as well as the external auditors, the chief audit executive and assurance providers attend meetings either by standing invitation or as and when required.

The internal and external auditors have unlimited access to the chairperson of the committee. The chief audit executive reports directly to the committee.

Responsibilities

The responsibilities of the committee are set out in the committee terms of reference and include, among others:

» To ensure the integrity of financial statements and related reporting, that they comply with International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides and other relevant regulatory bodies stated above and fairly represent the financial position of the group, the company and our operations
» To monitor internal controls, the internal audit function, combined assurance and matters pertaining to the external auditors
» To oversee corporate governance, particularly in relation to legislative and regulatory compliance
» To oversee the management of risk, as well as information technology (IT) governance and cyber security.

The committee believes that it complied with its legal, regulatory and other responsibilities during the past financial year. No major concerns were raised in FY24.

For more on the committee, see **Board committees** in our **ESG report**.

Reporting

The committee reviewed the appropriateness of the following FY24 reports and their related processes:

» Integrated report and its related suite of reports
» Mineral Resource and Mineral Reserve statement (with the assistance of the technical committee)
» Annual financial statements and accounting practices
» Annual report filed on Form 20-F with the United States Securities and Exchange Commission.

The committee submits that these reports represent a fair view of the group's performance for FY24 and recommended them to the board for approval.

Duties discharged in FY24

» Reviewed the company's quarterly, half year and annual financial results
» Ensured it has access to all the financial information of Harmony to allow the company to effectively prepare and report on its financial statements
» Monitored the internal control environment in Harmony and found it to be effective
» Discussed the appropriateness of accounting principles, critical accounting policies, management's judgements, estimates and impairments, all of which were found to be appropriate
» Executed its responsibility by ensuring that Harmony has established the appropriate financial reporting procedures and these procedures are operating. These procedures, include consideration of all entities included in the consolidated group IFRS financial statements, to ensure that it has access to all the financial information to allow Harmony to effectively prepare and report on its financial statements
» Considered the JSE's latest report on the proactive monitoring of financial statements
» Considered the appointment of the external auditor, Ernst & Young Incorporated (EY), as the registered independent auditor for the ensuing year
» Considered the suitability, and satisfied itself, of the external audit partner firm following assessment of the information provided by that firm, in terms of paragraph 3.84(g)(iii) and paragraph 22.15(h) of the JSE Listings Requirements, to determine the suitability of its appointment as the external audit firm and of the designated individual partner
» Ensured that the appointment of the external audit firm is presented and included as a resolution at the annual general meeting
» Satisfied itself that the external audit firm, EY, was suitable and independent from the company
» Reviewed and approved external audit plans, terms of engagement and fees, as well as the nature and extent of non-audit services rendered by the external auditors
» Evaluated the independence and effectiveness of the internal audit function
» Reviewed and approved internal audit budget, the internal audit charter and risk-based plans
» Evaluated and coordinated the internal audit, external audit and sustainability assurance processes
» Received and considered reports from the external and internal auditors
» Considered the appropriateness, expertise and experience of the FD and the finance function – both were found to be adequate and appropriate
» Evaluated and considered Harmony's risks, and measures taken to mitigate those risks
» Considered whether IT risks are adequately addressed and whether appropriate controls are in place to address these risks. The committee oversees and monitors the governance of IT on behalf of the board, a task it views as a critical aspect of risk management
» Considered and confirmed the company as a going concern
» Considered and approved the company's non-audit services policy
» Considered and approved the company's legal compliance policy and framework
» Considered and approved the company's governance policy and framework
» Considered and approved the company's anti-bribery and corruption policy
» Considered and approved the company's anti-money laundering policy
» Reviewed and recommended changes to the committee's terms of reference to the board for approval
» Reviewed and recommended changes to the company's trading in securities and insider trading policy to the board for approval
» Reviewed the adequacy of the group's insurance coverage
» Considered commodity prices and exchange rate parameters for budget and business planning
» Considered the company's hedging programme for board approval
» Considered the company's fraud risk assessment programme
» Reviewed legal matters that could have a significant impact on the company's business.

Key focus areas in FY24

Interim and annual financial statements

The annual financial statements have been prepared in accordance with IFRS, SAICA Financial Reporting Guides, the requirements of the South African Companies Act 71 of 2008, the Listings Requirements of the JSE Limited and the recommendations of King IV.

In terms of paragraph 3.84(k) of the JSE Listings Requirements, the committee reviewed and assessed the process implemented by management to enable the CEO and the FD to pronounce on the annual financial statements and the system of internal control over financial reporting. The results from the process were communicated to the committee. The committee considered any deficiencies as well as the appropriateness of management's response including remediation, reliance on compensating controls and additional review procedures. The committee, on behalf of the board, has noted the final confirmation of the CEO and FD.

See **Chief executive officer and financial director confirmation**.

External auditor – appointment, independence and tenure

Having considered the external auditor's previous appointments and the extent of other work undertaken for the group, the committee is satisfied that EY are independent of the group, as per section 94(8) of the Act. The committee also satisfied itself as to the suitability of EY and the designated audit partner.

A formal procedure has been adopted to govern the process whereby the external auditor may be considered for non-audit services and the extent of these services is closely monitored by the committee. Total fees approved for the external auditor, EY, for the year were R66.4 million, of which R66.3 million was for audit-related services, R0.1 million for non-audit services.

This is the first year that EY has been Harmony's external auditor. At the 2023 annual general meeting, EY was reappointed as the independent external auditor.

Ms F Norkie is the registered lead audit partner responsible for the audit for the financial year ended 30 June 2024.

As part of Harmony's commitment to transformation, EY partnered with Motlanalo Chartered Accountants and Auditors, a level 1 broad-based black economic empowerment company being a 100% black-women-owned firm.

Audit firm rotation

In FY21, the committee had recommended, and the board endorsed, the appointment of EY following the conclusion of a comprehensive and rigorous tender process. Shareholders approved EY's appointment at the annual general meeting held on 29 November 2022 and was re-elected at the annual general meeting held on 4 December 2023.

Refer to **Notice of the annual general meeting** in our **Notice to shareholders**.

Internal controls and internal audit

Having reviewed the design, implementation and effectiveness of the group's system of internal financial controls, the committee is satisfied that these are effective and form a reliable basis for the preparation of the financial statements. No findings came to the attention of the committee to indicate any material breakdown in internal controls during the past financial year.

In terms of internal audit, the committee is responsible for:

- Ensuring that the group's internal audit function is independent and has the necessary resources, standing and authority within the group to enable it to perform its duties
- Overseeing cooperation between internal audit and the external auditors, and serving as a link between the board of directors and these functions.

In line with King IV and its recommendations, the committee has confirmed the effectiveness of the group chief audit executive, Ms Besky Maluleka-Ngunjiri, and is satisfied that she has the appropriate expertise and experience to meet the responsibilities of this position. The chief audit executive reports quarterly, or as necessary, to the committee on internal audit and has direct access to the committee, primarily through its chairperson.

The committee is satisfied that internal audit follows an approved risk-based internal audit plan and regularly reviews the group's risk profile. Internal audit submits an overall statement on the effectiveness of the group's governance, risk management and control processes.

Legislative compliance

Compliance information and reports on the status of legislative compliance are presented to this committee. The risk of non-compliance is thus managed through:

- bi-annual review and updates on the Harmony regulatory universe
- compliance risk management plans for high-risk legislation
- the continuous monitoring of the regulatory environment.

Combined assurance

The committee is satisfied that the group has optimised the assurance coverage obtained from management, and internal and external assurance providers. The committee is also satisfied that the various external assurances that are obtained and related systems and procedures are effective in achieving the following objectives:

- Enabling an effective internal control environment
- Supporting the integrity of information used for internal decision-making by management, the board and its committees
- Supporting the integrity of external reports
- Minimising assurance fatigue.

Governance of risk

The committee fulfils a dual function – as an audit committee and as a risk committee. Internal audit conducts regular and full assessments of the risk management function and framework, on which it reports to the committee. The committee is satisfied with the effectiveness of its oversight of risk governance in the group.

A detailed report on risk and its management, as recommended in King IV, is contained in our **Integrated report** in the **Risks and opportunities** section. A report on risk is also shared with the board on a quarterly basis.

In the past year, the committee continued to monitor the enterprise risk management and resilience policy, risk management guidelines and risk management framework to ensure continued focus on the company's material risks. The board further approves the group's risk appetite and tolerance framework.

Appropriateness and experience of FD and effectiveness of the finance function

The committee confirms that it is satisfied that Ms Boipelo Lekubo, the current FD, possesses the appropriate expertise and experience to meet the responsibilities of this position.

Oversight of derivative programme

The committee also monitors and reviews the group's derivative and hedging strategy. The derivative programmes currently in place were introduced in FY16. During FY24, the hedging policy was expanded and a new gold hedging limit was set as 30%, 20% and 10% of production in a 12-, 24- and 36-month period (previously 20% over a 24-month period) and was approved. The limit for silver remained at 50% over a 24-month period. Further, gold-collar hedging was introduced to our hedging programme. Harmony may execute on the hedging strategy when we achieve a minimum margin of 25% above all-in sustaining cost (AISC) and inflation. An additional minimum margin of 30% above AISC and inflation was introduced for the last third of the volume hedged. The foreign exchange exposure of 25% remained during the year.

For more on how these derivative programmes have performed, see the **Derivative financial instruments** note.

Technology and information governance

The committee maintained its focus on overseeing the strategic information technology direction of the group, the technology risks, as well as compliance regarding information and technology. The basis on which these are monitored and reviewed have been strengthened with specific focus regarding cybersecurity and compliance with King IV.

The convergence of operational technology, engineering technology and information technology, the rapidly increasing use of information in the mining industry, and the increased exposure to cyber-security threats require increased focus on Harmony's information technology capability. To this end, a group chief information officer was appointed to the group executive committee thereby elevating Harmony's focus on this key enabler, and to better align and integrate across the various technology disciplines.

We have revised the information and technology governance structures to ensure a more direct and transparent link from operational to board level. Monitoring, review and direction capabilities are being strengthened with decision-making being devolved to the appropriately mandated levels to reduce turn-around times, increase cross-functional collaboration, align actions with corporate goals and to improve the management of technology risk.

Information technology resources (infrastructure, financial and human resources) have been reviewed with relevant adjustments being introduced to position the group for improved leveraging of information technology, increased capabilities to manage technology risk, and to strengthen the group's cybersecurity posture.

Management controls have been reviewed and further focus will be brought to align information technology processes, controls and the risk framework with the broader group enterprise risk management framework.

Dividend policy and dividends declaration

The board declared a 147 SA cents interim ordinary dividend for the year ended 30 June 2024, paid on 15 April 2024 and declared a final ordinary dividend of 94 SA cents for the year ended 30 June 2024, paid on 14 October 2024 (2023: interim ordinary dividend of nil and final ordinary dividend of 75 SA cents paid on 16 October 2023). In addition, dividend payments were made in 2023 and 2024 to the non-controlling interest holders in Tswelopele Beneficiation Operation of R18 million and R43 million, respectively.

Harmony declared an annual preference share dividend to the Harmony Gold Community Trust (the Trust). The board declared a preference dividend of R14.7 million and it was paid to the Trust on 18 September 2024 (2023: R9 million on 15 August 2023).

In considering the payment of dividends, the board, with the assistance of the audit and risk committee, took into account the current financial status of the company and the payment of a proposed dividend subject to the successful application of the solvency and liquidity test as set out in section 4 of the Companies Act of 2008.

The company's dividend policy remains to pay a return of 20% on net free cash generated to shareholders, at the discretion of the board of directors.

Going concern

The committee has reviewed a documented assessment, including key assumptions prepared by management, of the going concern status of the group.

The board's statement on the going concern status of the group, as supported by the committee, appears in the **Directors' report**.

Integrated report

The committee has overseen the integrated reporting process, reviewed the report and has recommended the 2024 Integrated report and consolidated financial statements for approval by the board.

Events post year end

- During August 2024, management received information relating to the preliminary results of the exploration drilling programme conducted for Target North. These preliminary results indicated that a decrease of the mineral resource estimation attributable to Target North is likely. The decrease in the attributable ounces as indicated by the preliminary results constitutes an indication of impairment. The indicator is considered to be an adjusting event as it provides more reliable information of circumstances that already existed as at 30 June 2024. Therefore an impairment assessment was performed for Target North at the reporting date.
- On 30 July 2024, the Queensland Government announced its decision to provide conditional grant funding of A$20.7 million for Eva Copper under the Mount Isa Mining Acceleration Programme. The grant is subject to a number of conditions, including that Harmony reaches a positive Final Investment Decision by January 2026. This constitutes a non-adjusting subsequent event. Management is still assessing the 2025 financial year accounting treatment and impact of the government grant.
- On 4 September 2024, a final dividend of 94 SA cents was declared, payable on 14 October 2024.
- Effective from 1 September 2024, Harmony has entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. During September 2024, Harmony will transfer a once-off amount of R350 million to RMA as a single premium for the transfer of the on-balance sheet liability of R290 million. Harmony and RMA have fulfilled all the relevant clauses per the contract, and the liability was derecognised.
- On 1 October 2024, Dr Urishanie Govender was appointed as Chief Sustainability Officer and will be classified as a prescribed officer going forward.
- On 23 October 2024, Harmony fulfilled all its obligations stemming from the streaming arrangement with Franco Nevada. Refer to note 29 for further information on the Franco-Nevada streaming arrangement. Going forward, all gold revenue generated by the Mine Waste Solutions operation will be based on quoted market prices. This constitutes a non-adjusting subsequent event.

In closing

I sincerely thank my fellow committee members for their professionalism and dedication in carrying out their duties. Their commitment has been instrumental in enabling the committee to effectively fulfill its responsibilities in accordance with the committee mandate, terms of reference and statutory responsibilities.

John L Wetton
Chairperson: audit and risk committee

25 October 2024

DIRECTORS' REPORT

Nature of business
The Harmony group of companies conducts gold mining and exploration in South Africa, Papua New Guinea and Australia.

A general review of the group's business and operations is provided in the **Integrated report**, and with more detail available in the **ESG report** and **Operational report**.

The company's primary listing is in South Africa on the JSE. Harmony's ordinary shares are also listed in the form of American depositary receipts (ADRs) on the New York Stock Exchange.

Integrated report
As required by the King IV report and the JSE Listings Requirements, the board has reviewed and approved the Integrated report 2024 on the recommendation of the audit and risk committee, supported by the social and ethics committee.

The **Integrated report** can be found on our website.

Statement by the board
The annual financial statements are drawn up in accordance with the Companies Act, JSE Listings Requirements, IFRS and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, and the Financial Pronouncements, as issued by Financial Reporting Standards Council.

The board of directors is of the opinion that the Integrated annual report and the accompanying consolidated financial statements fairly reflect the true financial position of the group at 30 June 2024 and its performance for the year.

Audit and risk committee and social and ethics committee reports
See the **Audit and risk committee: chairperson's report** and that of the **Social and ethics committee: chairperson's report** in the **ESG report**.

Company secretary
The group company secretary is Ms Shela Mohatla. Her business and postal addresses appear on the inside back cover. The certificate by the group company secretary is on page 19. Ms Mohatla was appointed group company secretary with effect from 14 August 2020, subsequent to her appointment in an acting capacity on 27 January 2020.

Board of directors
There were no changes to the composition of Harmony's board of directors during the review period.

Biographical details of current directors appear at **www.harmony.co.za**.

In terms of the company's Memorandum of Incorporation (MOI), the directors of the company shall rotate in accordance with the following provisions:

- At each AGM, one-third (1/3) of the non-executive directors for the time being, or if their number is not three (3) or a multiple of 3, the number nearest to 1/3, but not less than 1/3, shall retire from office, provided that if a director is appointed as an executive director or as an employee of the company in any other capacity, he or she shall not, while he or she continues to hold that position or office, be subject to retirement by rotation and he or she shall not, in such case, be taken into account in determining the retirement of directors by rotation
- The non-executive directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who were elected as directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot
- A retiring director shall be eligible for re-election.

Directors and associates' interests
At 30 June 2024, the CEO Peter Steenkamp held 612 436 shares, FD Boipelo Lekubo held 52 918 shares and executive director HE Mashego held 55 053 shares in Harmony.

None of the directors' and associates held any direct or indirect shareholding in the company's issued share capital. No other director held or acquired any shares in the company, other than through share incentive schemes (executive directors only) during FY24.

Refer to the **Remuneration report** for details of share incentives awarded to executive directors.

Going concern
The annual financial statements have been prepared on a going concern basis.

In accordance with the solvency and liquidity test in terms of section 4 of the Companies Act, the board is of the opinion that the company has adequate resources and that the:

- Company's assets, fairly valued, exceed the fair value of its liabilities
- Company will be able to pay its debts as they become due in the ordinary course of business for the 12 months following 30 June 2024.

Financial results
The **audited consolidated** and **company** annual financial statements as well as the discussion on the group's financial performance are included in this report. **Confirmation of the financial statements by the CEO and FD** appears in this report.

Share capital
During the June 2024 year, 1 910 916 shares were issued to settle the exercise of share options by employees relating to Harmony's management share option schemes. On 4 April 2024 a total of 12 651 525 shares were issued to the Harmony ESOP Trust as part of the new scheme. These shares will be used to facilitate the non-managerial share based payment scheme. On 21 February 2024, Harmony issued an additional 2 466 103 convertible preference shares to the Harmony Gold Community Trust.

Full details of the authorised, issued and unissued **share capital** of the company as at 30 June 2024 are set out in this report.

Shareholders
The company does not have a controlling shareholder. Information on shareholder spread, the range of shareholdings and public shareholders, as well as major shareholders, is presented in the **shareholders' information** section.

Dividend policy
The company's dividend policy is to pay a return of 20% on net free cash generated to shareholders, at the discretion of the board of directors.

Dividends declared

The board declared a 147 SA cents interim ordinary dividend for the year ended 30 June 2024, paid on 15 April 2024 and declared a final ordinary dividend of 94 SA cents for the year ended 30 June 2024, paid on 14 October 2024 (2023: interim ordinary dividend of nil and final ordinary dividend of 75 SA cents paid on 16 October 2023). In addition, dividend payments were made in 2023 and 2024 to the non-controlling interest holders in Tswelopele Beneficiation Operation of R18 million and R43 million, respectively.

Harmony declared an annual preference share dividend to the Harmony Gold Community Trust (the Trust). The board declared a preference dividend of R14.7 million and it was paid to the Trust on 18 September 2024 (2023: R9 million on 15 August 2023).

Investments

A schedule of investments in subsidiaries, associates and joint arrangements appears in **Annexure A – Statement of group companies.**

Contingencies

None of Harmony's properties is the subject of pending material legal proceedings. We are involved in legal and arbitration proceedings that are incidental to the normal conduct of our business.

Refer to note 36 of the for further discussion.

Borrowings

Borrowing powers are detailed in the company's memorandum of incorporation.

Movement in borrowings: see note 30.

Disposals

There were no material disposals in FY24.

Acquisitions

There were no material acquisitions in FY24.

Related-party transactions

None of the directors or major shareholders of Harmony or, to Harmony's knowledge, their families, had an interest, directly or indirectly, in any transaction during the review period or in any proposed transaction that has affected or will materially affect Harmony or its subsidiaries, other than as discussed below.

Material transactions with associates, joint arrangements and structured entities

Refer to note 35 for details on transactions conducted during the period under review.

Compliance with the laws and memorandum of incorporation

The board believes that during the period 1 July 2023 to 30 June 2024, Harmony has complied with the provisions of the Companies Act and operated in conformity with its memorandum of incorporation and/or relevant constitutional documents.

Events subsequent to 30 June 2024

- During August 2024, management received information relating to the preliminary results of the exploration drilling programme conducted for Target North. These preliminary results indicated that a decrease of the mineral resource estimation attributable to Target North is likely. The decrease in the attributable ounces as indicated by the preliminary results constitutes an indication of impairment. The indicator is considered to be an adjusting event as it provides more reliable information of circumstances that already existed as at 30 June 2024. Therefore an impairment assessment was performed for Target North at the reporting date.
- On 30 July 2024, the Queensland Government announced its decision to provide conditional grant funding of A$20.7 million for Eva Copper under the Mount Isa Mining Acceleration Programme. The grant is subject to a number of conditions, including that Harmony reaches a positive Final Investment Decision by January 2026. This constitutes a non-adjusting subsequent event. Management is still assessing the 2025 financial year accounting treatment and impact of the government grant.
- On 4 September 2024, a final dividend of 94 SA cents was declared, payable on 14 October 2024.
- Effective from 1 September 2024, Harmony has entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. During September 2024, Harmony will transfer a once-off amount of R350 million to RMA as a single premium for the transfer of the on-balance sheet liability of R290 million. Harmony and RMA have fulfilled all the relevant clauses per the contract, and the liability was derecognised.
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- On 23 October 2024, Harmony fulfilled all its obligations stemming from the streaming arrangement with Franco Nevada. Refer to note 29 for further information on the Franco-Nevada streaming arrangement. Going forward, all gold revenue generated by the Mine Waste Solutions operation will be based on quoted market prices. This constitutes a non-adjusting subsequent event.

CHIEF EXECUTIVE OFFICER AND FINANCIAL DIRECTOR CONFIRMATION

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

- the annual financial statements set out on pages 24 to 150, fairly present in all material respects the financial position, financial performance and cash flows of Harmony in terms of 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 Harmony and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the company;
- the internal financial controls are adequate and effective and can be relied upon in the 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 committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

Peter Steenkamp
Chief executive officer
25 October 2024

Boipelo Lekubo
Financial director
25 October 2024

DIRECTORS' STATEMENT OF RESPONSIBILITY

FINANCIAL STATEMENTS

The directors have the pleasure in presenting the consolidated and company annual financial statements (collectively the annual financial statements) for the year ended 30 June 2024. The annual financial statements were audited by Ernst & Young Inc. who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the company's registered office.

The annual financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and IFRIC Interpretations Committee (IFRIC) Interpretations (collectively IFRS), the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listing Requirements and the Companies Act of South Africa.

The directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of the company and its subsidiaries. The annual financial statements have been prepared by Harmony Gold Mining Company Limited's corporate reporting team, headed by Michelle Kriel CA(SA). This process was supervised by the financial director, Boipelo Lekubo CA(SA).

The directors are also responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the annual financial statements, and to prevent and detect material misstatement and loss.

Nothing has come to the attention of the board that caused it to believe that the systems of internal controls and risk management are not effective for the period under review and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The board's opinion is underpinned by the audit and risk committee's statement.

The annual financial statements have been prepared on a going concern basis and the directors believe that the company and group will continue to be in operation in the foreseeable future.

APPROVAL

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

PW Steenkamp
Chief executive officer
Randfontein
South Africa

BP Lekubo
Financial director
Randfontein
South Africa

25 October 2024

GROUP COMPANY SECRETARY'S CERTIFICATE

In terms of section 88(2)(e) of the Companies Act No 71 of 2008, as amended (the Act), I certify that for the year ended 30 June 2024, Harmony Gold Mining Company Limited, to the best of my knowledge and belief, has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Act, and that all such returns and notices appear to be true, correct and up to date.

Shela Mohatla
Group company secretary

25 October 2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Harmony Gold Mining Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Harmony Gold Mining Company Ltd and its subsidiaries (the Group) and company set out on pages 24 to 150, which comprise of the consolidated and separate balance sheet as at 30 June 2024, and the consolidated and separate income statement, consolidated and separate statement of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 30 June 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 are independent of the group and company 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 of the group and company and 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 of the group and company and 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter (KAM)	How the matter was addressed in the audit
Provision for environmental rehabilitation obligations (Consolidated and Separate) As described in note 24 to the consolidated financial statements, as at 30 June 2024, the Group has raised a provision for environmental rehabilitation to the amount of R5 155 million and R709 million in note 20 to the separate financial statements. The Group recognises a provision for future environmental rehabilitation costs in line with its accounting policy and relevant legislation. This provision is calculated based on the net present value, through the use of a discounted cash flow model. This model is based on the current estimated costs required to rehabilitate the disturbances caused by mining activities up to the reporting date. The Group's provision for environmental rehabilitation was complex and auditing it involved significant judgment. This was due to the significant judgement applied by management in estimating the extent of current environmental damage, the	We evaluated the design and tested the operating effectiveness of internal controls relating to the Group's process of determining the provision for environmental rehabilitation. This included controls related to the determination of the key assumptions used in management's rehabilitation models, such as the nature, amount and timing of the future rehabilitation costs, as well as estimates of future inflation and discount rates. We involved our environmental specialists to: • Assist us in assessing the qualification and competency of management internal and external specialists. • Evaluate the rehabilitation plans with regards to applicable regulatory and legislative requirements and

Key Audit Matter (KAM)	How the matter was addressed in the audit
timing and amount of future rehabilitation costs, and the assumptions related to the future inflation and discount rates. These assumptions are inherently subjective and required the involvement of specialists on our team. The above has led to it being a key audit matter.	evaluate the methodology used by management against industry practice. • Assess the reasonableness of the cost estimates against the closure and rehabilitation plan and industry practice. These costs were compared to publicly available information for reasonableness. We assessed the reasonableness of the rehabilitation models prepared by management, and amongst other procedures: • We tested the mathematical accuracy and compared the timing of the expected cash flows with reference to the life of mine plans for the respective mines for reasonableness. • We compared the current year cash flow assumptions to those of the prior year and considered management's explanations where these have changed. With the support of our valuation specialists, we assessed management's macro-economic assumptions used in their rehabilitation models by comparing them to available market information. The most significant of these macro-economic assumptions were the future inflation and discount rates. We assessed the appropriateness of the disclosure within the financial statements in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.
Impairment of the Target North undeveloped property (Consolidated) As described in Note 2.5 to the consolidated financial statements, the Group conducts an impairment test whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. Subsequent to 30 June 2024, management received information relating to the preliminary results of the exploration drilling programme conducted for the Target North undeveloped property. These preliminary results indicated a decrease of the mineral resource estimation of Target North, which constituted an indicator of impairment, which required the Group to perform an impairment test for Target North. Management used the resource multiple valuation technique to value Target North, resulting in a gross impairment loss of R2 793 million for the year ended 30 June 2024 as per Note 5 – Cost of Sales. Auditing the assessment of the recoverable amount was complex and highly judgemental due to the significant estimation uncertainty over the extent of the mineral resource as well as the gold resource multiple price used to determine the recoverable amount of the Target North undeveloped property, which caused it to be a Key Audit Matter.	We obtained an understanding and tested the operating effectiveness of controls over the Group's impairment trigger assessment and the preparation, review and approval of the impairment calculation, as well as the controls related to the mineral resource estimation process. To test the impairment calculation for Target North, among other procedures: • We evaluated the competency, experience and objectivity of management's internal and external experts that determined the mineral resource estimate. • With assistance from our mining specialists, we examined the information provided by the management, including assessment of the resource estimation methodology against the relevant industry and regulatory guidance and evaluated the reasonableness of key assumptions applied. With the support of our valuation specialists: • We assessed management's gold resource multiple price used in the impairment calculation, by comparing it to the latest available market information. • In order to reflect the uncertainty inherent to the mineral resources and gold resource multiple price used in the impairment calculation, we performed our own sensitivity analysis, by adjusting the mineral resource ounces and gold price and comparing our results to management's estimated recoverable amounts. We assessed the appropriateness of the disclosure within the financial statements in accordance with IAS 36: Impairment of assets.

Key Audit Matter (KAM)	How the matter was addressed in the audit
Impairment assessment of investment in AvGold Limited (Separate) As described in Note 14 to the Company financial statements, significant accounting judgments and estimates are made in relation to the impairment assessment of investments in subsidiaries. Management performs an annual impairment indicator assessment over investments in subsidiaries. Impairment indicators were identified in the current year in the investment in AvGold, and as a result an impairment loss was recognised for this investment amounting to R2 530 million for the year ended 30 June 2024. Auditing management's impairment assessment of AvGold was complex due to the significant judgement required in determining the recoverable amounts of the investment. In particular, the significant assumptions used to calculate the estimated gold resource multiple price and the estimated number of mineral resource ounces to determine the recoverable amount of Avgold Limited, which led to this requiring significant audit effort and identified as a key audit matter.	We obtained an understanding and evaluated the design and tested the operating effectiveness of controls over the Company's investment recognition and investment impairment process. We involved our valuation specialists to assist in our evaluation of significant assumptions used for the determination of the recoverable amount of the investment in AvGold, such as • The gold resource multiple, by calculating an independent range using available market information and comparing it against management's resource multiple • Performing independent sensitivity analyses thereon considering the market information obtained. • Recalculated the results of managements discounted cash flow models by using independently obtained key input assumptions such as commodity prices, exchange rates and market discount rates. We involved our mining technical specialists to assist in evaluating management's resource and reserve estimation procedures and the application of their methodology and primary inputs into the quantification of mineral resources, against industry practices. We assessed the recoverable amounts of the investment in AvGold (including the underlying assumptions and calculations) by multiplying the gold resource multiple by the amount of resources and compared the recoverable amounts to the carrying amounts of these investments in subsidiaries. We assessed the appropriateness of the disclosure within the financial statements in accordance with IAS 36: Impairment of assets.

Other matter – Prior period audited by another auditor

The consolidated and separate financial statements of Harmony Gold Mining Company Limited for the year ended 30 June 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated and separate financial statements on 25 October 2023.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 154-page document titled Harmony Financial Report 30 June 2024, which includes the Directors' Report, the Audit and Risk Committee: Chairperson's Report and the Group Company Secretary's Certificate as required by the Companies Act of South Africa, and the documents titled "Harmony Integrated Report 30 June 2024", "Harmony Mineral Resources and Mineral Reserves 30 June 2024", "Harmony Environment, social and governance (ESG) Report 30 June 2024", "Harmony Remuneration Report 30 June 204", "Harmony Notice to Shareholders 30 June 2024", "Harmony Operational Report 30 June 2024", and "Harmony Climate action and impact report 30 June 2024". 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 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 IFRS Accounting Standards as issued by the International Accounting Standards Board 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 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 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 judgment 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 and 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 and 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 the 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 and separate 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 Ernst & Young Incorporated has been the auditor of Harmony Gold Mining Company Limited for one year.

Ernst & Young Inc.

Ernst & Young Incorporated
Fatima Norkie
Director
Registered Auditor
Chartered Accountant (SA)

102 Rivonia Road
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25 October 2024

GROUP INCOME STATEMENT

For the year ended 30 June 2024

		SA Rand		
Figures in million	Notes	**2024**	2023	2022
Revenue	4	**61 379**	49 275	42 645
Cost of sales	5	**(47 233)**	(39 535)	(41 927)
Production costs		**(38 923)**	(34 866)	(33 099)
Amortisation and depreciation		**(4 642)**	(3 454)	(3 683)
Impairment of assets		**(2 793)**	—	(4 433)
Other items		**(875)**	(1 215)	(712)
Gross profit		**14 146**	9 740	718
Corporate, administration and other expenditure	6	**(1 294)**	(1 044)	(984)
Exploration expenditure		**(1 047)**	(506)	(214)
Gains/(losses) on derivatives	17	**453**	(194)	53
Foreign exchange translation gain/(loss)	7	**97**	(634)	(327)
Other operating expenses	8	**(679)**	(268)	(1)
Operating profit/(loss)		**11 676**	7 094	(755)
Acquisition-related costs	13	**—**	(214)	—
Share of profits from associate	19	**81**	57	63
Investment income	9	**809**	663	352
Finance costs	10	**(796)**	(994)	(718)
Profit/(loss) before taxation		**11 770**	6 606	(1 058)
Taxation	11	**(3 082)**	(1 723)	46
Net profit/(loss) for the year		**8 688**	4 883	(1 012)
Attributable to:				
Non-controlling interest		**101**	63	40
Owners of the parent		**8 587**	4 820	(1 052)
Earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	12	**1 386**	780	(172)
Diluted earnings/(loss) per ordinary share (cents)				
Total earnings/(loss)	12	**1 364**	777	(172)

The accompanying notes are an integral part of these consolidated financial statements.

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

		SA Rand		
Figures in million	Notes	**2024**	2023	2022
Net profit/(loss) for the year		**8 688**	4 883	(1 012)
Other comprehensive income for the year, net of income tax		**(1 420)**	(80)	202
Items that may be reclassified subsequently to profit or loss	23	**(1 442)**	(110)	171
Foreign exchange translation gain/(loss)		**(943)**	1 123	742
Remeasurement of gold hedging contracts		**(499)**	(1 233)	(571)
Items that will not be reclassified to profit or loss	23	**22**	30	31
Total comprehensive income for the year		**7 268**	4 803	(810)
Attributable to:				
Non-controlling interest		**101**	63	40
Owners of the parent		**7 167**	4 740	(850)

The accompanying notes are an integral part of these consolidated financial statements.

GROUP BALANCE SHEET

As at 30 June 2024

		SA Rand	
Figures in million	Notes	**At 30 June 2024**	At 30 June 2023
Assets			
Non-current assets			
Property, plant and equipment	14	**41 348**	41 507
Intangible assets		**19**	33
Restricted cash and investments	15	**6 494**	6 121
Investments in associates	19	**165**	111
Deferred tax assets	11	**140**	189
Other non-current assets	16	**344**	332
Derivative financial assets	17	**453**	269
Total non-current assets		**48 963**	48 562
Current assets			
Inventories	21	**3 603**	3 265
Restricted cash and investments	15	**39**	41
Trade and other receivables	18	**2 604**	2 395
Derivative financial assets	17	**558**	110
Cash and cash equivalents	32	**4 693**	2 867
Total current assets		**11 497**	8 678
Total assets		**60 460**	57 240
Equity and liabilities			
Share capital and reserves			
Attributable to equity holders of the parent company		**40 774**	34 757
Share capital and premium	22	**32 934**	32 934
Other reserves	23	**5 602**	6 778
Retained earnings/(accumulated loss)		**2 238**	(4 955)
Non-controlling interest		**175**	123
Total equity		**40 949**	34 880
Non-current liabilities			
Deferred tax liabilities	11	**2 951**	2 294
Provision for environmental rehabilitation	24	**5 155**	5 473
Other provisions	25	**526**	633
Borrowings	30	**1 785**	5 592
Contingent consideration liability	27	**850**	589
Other non-current liabilities	28	**276**	337
Derivative financial liabilities	17	**609**	470
Streaming contract liability	29	**—**	105
Total non-current liabilities		**12 152**	15 493
Current liabilities			
Other provisions	25	**19**	180
Borrowings	30	**9**	103
Trade and other payables	31	**5 629**	5 238
Contingent consideration liability	27	**115**	—
Derivative financial liabilities	17	**1 502**	1 061
Streaming contract liability	29	**85**	285
Total current liabilities		**7 359**	6 867
Total equity and liabilities		**60 460**	57 240

The accompanying notes are an integral part of these consolidated financial statements.

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 30 June 2024

	Number of ordinary shares issued	Share capital and premium	Retained earnings/ (Accumulated loss)	Other reserves	Non-controlling interest	Total
Notes	22	22		23		
Figures in million (SA Rand)						
Balance – 30 June 2021	616 052 197	32 934	(8 173)	6 399	54	31 214
Issue of shares						
– Exercise of employee share options	473 505	—	—	—	—	—
Share-based payments	—	—	—	143	—	143
Net profit/(loss) for the year	—	—	(1 052)	—	40	(1 012)
Other comprehensive income for the year	—	—	—	202	—	202
Dividends paid	—	—	(414)	—	(16)	(430)
Balance – 30 June 2022	616 525 702	32 934	(9 639)	6 744	78	30 117
Issue of shares						
– Exercise of employee share options	1 546 270	—	—	—	—	—
Share-based payments	—	—	—	114	—	114
Net profit for the year	—	—	4 820	—	63	4 883
Other comprehensive income for the year	—	—	—	(80)	—	(80)
Dividends paid	—	—	(136)	—	(18)	(154)
Balance – 30 June 2023	618 071 972	32 934	(4 955)	6 778	123	34 880
Issue of shares						
– Exercise of employee share options	**1 910 916**	**—**	**—**	**—**	**—**	**—**
– Harmony ESOP Trust	**12 651 525**	**—**	**—**	**—**	**—**	**—**
Share-based payments	**—**	**—**	**—**	**244**	**—**	**244**
Partial purchase of non-controlling interest	**—**	**—**	**—**	**—**	**(6)**	**(6)**
Net profit for the year	**—**	**—**	**8 587**	**—**	**101**	**8 688**
Other comprehensive income for the year	**—**	**—**	**—**	**(1 420)**	**—**	**(1 420)**
Dividends paid	**—**	**—**	**(1 394)**	**—**	**(43)**	**(1 437)**
Balance – 30 June 2024	**632 634 413**	**32 934**	**2 238**	**5 602**	**175**	**40 949**

The accompanying notes are an integral part of these consolidated financial statements.

GROUP CASH FLOW STATEMENT

For the year ended 30 June 2024

		SA Rand		
Figures in million	Notes	**2024**	2023	2022
Cash flow from operating activities				
Cash generated by operations	32	**18 175**	10 589	7 378
Dividends received		**27**	75	74
Interest received		**343**	165	87
Interest paid		**(507)**	(363)	(319)
Income and mining taxes paid		**(2 388)**	(518)	(296)
Cash generated by operating activities		**15 650**	9 948	6 924
Cash flow from investing activities				
Increase in restricted cash and investments		**(21)**	(138)	(128)
Amounts refunded from restricted cash and investments		**120**	58	53
Acquisition of Eva Copper	13	**—**	(2 996)	—
Payment of Mponeng contingent consideration liability	27	**(108)**	—	—
ARM BBEE Trust loan repayment	16	**42**	74	65
Proceeds from disposal of property, plant and equipment		**4**	46	24
Additions to property, plant and equipment	32	**(8 398)**	(7 640)	(6 214)
Cash utilised by investing activities		**(8 361)**	(10 596)	(6 200)
Cash flow from financing activities				
Borrowings raised	30	**300**	3 619	3 057
Borrowings repaid	30	**(4 047)**	(2 071)	(3 601)
Partial repurchase of non-controlling interest		**(5)**	—	—
Dividend paid	12	**(1 437)**	(154)	(430)
Lease payments	26	**(246)**	(200)	(177)
Cash generated/(utilised) by financing activities		**(5 435)**	1 194	(1 151)
Foreign currency translation adjustments		**(28)**	(127)	56
Net increase/(decrease) in cash and cash equivalents		**1 826**	419	(371)
Cash and cash equivalents – beginning of year		**2 867**	2 448	2 819
Cash and cash equivalents – end of year	32	**4 693**	2 867	2 448

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 30 June 2024

1 General information

Harmony Gold Mining Company Limited (the company) and its subsidiaries (collectively Harmony or the group) are engaged in gold mining and related activities, including exploration, extraction and processing. Gold bullion, the group's principal product, is currently produced at its operations in South Africa and Papua New Guinea (PNG). Uranium and silver are produced as by-products.

The company is a public company, incorporated and domiciled in South Africa. The address of its registered office is Randfontein Office Park, Corner Main Reef Road and Ward Avenue, Randfontein, 1759.

The consolidated financial statements were authorised for issue by the board of directors on 25 October 2024.

2 Accounting policies

Basis of preparation

The principal accounting policies applied in the preparation of the consolidated financial statements have been consistently applied in all years presented, except for the changes as described under "Recent accounting developments" below.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRIC) Interpretations (collectively IFRS), the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listing Requirements and the Companies Act of South Africa.

The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared to the nearest million and rounding may cause differences.

Recent accounting developments

New standards, amendments to standards and interpretations to existing standards adopted by the group

During the financial year, the following new standards, amendments to standards and interpretations to existing standards were adopted by the group. No other standards and amendments to standards that became effective during the 2024 year were relevant to the consolidated financial statements.

IAS 1 *Presentation of Financial Statements* (Amendment)

The IASB amended paragraphs 117 – 122 of IAS 1 to require entities to disclose their material accounting policy information rather than their significant accounting policies. The amendments are effective from annual reporting periods beginning on or after 1 January 2023. The amendments did not have a material impact on the group.

IAS 8 *Accounting policies, Changes in Accounting Estimates and Errors* (Amendment)

The amendments introduce the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The amendments did not have a material impact on the group.

IAS 12 *Income taxes* (Amendment)

The IASB issued ***Deferred tax related to Assets and Liabilities arising from a Single Transaction*** (Amendment to IAS 12) to narrow the scope of IAS 12 recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The amendments did not have a material impact on the group.

IAS 12 *Income taxes* (Amendment)

In May 2023, the IASB issued ***International Tax Reform—Pillar Two Model Rules,*** which amended IAS 12 ***Income Taxes***. The amendments introduced a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendment also introduced targeted disclosure requirements for affected entities. The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

2 Accounting policies continued

Recent accounting developments continued

New standards, amendments to standards and interpretations to existing standards adopted by the group continued

IAS 12 *Income taxes* (Amendment) continued

The Harmony group is within the scope of the the Pillar Two model rules established by the Organisation for Economic Co-operation and Development (OECD). Over 140 countries have agreed to enact local legislation in their respective jurisdictions to implement the OECD's Pillar two model rules. Harmony is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum rate. Harmony has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Harmony operates in the South African, Australian and Papua New Guinea tax jurisdictions. Draft legislation addressing Pillar Two income tax laws has been published by the respective governments of South Africa and Australia for an expected implementation date for years of assessment beginning on or after 1 January 2024. No announcements regarding Pillar Two income tax laws have been made by the Papua New Guinea government. Harmony is expected to be subject to Pillar Two income tax laws in the South African and Australian jurisdictions for the 2025 financial year and onwards, based on the current implementation dates of the respective legislations. Based on current estimates performed by making use of the 2023 audited consolidated financial statements and supporting information, it is assessed that none of Harmony's profits would be at risk of being subject to Pillar Two income taxes.

New standards, amendments to standards and interpretations to existing standards that are not yet effective and have not been early adopted

At the date of authorisation of these financial statements, the standards, amendments to standards and interpretations listed below were in issue but not yet effective. These new standards and interpretations have not been early adopted by the group and the group plans on adopting these standards, amendments to standards and interpretations on the dates when they become effective.

IAS 1 *Presentation of Financial Statements* (Amendment)

The IASB issued amendments to IAS 1 *Presentation of Financial Statements* to clarify its requirements for the presentation of liabilities in the statement of financial position. The amendments are effective from annual reporting periods beginning on or after 1 January 2024. The amendments are not expected to have a material impact on the group.

IAS 1 *Presentation of Financial Statements* (Amendment)

The amendments improved the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also responded to stakeholders' concerns about the classification of such a liability as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments are not expected to have a material impact on the group.

IFRS 7 *Financial Instruments : Disclosures* & IFRS 9 *Financial Instruments* (Amendment)

The IASB issued Amendments to the Classification and Measurement of Financial Instruments in response to feedback received as part of the post-implementation review of the classification and measurement requirements in IFRS 9 *Financial Instruments* and related requirements in IFRS 7 *Financial Instruments: Disclosures*. The amendments are effective for annual reporting periods beginning on or after 1 January 2026. The amendments are not expected to have a material impact on the group.

IFRS 18 *Presentation and Disclosure in Financial Statements*

The IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*, with the aim to improve the quality of financial reporting by:

- requiring defined subtotals in the statement of profit or loss
- requiring disclosure about management-defined performance measures and
- adding new principles for aggregation and disaggregation of information.

The IASB expects these improvements will enable investors to make more informed decisions leading to better allocations of capital that will contribute to long-term financial stability. This standard replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. Harmony is still assessing the impact of this new accounting standard.

Measurement basis

The financial statements have been prepared under the historical cost convention except for certain financial assets and financial liabilities which are measured at fair value through profit or loss or other comprehensive income – refer to note 37.

Group accounting policies

Accounting policies are included in the relevant notes to the consolidated financial statements and have been highlighted between red lines in the notes to the consolidated financial statements. The accounting policies that follow are applied throughout the financial statements.

2 Accounting policies continued

Group accounting policies continued

2.1 Consolidation

The group recognises that control is the single basis for consolidation for all types of entities in accordance with IFRS 10 *Consolidated Financial Statements*. The consolidated financial information includes the financial statements of the company, its subsidiaries, interest in associates and joint arrangements and structured entities. Where the group has no control over an entity, that entity is not consolidated.

Control

The group, regardless of the nature of its involvement with an entity, shall determine whether it is a parent by assessing whether it controls the investee. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

(i) Subsidiaries

Subsidiaries are entities over which the group has control. Subsidiaries are fully consolidated from the date on which control is transferred to the group up until when that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the group.

The group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of an acquiree is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over the fair value of the group’s share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the income statement below operating profit or loss.

(ii) Associates

Associates are entities in which the group has significant influence, but not control, over operational and financial policies. This may be when there is a shareholding of between 20% and 50% of the voting rights or when significant influence can be otherwise demonstrated, for example where the group has the right of representation on the board of directors, or other governing body, of the entity.

Investments in associates are accounted for by using the equity method of accounting, and are initially recognised at cost. The group’s investment in associates includes goodwill identified on acquisition. Cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The group’s share of the associates’ post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movement in reserves is recognised in other reserves. When the group’s share of losses in an associate equals or exceeds its interest in the associate, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. The carrying value of an associate is reviewed on a regular basis and, if impairment in the carrying value has occurred, it is written off in the period in which such impairment is identified. Accounting policies of associates have been reviewed to ensure consistency with the policies adopted by the group.

(iii) Joint arrangements

Joint arrangements are arrangements of which two or more parties have joint control and are contractually bound. The joint arrangement can either be a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement and have the right to the assets, and obligations for the liabilities, relating to the arrangement. These parties are called joint operators. A joint venture is a joint arrangement where the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

For interest in joint operations, the group includes its share of the joint operations' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the group’s financial statements.

Where an additional interest in a joint operation is acquired, the principles of IFRS 3 are applied to account for the transaction.

The group recognises the portion of gains or losses on the sale of assets by the group to the joint operation that is attributable to the other joint operators. The group does not recognise its share of profits or losses from the joint operation that results from the purchase of assets by the group from the joint operation until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately. The group recognises its interest in a joint venture as an investment and accounts for it using the equity accounting method.

2 Accounting policies continued

Group accounting policies continued

2.1 Consolidation continued

(iv) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The accounting treatment for a structured entity will fall into one of the aforementioned categories (i to iii) depending on whether the group has control over that structured entity.

2.2 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in South African Rand, which is the group's presentation currency.

References to "A$" refers to Australian currency, "R" to South African currency, "$" or "US$" to United States currency and "PGK" or "Kina" to Papua New Guinean currency.

(ii) Transactions and balances

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation to year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. This includes the gains and losses on the translation of the US$-denominated facilities.

(iii) Group companies

The results and financial position of all group entities (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 for each balance sheet presented are translated at the closing rate at the date of that balance sheet while equity items are translated at historic rates
- Income and expenses for each income statement are translated at average exchange rates (the rate on the date of the transaction is used if the average is not a reasonable rate for the translation of the transaction)
- All resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is sold or control is otherwise lost, exchange differences that were recorded in other comprehensive income are recognised in profit or loss in the period of the disposal or change in control. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.3 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The difference between the fair value of the derivative at initial recognition and expected forward transaction price is deferred and recognised as a day one gain or loss. The day one gain or loss is amortised over the derivative contract period and recognised in profit or loss in gains/losses on derivatives.

The full fair value of a derivative is classified as a non-current asset or liability when the remaining maturity is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months.

(i) Cash flow hedge

The group designates certain derivatives as hedges of a particular risk associated with the cash flows of highly probable forecast transactions (cash flow hedges). At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within gains/losses on derivatives.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the forecast sale that is hedged takes place and affects profit or loss. The gain or loss relating to the effective portion of the Rand and US$ gold forward sales contracts is recognised in profit or loss within revenue.

2 Accounting policies continued

Group accounting policies continued

2.3 Derivatives and hedging activities continued

***(i) Cash flow hedge* continued**

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction that was hedged is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

(ii) Derivatives not designated for hedge accounting purposes

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value as well as gains and losses on expiry, disposal or termination of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in gains/losses on derivatives.

2.4 Exploration expenditure

The group expenses all exploration and evaluation expenditures until it is concluded that the project is technically feasible and commercially viable, and that future economic benefits are therefore probable. The information used to make that determination depends on the level of exploration as well as the degree of confidence in the ore body as set out below.

Exploration and evaluation expenditure on greenfield sites, being those where the group does not have any mineral deposits which are already being mined or developed, is expensed as incurred until the technical and commercial viability of the project has been demonstrated usually through the completion of a final feasibility study. However, in certain instances, the technical and commercial viability of the deposit may be demonstrated at an earlier stage, for example where an extended feasibility study is conducted and the underlying feasibility study in respect of specific components of the mineral deposit has advanced to such a stage that significant commercially viable reserves has been established, and the other criteria for the recognition of an asset have been met. At this point the expenditure is capitalised as mine development cost to the extent that future economic benefits are expected.

Exploration and evaluation expenditure on brownfield sites, being those adjacent to mineral deposits which are already being mined or developed, is expensed as incurred until the group is able to demonstrate that future economic benefits are probable through the completion of a feasibility study, after which the expenditure is capitalised as mine development cost to the extent that future economic benefits are expected. A "feasibility study" consists of a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating economic factors and the evaluation of other relevant factors. The feasibility study, when combined with existing knowledge of the mineral property that is adjacent to mineral deposits that are already being mined or developed, allows the group to conclude that the project is technically feasible and commercially viable.

Exploration and evaluation expenditure relating to extensions of mineral deposits which are already being mined or developed, including expenditure on the definition of mineralisation of such mineral deposits, is capitalised as a mine development cost following the completion of an economic evaluation equivalent to a feasibility study. This economic evaluation is distinguished from a feasibility study in that some of the information that would normally be determined in a feasibility study is instead obtained from the existing mine or development. This information, when combined with existing knowledge of the mineral property already being mined or developed, allows the directors to conclude that the project is technically feasible and commercially viable.

2.5 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation or depreciation and are tested annually for impairment or when there is an indication of impairment.

Assets that are subject to amortisation are reviewed annually on 30 June for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating unit or CGU). Each operating shaft, along with allocated common assets such as plants and administrative offices, is considered to be a cash generating unit as each shaft is largely independent from the cash flows of other shafts and assets belonging to the group.

Fair value less cost to sell is generally determined by using discounted estimated after-tax future cash flows. Future cash flows are estimated based on quantities of recoverable minerals, expected commodity prices (considering current and historical prices, price trends and related factors), production levels and cash costs of production, all based on life-of-mine (LoM) plans. Future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset. Refer to note 14 for detail.

2 Accounting policies continued

Group accounting policies continued

2.5 Impairment of non-financial assets continued

The term "recoverable minerals" refers to the estimated amount of gold that will be obtained from reserves and resources and all related exploration stage mineral interests (except for other mine-related exploration potential and greenfields exploration potential discussed separately below) after taking into account losses during ore processing and treatment. Estimates of recoverable minerals from such related exploration stage mineral interests will be risk adjusted based on management's relative confidence in such materials.

In estimating future cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of cash flows from other asset groups. Except for other mine-related exploration potential and greenfields exploration potential, estimates of future undiscounted cash flows are included on an area of interest basis, which generally represents an individual operating mine, even if the mines are included in a larger mine complex. Areas of exploration potential are grouped on an area of activity basis.

In the case of mineral interests associated with other mine-related exploration potential and greenfields exploration potential, cash flows and fair values are individually evaluated based primarily on recent exploration results and recent transactions involving sales of similar properties, if any. Assumptions underlying future cash flow estimates are subject to significant risks and uncertainties.

Impairment losses on goodwill are recognised immediately in the income statement and are not reversed. The impairment testing is performed annually on 30 June or when events or changes in circumstances indicate that it may be impaired.

Non-financial assets other than goodwill that suffered an impairment are reviewed annually for possible reversal of the impairment at 30 June. Reversal of impairments is also considered when there is objective evidence to indicate that the asset is no longer impaired. Where an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but not higher than the carrying value that would have been determined had no impairment been recognised in prior years.

2.6 Operating profit

The group defines operating profit as the profit earned from the normal core mining operations. In reporting operating profit in the income statement, capital transactions involving subsidiaries, joint arrangements and associates are excluded from operating profit as these are not considered to be part of the mining operations of the Harmony group. Any gains or losses on capital transactions are presented below the operating profit line.

3 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Key accounting estimates and assumptions applied:

- Estimate of taxation – note 11
- Recognition of deferred tax asset – note 11 and 13
- Valuation of cash generating units acquired – note 13
- Fair value of identifiable net assets acquired – note 13
- Estimate of deferred tax rates on acquisition date – note 13
- Gold mineral reserves and resources – note 14
- Production start date – note 14
- Stripping activities – note 14
- Impairment of assets – note 14
- Depreciation of property, plant and equipment – note 14
- Exploration and evaluation assets – note 14
- Provision for stock obsolescence – note 21
- Estimate of exposure and liabilities with regard to rehabilitation costs – note 24
- Estimate of provision for silicosis settlement – note 25
- Leases – note 26
- Valuation of contingent consideration liability – note 27
- Streaming contract liability – note 29
- Assessment of contingencies – note 36
- Valuation of derivative financial instruments – note 37.

Other accounting estimates and assumptions applied:

- Valuation of interest in associate – note 19
- Estimate of employee benefit liabilities – note 25
- Fair value of share-based payments – note 34.

4 Revenue

Accounting policy

(a) Commodities

Revenue from metal sales include the sale of gold, silver and uranium. Revenue from metal sales is recognised when the group satisfies its performance obligations under its contract with the customer, by transferring such metals to the customer's control. Transfer of control is generally determined to be when the risk and title to the metals passes to the customer. Revenue is measured based on the consideration specified in the contract with the customer and is driven by the quoted market prices of the metals.

(b) Toll treatment

The group has entered into agreements with various third parties to treat gold-bearing material at certain of the group's metallurgical plants in South Africa. The determination of the consideration receivable is set out in each individual contract, based on the third parties' specific circumstances. Revenue from toll treatment services is recognised as the group satisfies its single performance obligation under its contract with the third parties, which is the recovery of the gold through the treatment process and the facilitation of the ultimate sale of recovered gold. This is satisfied over time. The gold-bearing material, and thereafter recovered gold, remains at all times under control of the third parties until the ultimate sale of the recovered gold. Harmony therefore acts as agent in treating the gold-bearing material. Settlement is done in the month following the sale of gold (see below).

Subsequent to treatment, the group delivers the recovered gold on behalf of the third parties to Rand Refinery for further refining, whereafter it is sold. The group acts as an agent in the sales process, receiving payment on behalf of the third parties before transferring the amounts owed to them.

(c) Hedging

The effective portion of gains or losses on the derivatives designated as cash flow hedging items (forecast sales transactions) are recognised in revenue when the forecast sales transactions occur. See the accounting policy for derivatives and hedging activities in note 2.

	SA Rand		
Figures in million	**2024**	2023	2022
Commodities			
Gold (a)	**59 212**	47 366	40 774
Silver (b)	**1 667**	1 021	663
Uranium (c)	**866**	304	240
	61 745	48 691	41 677
Toll treatment services (d)	**576**	430	—
Revenue from contracts with customers	**62 321**	49 121	41 677
Consideration from streaming contract (e)	**323**	338	471
Hedging gain/(loss) (f)	**(1 265)**	(184)	497
Total revenue[1]	**61 379**	49 275	42 645

[1] *A geographical analysis of revenue is provided in the segment report. Refer to note 39 for further information.*

Revenue from contracts with customers

The points of transfer of control are as follows:

Gold: South Africa (excluding streaming contract)	Gold is delivered and a certificate of sale is issued.
Gold and silver: Hidden Valley	Metal is collected from Hidden Valley and a confirmation of collection is sent to and accepted by the customer.
Uranium	Confirmation of transfer is issued.
Toll treatment services	As the gold-bearing material is treated and processed over time.
Streaming contract	Gold is delivered and credited into the Franco-Nevada designated gold account.

4 Revenue continued

(a) The increase in gold revenue during the 2024 financial year is due to the average dollar gold price increasing by 10.6%, from US$1 808/oz in the 2023 year to US$1 999/oz in 2024. Further to this there was a 5.5% increase in gold sold from 45 690kg to 48 222kg. The weakening of the Rand/US$ exchange rate from an average of R17.76/US$ to R18.70/US$ resulted in a 5.3% increase in revenue.

The increase in gold revenue during the 2023 financial year is mainly due to the weakening of the Rand/US$ exchange rate from an average of R15.21/US$ to R17.76/US$. The average gold spot price increased by 17%, from R883 453/kg in 2022 to R1 036 682/kg in 2023. The increase in revenue was partially offset by the closure of Bambanani in June 2022, which contributed revenue of R1 286 million in 2022.

(b) Silver is mainly derived from the Hidden Valley mine in Papua New Guinea. The increase in silver revenue in the 2024 financial year is mainly due to an increase in production of 39% to 114 240kg from 82 093kg in 2023. In addition, the average dollar silver price increased by 12.9% from US$21.89/oz in 2023 to US$24.72/oz.

The increase in silver revenue in the 2023 financial year is due to an increase in production of 38% to 82 093kg from 59 489kg in 2022. This was due to a general improvement in the operating environment at Hidden Valley. The average silver price increased by 10.7% to R12 505/kg in 2023.

(c) Uranium is derived from the Moab Khotsong operation. The increase is driven by kilograms produced and the average uranium price. Uranium produced increased by 12.7% to 267 667kg from 237 438kg in 2023, together with an increase in the average uranium price of 59.2% to R3 121/kg from R1 960/kg.

Uranium produced increased by 41.6% to 237 438kg from 167 696kg in 2022 and the average uranium price increased by 29.5% to R1 960/kg in 2023.

(d) The fees for services rendered for the treatment of third-party gold-bearing material at the Doornkop and Moab Khotsong operations. Production from third parties increased from 2 392kg in 2023 to 2 840kg in 2024 resulting in an increase in toll treatment services income of R116 million while management fees increased by R30 million.

(e) The streaming arrangement results in the non-cash consideration recognised as part of revenue for the streaming arrangement. Refer to note 29 for further information.

(f) The realised effective portion of the hedge-accounted gold derivatives was impacted by the average gold market spot price of R1 249 344/kg (2023: R1 045 527/kg) during the 2024 financial year compared to the average forward price of matured contracts of R1 134 735/kg (2023: R1 028 764/kg). Refer to note 17 for further information.

5 Cost of sales

	SA Rand		
Figures in million	**2024**	2023	2022
Production costs (a)	**38 923**	34 866	33 099
Amortisation and depreciation of mining assets (b)	**4 546**	3 355	3 622
Amortisation and depreciation of assets other than mining assets	**96**	99	61
Rehabilitation expenditure (c)	**3**	32	136
Care and maintenance costs of restructured shafts	**246**	227	273
Employment termination and restructuring costs (d)	**86**	597	218
Share-based payments (e)	**171**	51	143
Impairment of assets (f)	**2 793**	—	4 433
Toll treatment costs (g)	**420**	323	—
Other	**(51)**	(15)	(58)
Total cost of sales	**47 233**	39 535	41 927

(a) Production costs include mine production, transport and refinery costs, applicable general administrative costs, movement in inventories and ore stockpiles, ongoing environmental rehabilitation costs and transfers for stripping activities. Employee termination costs are included, except for employee termination costs associated with major restructuring and shaft closures, which are separately disclosed.

Production costs increased by R4 057 million (12% year on year) during the 2024 year. These costs increased mainly due to inflationary pressures on costs including labour, contractors and electricity. Labour costs were also impacted by bonuses related to higher production. The royalty tax increased due to a higher rate being applied due to higher profits, as well as the increased revenue base to which it is applied. A decrease in the stripping activities of Hidden Valley's stage 7 also impacted the total, resulting in a lower credit to production costs.

5 Cost of sales continued

(a) Production costs **continued**

The overall increase in production costs was offset by a change in inventory as a result of higher gold stock volume in the South African operations, together with a higher cost per kilogram attributable to the gold stock at Hidden Valley.

Production costs increased by R1 767 million (5% year on year) during 2023. These costs increased mainly due to inflationary pressures on costs including labour, electricity and consumables costs. The royalty tax increased due to a higher rate being applied due to higher profits, as well as the increased revenue base to which it is applied. The increase in production costs was offset by the closure of Bambanani at the end of June 2022 as well as an increase of R408 million in the capitalised stripping credit at Hidden Valley.

Production costs, analysed by nature, consist of the following:

	SA Rand		
Figures in million	**2024**	2023	2022
Labour costs, including contractors	**21 333**	19 760	19 350
Consumables	**10 101**	9 982	8 581
Water and electricity	**7 633**	6 342	6 009
Insurance	**293**	551	230
Transportation	**517**	281	185
Change in inventory	**(487)**	(11)	21
Capitalisation of mine development costs	**(2 315)**	(2 349)	(2 576)
Stripping activities	**(892)**	(1 514)	(1 096)
Royalty expense - regulatory	**1 277**	652	360
Other	**1 463**	1 172	2 035
Total production costs	**38 923**	34 866	33 099

(b) The increased depreciation for the 2024 year was mainly due to higher production at the Hidden Valley and Kalgold operations, primarily for stripping activities, with an increase of R535 million year on year. A further increase relates to assets brought into use during the year, in addition to the impact of the increased production and the year-on-year change in the reserve tonnes which is used to calculate depreciation based on the units-of-production method.

The decrease for the 2023 year is predominantly due to impairment of assets recognised in the 2022 year which reduced the carrying value of mining assets of certain operations (refer to (f) below), resulting in lower depreciation for the 2023 year. Additionally, the closure of Bambanani in June 2022 resulted in no depreciation in 2023 compared to R84 million in 2022.

(c) For the assumptions used to calculate the rehabilitation costs, refer to note 24. This expense includes the change in estimate for the rehabilitation provision where an asset no longer exists as well as costs related to the rehabilitation process. For 2024, R92 million (2023: R90 million) (2022: R65 million) was spent on rehabilitation in South Africa. Refer to note 24.

(d) Employment termination and restructuring cost decreased in 2024 as a result of fewer employees taking up voluntary severance packages compared to the 2023 year. The higher costs in 2023 were attributable to the voluntary severance packages that were taken up following the disaggregation of the Tshepong Operations into Tshepong North and Tshepong South and the closure of Bambanani in June 2022.

(e) Refer to note 34 for details on the share-based payment schemes implemented by the group.

(f) Management performed an assessment for indicators of impairment as well as indicators of reversal of previously recorded impairment losses in terms of IAS 36 ***Impairment of Assets***. Specific circumstances surrounding each of the individual cash generating units (CGUs) were considered in this assessment in order to identify significant changes in the current financial year.

The Target 1 and Doornkop CGUs experienced operational issues during the year ended 30 June 2024. Additionally, there were significant adverse changes to Doornkop's life-of-mine (LOM) plan. These operational issues and the changes in the LOM plan of Doornkop were considered to be indicators of potential impairment and therefore an impairment assessment was performed for the Target 1 and Doornkop CGUs.

5 Cost of sales continued

(f) Impairment of assets **continued**

Subsequent to 30 June 2024, management received information relating to the preliminary results of the exploration drilling programme conducted for Target North. These preliminary results indicated that a decrease of the mineral resource estimation attributable to Target North is likely. The decrease in the attributable ounces indicated by the preliminary results constitutes an indication of impairment. Even though the information was received after the reporting date, it has been assessed to be an adjusting event in terms of IAS 10, ***Events after the Reporting Date***, as it provides more reliable information of circumstances that already existed as at 30 June 2024. Therefore an impairment assessment was also performed for Target North.

For the 2023 financial year, impairment assessments were performed for the Target 1, Kalgold and Kusasalethu CGUs as a result of the operational issues experienced. As a result of the group net asset value exceeding Harmony's market capitalisation as at 30 June 2022, impairment assessments were performed for all CGUs as at 30 June 2022.

The recoverable amounts for the CGUs tested were determined on a fair value less cost to sell basis using assumptions in the discounted cash flow models and attributable resource values. These are fair value measurements classified as level 3 of the fair value hierarchy.

Where CGUs had previously been impaired, management considered indicators of whether the impairment loss (or the contributors to the previously recognised impairment loss) no longer exists or might have decreased. Management considered general and specific factors for each CGU and concluded that although overall the gold price had improved from the time that the impairment losses had been recognised, the specific circumstances that led to the original impairments had not reversed. Furthermore, the service potential of the asset has not increased. Management therefore deemed it appropriate for no reversal of previously recognised impairment losses to be recorded for the year ended 30 June 2024. There also was no reversal of impairment for the 2023 or 2022 financial years.

Refer to note 14 for further information.

The impairment of assets consists of the following:

	SA Rand		
Figures in million	**2024**	2023	2022
Tshepong North	**—**	—	2 296
Tshepong South	**—**	—	1 326
Moab Khotsong	**—**	—	522
Kusasalethu	**—**	—	145
Bambanani	**—**	—	144
Target North	**2 793**	—	—
Total impairment of assets	**2 793**	—	4 433

The Tshepong Operations were disaggregated into two separate CGUs being the Tshepong North CGU and the Tshepong South CGU, for impairment testing at 30 June 2022. The operations were right-sized to ensure smaller albeit more profitable mines.

The recoverable amount of the CGU where the impairment was recognised as at 30 June 2024 is as follows:

	SA Rand Recoverable amount		
Figures in million	**Life-of-mine plan**	**Resource base**	**Total**
Target North			
Target North is a greenfields exploration project. The impairment was as a result of information received during August 2024 by management relating to the preliminary results of the exploration drilling programme conducted. These preliminary results indicated a decrease in the mineral resource estimation. The mineral resource estimate used to determine the recoverable amount of Target North changed from the previous estimate of 56.4 million resource ounces, consisting of 22 million indicated resources and 34.4 million inferred resources, to the current mineral resource estimate of 13.8 million ounces of inferred resources. The gold resource multiple price in US dollar terms was unchanged from previous assessments. Any reasonable possible changes to the unobservable inputs of the mineral resource estimate for Target North would have resulted in immaterial changes.	**—**	**888**	**888**

5 Cost of sales continued

(f) Impairment of assets **continued**

The recoverable amounts of the CGUs where impairments were recognised as at 30 June 2022 are as follows:

	SA Rand		
	Recoverable amount		
Figures in million	Life-of-mine plan	Resource base	Total
Tshepong South			
For Tshepong South, the individual life-of-mine plan included additional capital to address flexibility constraints at the operation. Costs also increased significantly as a result of inflationary pressures. These changes along with a higher post-tax discount rate of 11.67% (2021: 10.11% for Tshepong Operations), negatively affected the discounted cash flows used to determine the recoverable amount of the operation.	**1 645**	**—**	**1 645**
Tshepong North			
The impairment of Tshepong North was as a result of increased cost of both production and capital expenditure and an increased post-tax discount rate of 11.67% (2021: 10.11% for Tshepong Operations). The recoverable amount was also affected by the reclassification of production for the sub-75 level from reserves in the life-of-mine plan to the resource base, which is subject to a higher discount rate of 13.75% (2021: 12.02%).	**1 088**	**850**	**1 938**
Moab Khotsong			
The updated life-of-mine plan included an increase in working and capital costs as a result of inflationary pressures. The updated life-of-mine plan also includes additional capital expenditure which relates to the Zaaiplaats project after finalisation of its detailed design plan during the 2022 financial year. This impacted the discounted cash flows used to determine the recoverable amount of the operation. The recoverable amount was further impacted by an increased post-tax discount rate of 10.44% (2021: 9.35%).	**3 748**	**—**	**3 748**
Kusasalethu			
A decrease in tonnes combined with a decrease in grade over the remainder of the life-of-mine of the operation led to a decrease in gold production. The reduction is due to an updated plan to mitigate safety risks that exist at the operation.	**806**	**—**	**806**
Bambanani			
The life-of mine plan of the operation was revised in the period ended 31 December 2021, bringing the closure of the operation forward from June 2024 to June 2022. This was as a result of the increased seismicity and related risk increasing as pillars were mined out. At 31 December 2021, the post-tax recoverable amount was derived from expected cash flows as per the life-of-mine plans and amounted to R36 million. The recoverable amount is now Rnil, as the operation was closed down during June 2022. The assumptions used in the December impairment assessment included a gold price of US$1 782/oz, an exchange rate of R15.36/US$1, a final gold price of R880 000/kg and a post-tax real discount rate of 12.59%. This resulted in a post-tax recoverable amount of R36 million at 31 December 2021.	**—**	**—**	**—**

(g) Relates to costs associated with services rendered for the treatment of third-party gold-bearing material. Refer to note 4 for further detail.

6 Corporate, administration and other expenditure

	SA Rand		
Figures in million	**2024**	2023	2022
Professional and legal fees	**92**	87	61
Compliance and assurance costs	**75**	63	62
Corporate business development	**38**	20	39
Corporate office expenditure[1]	**1 007**	847	797
Other corporate and administration expenses	**82**	27	25
Total corporate, administration and other expenditure	**1 294**	1 044	984

[1] *The increase year on year is mainly due to annual inflationary increases and higher annual incentives.*

7 Foreign exchange translation gain/(loss)

	SA Rand		
Figures in million	**2024**	2023	2022
Borrowings (a)	**83**	(820)	(411)
Other items (b)	**14**	186	84
Total foreign exchange translation gain/(loss)	**97**	(634)	(327)

(a) The gain in 2024 was predominantly caused by favourable translations on US dollar loan balances. The favourable translations on US dollar loans are attributable to the Rand strengthening against the US dollar, evidenced by a closing exchange rate of R18.19/US$1 (2023: R18.83/US$1) (2022:R16.27 /US$1).

The losses in 2023 and 2022 were predominantly caused by unfavourable translations on US dollar loan balances. The unfavourable translations on US dollar loans are attributable to the Rand weakening against the US dollar. Also contributing to the loss for 2023 was the draw down of US$170 million (R2 919 million) during the year for the acquisition of the Eva Copper Project and other assets. Refer to note 30 and 13 respectively for details.

(b) This relates mainly to the translation of metal trade receivables and cash denominated in a foreign currency to the functional currencies of the operating entities.

8 Other operating expenses

	SA Rand		
Figures in million	**2024**	2023	2022
Social investment expenditure	**185**	208	145
Loss on scrapping of property, plant and equipment (a)	**97**	182	7
Silicosis settlement provision (b)	**(174)**	(183)	23
Loss allowance	**35**	4	22
Remeasurement of contingent consideration (c)	**484**	64	(61)
Income from third-party toll treatment fee (d)	**—**	—	(25)
Other (income)/expense – net (e)	**52**	(7)	(110)
Total other operating expenses	**679**	268	1

(a) These losses arise from the derecognition of property, plant and equipment that is no longer in use. No future economic benefits are expected from the use or disposal of these assets. Refer to note 14 for further detail on the accounting policy as well as the amounts per asset category.

(b) Refer to note 25 for details on the movement in the silicosis settlement provision.

(c) Refer to note 27 for details on the remeasurement of the contingent consideration.

(d) The amount relates to fees received from a third party for the treatment of ore at the Doornkop plant. As of 2023, the income has been disclosed as revenue.

(e) The 2024 year mainly comprises of pumping costs of R32 million and profit on the sale of property, plant and equipment of R13 million. There were no such transactions in the 2023 year. The 2022 year mainly comprises of insurance claim proceeds of R83 million and profit on the sale of property, plant and equipment of R24 million.

9 Investment income

Accounting policy

Interest income is recognised on the effective interest method, taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the group. Dividend income is recognised when the shareholder's right to receive payment is established. This is recognised at the last date of registration.

Cash flows from interest and dividends received are classified under operating activities in the cash flow statement.

	SA Rand		
Figures in million	**2024**	2023	2022
Interest income from financial assets at amortised cost (a)	**690**	425	276
Dividend income	**15**	19	24
Net gain on financial instruments (b)	**104**	219	52
Total investment income	**809**	663	352

(a) Interest income increased during 2024 mainly due to highly favourable balances of restricted cash and investments as well as cash on hand and call, as well as higher interest rates on these balances.

(b) The net gain primarily relates to the environmental trust funds (refer to note 15) and the ARM BBEE Trust loan (refer to note 16). In 2024, fair value gains on the equity-linked deposits that form part of restricted investments decreased by R89 million mainly due to the performance of the JSE Top 40 index to which they are linked.

10 Finance costs

	SA Rand		
Figures in million	**2024**	2023	2022
Financial liabilities			
Borrowings (a)	**426**	467	238
Other creditors and liabilities	**35**	29	22
Total finance costs from financial liabilities	**461**	496	260
Non-financial liabilities			
Time value of money for other provisions	**68**	97	79
Streaming arrangements	**18**	41	67
Time value of money and inflation component of rehabilitation costs	**486**	483	377
Total finance costs from non-financial liabilities	**572**	621	523
Total finance costs before interest capitalised	**1 033**	1 117	783
Interest capitalised (b)	**(237)**	(123)	(65)
Total finance costs	**796**	994	718

(a) The decrease in finance costs on borrowings in 2024 is as a result of repayments of borrowings during the 2024 financial year, which resulted in lower balances. The increase in 2023 was due to the US$ drawdowns made and higher interest rates. Refer to note 30 for further detail.

(b) The capitalisation rate used to determine capitalised borrowing costs is:

	Percent (%)		
	2024	2023	2022
Capitalisation rate	**8.2**	9.2	6.8

The capitalisation rate for 2024 and 2023 includes the impact of the foreign exchange loss for the year where the Rand equivalent rate is used.

11 Taxation

Accounting policy

Taxation is made up of current and deferred taxation. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation is recognised on temporary differences existing at each reporting date between the tax base of all assets and liabilities and their carrying amounts. Substantively enacted tax rates are used to determine future anticipated effective tax rates which in turn are used in the determination of deferred taxation, except to the extent that deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect the accounting or taxable profit or loss at the time of the transaction. Deferred tax is charged to profit or loss, except where the tax relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity. The effect on deferred tax of any changes in tax rates is recognised in the income statement, except to the extent that it relates to items previously charged or credited directly to equity.

The principal temporary differences arise from amortisation and depreciation on property, plant and equipment, provisions, unutilised tax losses, unutilised capital allowances carried forward and unrealised gains and losses on the gold forward sale contracts. Deferred tax assets relating to the carry forward of unutilised tax losses and unutilised capital allowances are recognised to the extent that it is probable that future taxable profit will be available against which the unutilised tax losses and unutilised capital allowances can be utilised. The recoverability of these assets is reviewed at each reporting date and adjusted if recovery is no longer probable.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Critical accounting estimates and judgements

The group is subject to income tax in several jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse. At the group's South African operations, such average tax rates are directly impacted by the profitability of the relevant mine. The deferred tax rate is therefore based on the current estimate of future profitability of an operation when temporary differences will reverse, based on tax rates and tax laws that have been enacted at the balance sheet date. The future profitability of each mine, in turn, is determined by reference to the life-of-mine (LoM) plan for that operation. The LoM plan is influenced by factors as disclosed in note 14, which may differ from one year to the next and normally result in the deferred tax rate changing from one year to the next.

Management has to exercise judgement with regard to deferred tax assets. The recoverability of deferred tax assets is assessed with reference to the current estimate of future profitability of the relevant legal entity's operations. Where it is not probable that future taxable income may flow against which these assets can be offset, the deferred tax assets are not recognised.

11 Taxation continued

The taxation (expense)/credit for the year is as follows:

	SA Rand		
Figures in million	**2024**	2023	2022
SA taxation			
Mining tax (a)	**(2 309)**	(631)	(182)
– current year	**(2 313)**	(633)	(194)
– prior year	**4**	2	12
Non-mining tax (b)	**(107)**	(12)	(125)
– current year	**(107)**	(6)	(121)
– prior year	**—**	(6)	(4)
Deferred tax (c)	**(666)**	(1 080)	353
– current year	**(666)**	(1 080)	353
Total taxation (expense)/credit	**(3 082)**	(1 723)	46

(a) Mining tax on gold mining taxable income in South Africa is determined according to a formula, based on the taxable income from mining operations. 5% of total revenue is exempt from taxation, while the remainder is taxable at a higher rate (up to a maximum of 33%) than non-mining income (27%) as a result of applying the gold mining formula. Mining and non-mining income of Australian and PNG entities are taxed at a standard rate of 30%.

All qualifying mining capital expenditure is deducted from taxable mining income to the extent that it does not result in an assessed loss. Accounting depreciation is eliminated when calculating the South African mining taxable income. Excess capital expenditure is carried forward as unredeemed capital to be claimed from future mining taxable income. The group has several tax paying entities in South Africa. In terms of the mining ring-fencing application, each ring-fenced mine is treated separately and deductions can normally only be utilised against mining income generated from the relevant ring-fenced mine.

The increased mining tax expense is mainly attributable to the increased gold price realised resulting in a significant increase in the profitability of the group's operations.

The following legal entities contributed significantly to the mining tax expense:

	SA Rand		
Figures in million	**2024**	2023	2022
Harmony Gold Mining Company Limited (Harmony Company)	**144**	—	—
Golden Core Trade and Invest (Proprietary) Limited (Mponeng)	**1 129**	272	—
Freegold (Harmony) (Proprietary) Limited (Freegold)	**235**	—	—
Harmony Moab Khotsong Operations (Proprietary) Limited (Moab)	**539**	263	130

Due to the changes announced in the 2022 budget speech, the mining tax rate changed from 34% in 2022 to 33% in 2023. Further, the annual limitation of assessed loss utilisation to 80% of taxable income came into effect. The mining tax rate remained unchanged for the 2024 year.

(b) Non-mining taxable income of mining companies and the taxable income for non-mining companies are taxed at the statutory corporate rate of 27% for the 2024 financial year. The expense for the 2024 financial year relates mainly to non-mining tax on interest income received in Harmony Company.

The expense for the 2022 financial year relates to non-mining tax arising from derivative gains (realised and unrealised) recognised on the foreign currency derivatives as well as the realised gains on the commodity forward sale contracts. The decreased non-mining taxes for the 2023 financial year can be attributed to the significantly lower derivative gains from both commodity and foreign currency contracts. Refer to note 17 for details on the group's derivative gains and losses recorded.

Due to the changes announced in the 2022 budget speech, the corporate tax rate applied to non-mining taxable income has been amended to 27% (2022: 28%) in 2023 year. Further, the annual limitation of assessed loss utilisation to 80% of taxable income came into effect. The non-mining tax rate remained unchanged for the 2024 year.

11 Taxation continued

(c) The deferred tax rate used to calculate deferred tax is based on the current estimate of future profitability when temporary differences will reverse based on tax rates and tax laws that have been enacted at the balance sheet date. Depending on the profitability of the operations, the deferred tax rate can consequently be significantly different from year to year.

Following the completion of the annual life-of-mine plans, management revised the weighted average deferred tax rates for all the South African operations. The higher gold price assumptions used resulted in an increase in the estimated profitability and consequently higher rates than in the prior year for most subsidiaries. Refer to note 14 for assumptions used.

Changes to the deferred income tax rates were significant for the following entities:

	Percent (%)		
	2024	2023	2022
Harmony Company	**26.4**	26.4	25.1
Freegold	**12.6**	11.4	7.0
Moab	**19.0**	16.7	14.7
Mponeng	**8.1**	17.7	12.8
Randfontein Estates Limited (Randfontein)	**12.3**	10.5	8.7
Kalahari Goldridge Mining Company Limited (Kalgold)	**21.5**	17.1	18.7
Chemwes Proprietary Limited (Chemwes)	**18.1**	11.0	12.5

These changes, together with changes in the temporary differences, had the following impacts:

- Increase of temporary differences related to the carrying value of property, plant and equipment resulted in an increase of R510 million in the deferred tax expense (2023: R377 million) (2022: R101 million decrease)
- Unwinding of temporary differences related to the utilisation of unredeemed capital expenditure and assessed loss balances resulted in an increase of R74 million in the deferred tax expense (2023: R169 million increase) (2022: R86 million) and R120 million (2023: R9 million increase) (2022: R8 million decrease) in the deferred tax expense, respectively
- The change in deferred tax rates of Mponeng from 17.7% to 8.1%, applied to balances excluding hedge accounted derivatives, resulted in a decrease in the deferred tax expense and liability to the amount of R379 million (2023: R144 million increase) (2022: R37 million increase)
- The change in deferred tax rates of the remaining legal entities in the group, applied to balances excluding hedge accounted derivatives, resulted in an increase in the deferred tax expense and liability to the amount of R239 million (2023: R444 million increase) (2022: R423 million decrease).

11 Taxation continued

Income and mining tax rates

Major items causing the group's income tax provision to differ from the South African mining statutory tax rate of 33% (2023: 33% and 2022: 34%) were:

	SA Rand		
Figures in million	**2024**	2023	2022
Tax (expense)/credit on net profit/loss at the mining statutory tax rate	**(3 884)**	(2 180)	360
Non-allowable deductions and non-taxable items	**(510)**	(314)	(328)
Equity-settled share-based payments	**(82)**	(32)	(49)
Impairment of goodwill	**—**	—	(114)
Exploration expenditure	**(242)**	(25)	(79)
Finance costs	**(138)**	(145)	(52)
Other	**(48)**	(112)	(34)
Movement in temporary differences related to property, plant and equipment (a)	**(1 596)**	(333)	(1 447)
Movements in other temporary differences	**699**	80	(174)
Difference between effective mining tax rate and statutory mining rate on mining income	**650**	303	125
Difference between non-mining tax rate and statutory mining rate on non-mining income	**23**	1	26
Effect on temporary differences due to changes in effective tax rates	**87**	(588)	386
Prior-year adjustment	**—**	—	10
Capital allowances (b)	**1 183**	1 059	973
Deferred tax asset not recognised (c)	**266**	249	115
Income and mining taxation (expense)/credit	**(3 082)**	(1 723)	46
Effective income and mining tax rate (%)	**26**	26	4

(a) The change in 2024 mainly relates to an increase in the unredeemed capital expenditure balance of Avgold Limited (Avgold) as well as the impairment of Target North. This was offset by an increase in the net carrying value of property, plant and equipment of Chemwes. The change in 2023 was mainly as a result of an increase in the unredeemed capital expenditure balance of Avgold. This partially offset by an increase in the net carrying value of property, plant and equipment of Moab and Chemwes.

(b) This relates to the additional capital allowance that may be deducted from taxable income from mining operations in South Africa. A significant portion relates to Avgold which has a 0% effective tax rate.

(c) This relates to tax losses and deductible temporary differences for which future taxable profits are uncertain and are not considered probable.

Deferred tax

The analysis of deferred tax assets and liabilities is as follows:

	SA Rand	
Figures in million	**2024**	2023
Deferred tax assets	**(1 080)**	(1 261)
Deferred tax asset to be recovered after more than 12 months	**(844)**	(983)
Deferred tax asset to be recovered within 12 months	**(236)**	(278)
Deferred tax liabilities	**3 891**	3 366
Deferred tax liability to be recovered after more than 12 months	**3 488**	2 971
Deferred tax liability to be recovered within 12 months	**403**	395
Net deferred tax liability	**2 811**	2 105

11 Taxation continued

Deferred tax continued

Deferred tax liabilities and assets on the balance sheet as of 30 June 2024 and 30 June 2023 relate to the following:

	SA Rand	
Figures in million	**2024**	2023
Gross deferred tax liabilities	**3 891**	3 366
Amortisation and depreciation[1]	**3 778**	3 266
Derivative financial instruments	**61**	48
Other	**52**	52
Gross deferred tax assets	**(1 080)**	(1 261)
Unredeemed capital expenditure[2]	**(2 623)**	(3 761)
Provisions, including non-current provisions	**(1 227)**	(1 220)
Derivative financial instruments	**(350)**	(272)
Contingent consideration liability	**(154)**	(63)
Streaming contract liability	**(15)**	(43)
Other	**(3)**	(2)
Tax losses[3]	**(1 922)**	(1 925)
Deferred tax asset not recognised[4]	**5 214**	6 025
Net deferred tax liability	**2 811**	2 105

[1] The increase in amortisation and depreciation year on year is as a result of the increase in the carrying amount of property, plant and equipment, mainly relating to asset additions, refer to note 14.
[2] Unredeemed capital expenditure mainly consists of Hidden Valley R2 374 million (2023: R3 512 million).
[3] The majority of the amount relates to Australia tax losses of R1 888 million (2023: R1 816 million).
[4] The deferred tax asset not recognised relates to Harmony's PNG operations.

Movement in the net deferred tax liability recognised in the balance sheet is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**2 105**	1 383
Expense per income statement	**666**	1 080
Tax expense/(credit) directly charged to other comprehensive income[1]	**40**	(358)
Balance at end of year	**2 811**	2 105
Deferred tax assets per balance sheet	**(140)**	(189)
Deferred tax liabilities per balance sheet	**2 951**	2 294

[1] Relates predominantly to hedge-accounted derivative financial instruments. Refer to note 17 and 23.

A deferred tax asset continues to be recognised for Harmony at 30 June 2024. At 30 June 2024, it is considered probable that sufficient future taxable profits will be available against which the remaining deductible temporary differences existing at the reporting date can be utilised.

11 Taxation continued

Deferred tax continued

	SA Rand	
Figures in million	**2024**	2023
As at 30 June, the group had the following potential future tax deductions:		
Unredeemed capital expenditure available for utilisation against future mining taxable income (a)	**51 988**	49 478
Tax losses carried forward utilisable against mining taxable income (b)	**9 296**	9 620
Capital gains tax (CGT) losses available to be utilised against future CGT gains (d)	**570**	570
As at 30 June, the group has not recognised the following deferred tax asset amounts relating to the above:	**19 140**	18 004
The unrecognised temporary differences are:		
Unredeemed capital expenditure (c)	**51 018**	47 968
Tax losses (b)	**9 231**	8 848
CGT losses (d)	**570**	570

(a) Includes Avgold R34 368 million (2023: R30 538 million), Randfontein R12 million (2023: R327 million), Mponeng R135 million (2023: R145 million), Chemwes R635 million (2023: R748 million) and Hidden Valley R16 650 million (2023: R17 430 million). These have an unlimited carry-forward period.

(b) Relates mainly to Hidden Valley R6 293 million (2023: R6 053 million) and Avgold R2 851 million (2023: R2 772 million). Randfontein had no tax loss balances at the end of the 2024 financial year (2023: R543 million). These have an unlimited carry-forward period.

(c) Relates to Avgold and Hidden Valley.

(d) The CGT losses relate to the gross CGT losses available to be utilised against future CGT gains. These have an unlimited carry-forward period.

Dividend tax (DT)

The withholding tax on dividends remained unchanged at 20%.

12 Earnings/(loss) per share

Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net income attributable to shareholders by the weighted number of ordinary shares in issue during the year.

	2024	2023	2022
Ordinary shares in issue (000)	**632 634**	618 072	616 526
Adjustment for weighted number of ordinary shares in issue (000) (a)	**(7 930)**	(428)	(121)
Weighted number of ordinary shares in issue (000)	**624 704**	617 644	616 405
Adjustment for weighted number of treasury shares (000) (b)	**(5 267)**	(47)	(3 950)
Basic weighted average number of ordinary shares in issue (000)	**619 437**	617 597	612 455

	SA Rand		
	2024	2023	2022
Total net profit/(loss) attributable to shareholders (million)	**8 587**	4 820	(1 052)
Total basic earnings/(loss) per share (cents)	**1 386**	780	(172)

(a) These are the weighted number of ordinary shares for the years presented. The increase is mainly due to 12 651 525 shares issued on 4 April 2024 as part of the new Harmony ESOP scheme. Refer to note 22 for the actual number of treasury shares that are in issue.

(b) These are the weighted number of treasury shares for the years presented. Refer to note 22 for the actual number of treasury shares that are in issue.

During 2022, the lock-in period expired for the Harmony ESOP Trust (Sisonke Scheme). Settlements and share distributions were made and the shares were no longer classified as treasury shares. For the 2022 year, the impact of the shares on the basic weighted average number of shares was 3 902 418.

12 Earnings/(loss) per share continued

Diluted earnings/(loss) per share

For diluted earnings/(loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive ordinary shares as a result of share options granted to employees under the share option schemes in issue. A calculation is performed to determine the number of shares that could have been acquired at fair value, determined as the average annual market share price of the company's shares, based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2024	2023	2022
Weighted average number of ordinary shares in issue (000)	**619 437**	617 597	612 455
Potential ordinary shares (000) (a) (b)	**10 256**	2 877	2 159
Weighted average number of ordinary shares for diluted earnings per share (000) (a)	**629 693**	620 474	614 614

	SA Rand		
	2024	2023	2022
Total diluted earnings/(loss) per share (cents)	**1 364**	777	(172)

(a) The increase in the weighted average number of diluted shares is as a result of the significant increase in the Harmony share price during the year. This impacted the base as well as the percentage applied to it to determine the bonus element. As a result, there are a larger number of dilutive shares across all active shares schemes, with the exception of the new ESOP scheme, which is anti-dilutive. This, combined with the 2023 deferred share plan implemented in September 2023, resulted in an increase in the diluted shares. The inclusion of the share options as potential ordinary shares had a dilutive effect on earnings per share in 2024 and 2023, whereas it had the opposite effect in 2022 due to the net loss attributable to shareholders.

(b) The issue price and the exercise of share options issued to the employees include the fair value of any services to be supplied to the entity in the future under the share option or other share-based payment arrangements.

Headline earnings/(loss) per share

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

	SA Rand		
Figures in million	**2024**	2023	2022
Net profit/(loss) attributable to shareholders	**8 587**	4 820	(1 052)
Adjusted for:			
Impairment of assets[1]	**2 793**	—	4 433
Taxation effect on impairment of assets	**—**	—	(312)
(Profit)/loss on sale of property, plant and equipment	**13**	(46)	(24)
Taxation effect on profit/(loss) on sale of property, plant and equipment	**(3)**	5	4
Loss on scrapping of property, plant and equipment	**97**	182	7
Taxation effect on loss on scrapping of property, plant and equipment	**(13)**	(20)	(1)
Headline earnings	**11 474**	4 941	3 055
Basic headline earnings per share (cents)	**1 852**	800	499
Diluted headline earnings per share (cents)[2]	**1 822**	796	497

[1] *This total includes the impairment of undeveloped properties in FY24 and impairment of goodwill in FY22, which does not have a tax effect.*

[2] *The inclusion of the share options as potential ordinary shares had a dilutive effect on earnings per share.*

12 Earnings/(loss) per share continued

Dividends

Accounting policy

Dividends declared are recognised in the period in which they are approved by the board of directors. Dividends are payable in South African Rand.

Cash flows from dividends paid are classified under financing activities in the cash flow statement.

- The board declared an interim ordinary dividend of 147 SA cents for the year ended 30 June 2024 and R930 million was paid on 15 April 2024. The board did not declare an interim ordinary dividend for the year ended 30 June 2023. In 2022, a dividend of 40 SA cents was declared and R247 million was paid on 11 April 2022.
- For the 2023 year, a final dividend of 75 SA cents was declared by the board, amounting to R464 million which was paid on 16 October 2023. For 2022, 22 SA cents was declared and an amount of R136 million was paid on 17 October 2022.
- The board declared a final ordinary dividend of 94 SA cents for the year ended 30 June 2024 on 4 September 2024. An amount of R596 million was paid on 14 October 2024.
- Harmony declares an annual preference share dividend to the Harmony Gold Community Trust (the Trust). The board declared a preference dividend of R15 million which was paid to the Trust on 17 September 2024 (2023 and 2022: R9 million on 15 August 2023 and 11 August 2022 respectively).
- During 2024, dividend payments of R43 million were made to the non-controlling interest holders in Tswelopele Beneficiation Operation (Proprietary) Limited (TBO) (2023: R18 million) (2022: R16 million).

	SA Rand		
	2024	2023	2022
Dividends declared (millions)	**1 394**	136	414
Dividend per share (cents)	**222**	22	67

13 Acquisitions and business combinations

Acquisition of Eva Copper

On 6 October 2022, Harmony announced that it had entered into an agreement to acquire the entity which owns 100% of the Eva Copper Project and a package of regional exploration tenements from Copper Mountain Mining Corporation (collectively Eva Copper). The acquisition is in line with the group's strategic objective of transitioning into a low-cost gold and copper mining company. Diversifying into copper enables Harmony to participate in the global transition to a low-carbon economy.

The last condition precedent for the acquisition was fulfilled during December 2022, resulting in an acquisition date of 16 December 2022. Based on management's assessment, the transaction met the definition of a business combination as defined by IFRS 3 *Business Combinations*. This is based on the feasibility study, mine development plan and organised workforce acquired constituting substantive processes which significantly contributes to the ability to generate outputs. Management also opted to not apply the optional concentration test as per IFRS 3.

The Eva Copper Project was identified as a cash generating unit (CGU).

Consideration transferred

Consideration for the transaction amounted to a cash payment of R2 996 million (US$170 million), paid during December 2022, and contingent consideration subject to the following criteria:

- A maximum of US$30 million payable via a 10% sharing of net incremental revenue above US$3.80/lb Cu (excess payment)
- A maximum US$30 million payable on a new copper resource discovered and declared within the acquired tenements, calculated using a resource multiple of US$0.03/lb Cu (new resource payment).

These criteria are applicable for the entire life of the operation until the maximum payments are reached.

As at 16 December 2022, the contingent consideration was valued at R169 million by using a probability weighted method for the new resource payment and a discounted cash flow valuation for the excess payment, both discounted at a post-tax nominal rate of 12.9%. All other assumptions applied in the valuation are consistent with those used in the valuation of identified assets acquired and liabilities assumed (refer below). The fair value calculated for the contingent consideration is level 3 in the fair value hierarchy due to the use of unobservable inputs. The remeasurement of the liability will be included in other operating expenses. Refer to note 27 for the measurement of the liability.

The amount disclosed in the cash flow statement for cash paid for the acquisition of Eva Copper is equal to the cash consideration paid of R2 996 million.

Acquisition and integration costs

The total of R214 million for acquisition-related costs for the financial year ended 30 June 2023 relates to various costs directly attributable to the acquisition process. These costs include professional services fees and Australian stamp duty costs paid.

13 Acquisitions and business combinations continued

Acquisition of Eva Copper continued

Identifiable assets acquired and liabilities assumed

Critical accounting estimates and judgements

The fair value of the identifiable net assets acquired was determined using the expected discounted cash flows based on the feasibility study of the Eva Copper Project. Key assumptions for the level 3 fair value measurement of Eva Copper are the copper price, marketable discount rates, exchange rates and the feasibility study previously performed for the Eva Copper Project. Mineral Resources acquired which were not included in the discounted cash flows were valued using a copper resource multiple price of US$0.03/lbs. The post-tax real discount rate used was 10.7%, the long-term A$/US$ exchange rate used was A$1.40/US$1 and a real long-term copper price of US$3.50/lbs was used. The valuation was performed as at 16 December 2022.

The tax rates used to calculate deferred tax is based on Australian tax rates and tax laws that have been enacted at acquisition date. The deferred tax rate used as at 16 December 2022 was 30%. Following the finalisation of the effective tax values of assets acquired and liabilities assumed from the acquisition, a net deferred tax asset position of R224 million was determined. In line with IAS 12 *Income Taxes*, management assessed that at the acquisition date it is not yet probable that sufficient future taxable profits will be generated from Eva Copper against which the net deferred tax asset could be recognised. This was due to an update to the final feasibility study being outstanding at acquisition date. It was therefore opted to not recognise the net deferred tax asset position arising from the acquisition.

Fair value determination of acquired operations

For the period ended 31 December 2022 the fair value exercise, also known as the purchase price allocation, was prepared on a provisional basis in accordance with IFRS 3. During the measurement period, being 12 months permitted in terms of IFRS 3 for completion of the fair value exercise, Harmony concluded the process of determining the effective tax values for assets acquired and liabilities assumed from the business combination. This resulted in a change in the value of deferred tax and property, plant and equipment. Harmony also received new information relating to trade and other receivables that existed at acquisition date. No other key valuation assumptions were revised.

Management considers the revised purchase price allocation to be final and the accounting for the acquisition to be concluded as at 30 June 2023.

The final fair values for the identifiable assets acquired and liabilities assumed as at the acquisition date are as follows:

	2023		
Figures in million	Provisional fair value	Measurement period adjustment	Final fair value
Non-current assets			
Property, plant and equipment	3 785	(631)	3 154
Current assets			
Restricted cash and investments	4	—	4
Trade and other receivables	12	(5)	7
Non-current liabilities			
Deferred tax liabilities	(636)	636	—
Fair value of net identifiable assets acquired at 16 December 2022	3 165	—	3 165

Since the final fair value of net identifiable assets acquired is within a reasonable range of the fair value of the consideration transferred, no gain on bargain purchase or goodwill is recognised for the transaction.

14 Property, plant and equipment

	SA Rand	
Figures in million	**2024**	2023
Mining assets	**28 884**	28 618
Mining assets under construction	**7 502**	5 051
Undeveloped properties	**4 475**	7 385
Other non-mining assets	**487**	453
Total property, plant and equipment	**41 348**	41 507

Mining assets

Accounting policy

Mining assets, including mine development costs and mine plant facilities, are initially recorded at cost, whereafter they are measured at cost less accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

The net assets of operations placed on care and maintenance are impaired to their recoverable amount. Expenditure on the care and maintenance of these operations is charged against income, as incurred. Mineral and surface use rights represent mineral and surface use rights for parcels of land, both owned and not owned by the group.

Mineral and surface rights include acquired mineral use rights in production, development and exploration phase properties. The amount capitalised related to a mineral and surface right, either as an individual asset purchase or as part of a business combination, is the fair value at acquisition.

The group's mineral use rights are enforceable regardless of whether proved or probable reserves have been established. In certain limited situations, the nature of use changes from an exploration right to a mining right upon the establishment of proved and probable reserves. The group has the ability and intent to renew mineral use rights where the existing term is not sufficient to recover all identified and valued proved and probable reserves and/or undeveloped mineral interests.

Depreciation

Depreciation of mining assets is computed principally by the units-of-production method over life-of-mine based on estimated quantities of economically recoverable proved and probable reserves, which can be recovered in future from known mineral deposits.

Mineral rights associated with production phase mineral interests are amortised over the life-of-mine using the units-of-production method in order to match the amortisation with the expected underlying future cash flows.

Impairment

Testing for impairment is done in terms of the group policy as discussed in note 2.5.

Scrapping of assets

Where significant adverse changes have taken place relating to the useful life of an asset, that asset is tested for impairment in terms of the group policy as discussed in note 2.5. Whether or not an impairment is recognised, it is then necessary to review the useful lives and residual values of the assets within the CGU – this is reviewed at least annually. Where necessary, the useful lives and residual values of the individual assets are revised.

Where the useful life of an asset is nil as a result of no future economic benefit expected from the use or disposal of that asset, it is necessary to derecognise the asset. The loss arising from the derecognition is included in profit or loss in the period in which the asset was derecognised.

Stripping activities

The removal of overburden and other mine waste materials is often necessary during the initial development of an opencast mine site, in order to access the mineral ore deposit. The directly attributable cost of this activity is capitalised in full within mining assets under construction, until the point at which the mine is considered to be capable of commercial production. The removal of waste material after the point at which a mine is capable of commercial production is referred to as production stripping.

When the waste removal activity improves access to ore extracted in the current period, the costs of production stripping are charged to the income statement as operating costs in accordance with the principles of IAS 2 *Inventories*.

14 Property, plant and equipment continued

Mining assets continued

Accounting policy continued

***Stripping activities* continued**

Where production stripping activity both produces inventory and improves access to ore in future periods the associated costs of waste removal are allocated between the two elements. The portion which benefits future ore extraction is capitalised within stripping and development capital expenditure. If the amount to be capitalised cannot be specifically identified, it is determined based on the volume of waste extracted compared to expected volume for the identified component of the orebody. Components are specific volumes of a mine's orebody that are determined by reference to the life-of-mine plan.

In certain instances significant levels of waste removal may occur during the production phase with little or no associated production. The cost of this waste removal is capitalised in full.

All amounts capitalised in respect of waste removal are depreciated using the units-of-production method based on proved and probable ore reserves of the component of the orebody to which they relate.

The effects of changes to the life-of-mine plan on the expected cost of waste removal or remaining reserves for a component are accounted for prospectively as a change in estimate.

Critical accounting estimates and judgements – Gold Mineral Reserves and Resources

Gold mineral reserves and resources are estimates of the amount of ounces that can be economically and legally extracted from the group's properties. In order to calculate the gold mineral reserves and resources, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, commodity prices and exchange rates. Estimating the quantities and/or grade of the reserves and resources requires the size, shape and depth of the orebodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

Because the economic assumptions used to estimate the gold mineral reserves and resources change from year to year, and because additional geological data is generated during the course of operations, estimates of the mineral reserves and resources may change from year to year.

Changes in the reserves and resources may affect the group's financial results and financial position in a number of ways, including:

- Asset carrying values may be affected due to changes in estimated cash flows
- Scrapping of assets to be recorded in the income statement following the derecognition of assets as no future economic benefit expected
- Depreciation and amortisation charged in the income statement may change as they are calculated on the units-of-production method
- Environmental provisions may change as the timing and/or cost of these activities may be affected by the change in mineral reserves
- Useful life and residual values may be affected by the change in mineral reserves.

At the end of each financial year, the estimate of proved and probable gold mineral reserves and resources is updated. Depreciation of mining assets is prospectively adjusted, based on these changes.

Critical accounting estimates and judgements – production start date

Various relevant criteria are considered in order to assess when the mine is substantially complete and ready for its intended use and moves into the production phase. Some of the criteria would include but are not limited to the following:

- The level of capital expenditure compared to the total project cost estimates
- The ability to produce gold in a saleable form (where more than an insignificant amount of gold has been produced)
- The ability to sustain the ongoing production of gold.

Critical accounting estimates and judgements – stripping activities

The determination of the volume of waste extracted and the expected volume for the identified component of the orebody is dependent on an individual mine's design and life-of-mine plan and therefore changes to the design or life-of-mine plan will result in changes to these estimates. Identification of the components of a mine's orebody is made by reference to the life-of-mine plan. The assessment depends on a range of factors including each mine's specific operational features and materiality.

14 Property, plant and equipment continued
Mining assets continued

Critical accounting estimates and judgements – impairment of assets
The recoverable amount of mining assets is generally determined utilising real discounted future cash flows (post tax). No material difference in recoverable amounts is expected should real future cash flows be discounted on a pre-tax basis. Management also considers such factors as the quality of the individual orebody, market risk, asset-specific risks and country risk in determining the fair value.

Key assumptions for the calculations of the mining assets' recoverable amounts are the commodity prices, resource values, market discount rates, costs to sell, exchange rates and the annual life-of-mine plans. In determining the commodity prices and resource values to be used, management assesses the long-term views of several reputable institutions on commodity prices and based on this, derives the commodity prices and resource values.

The life-of-mine plans are based on the proved and probable reserves as included in the Reserve Declaration, which are determined in terms of SAMREC, as well as resources where management has high confidence in the orebody and economical recovery of gold, based on historic and similar geological experience.

During the years under review, the group calculated the recoverable amounts (generally fair value less costs to sell) of CGUs for which indicators of impairment were identified (refer to note 5). These recoverable amounts are based on updated life-of-mine plans and the following relevant assumptions:

	2024	2023	2022
US$ gold price per ounce			
– Year 1	**2 258**	1 932	1 861
– Year 2	**2 173**	1 844	1 744
– Year 3	**2 049**	1 725	1 664
– Long term (Year 4 onwards)	**1 772**	1 582	1 546
US$ silver price per ounce			
– Year 1	**n/a**	n/a	23.85
– Year 2	**n/a**	n/a	22.42
– Year 3	**n/a**	n/a	21.46
– Long term (Year 4 onwards)	**n/a**	n/a	19.38
US$ copper price per pound	**n/a**	n/a	3.30
Exchange rate (R/US$)			
– Year 1	**18.39**	18.28	15.55
– Year 2	**17.96**	17.44	15.34
– Year 3	**18.36**	17.13	15.26
– Long term (Year 4 onwards)	**18.26**	16.22	15.35
Exchange rate (PGK/US$)	**n/a**	n/a	3.50
Rand gold price (R/kg)			
– Year 1	**1 335 000**	1 135 000	931 000
– Year 2	**1 255 000**	1 034 000	860 000
– Year 3	**1 209 000**	950 000	816 000
– Long term (Year 4 onwards)	**1 040 000**	825 000	763 000

The following are the attributable gold resource value assumptions:

	South Africa			Hidden Valley		
US dollar per ounce	**2024**	2023	2022	**2024**	2023	2022
Underground resources						
Measured	**16.50**	n/a	16.50	**n/a**	n/a	n/a
Indicated	**9.00**	n/a	9.00	**n/a**	n/a	n/a
Inferred	**3.60**	n/a	3.60	**n/a**	n/a	n/a
Surface resources						
Measured	**n/a**	n/a	30.00	**n/a**	n/a	n/a
Indicated	**n/a**	n/a	17.50	**n/a**	n/a	9.00
Inferred	**n/a**	n/a	8.00	**n/a**	n/a	n/a

14 Property, plant and equipment continued
Mining assets continued

Critical accounting estimates and judgements – impairment of assets continued

The recoverable amount of mining assets is determined utilising real discounted future cash flows. Certain CGUs' recoverable amounts included resource multiple valuations in the case of undeveloped properties and certain resource bases. In 2022, the underground resource values were applied to Target North, Doornkop's Kimberly Reef and the Wafi-Golpu Project (refer to note 20). The surface resource values were applied to the Mispah Tailings resource, Vaal River and West Wits surface sources. For the 2024 financial year, the recoverable amounts of Target North and Doornkop's Kimberley reef have been determined using the resource multiple valuations. Refer to note 5 for more information regarding CGUs tested for impairment.

One of the most significant assumptions that influence the group's operations' life-of-mine plans, and therefore the impairment assessment, is the expected commodity prices. Management continues to differentiate between short-, medium- and long-term assumptions used in the models. The long-term price was determined as part of the annual budgeting process and is used in the life-of-mine plans and is also the cut-off price for calculating reserves included in the declaration of reserves and resources in terms of SAMREC.

For 2024, the resource multiple values remained consistent with 2022, as they were assessed to still be reasonable and appropriate for valuing the relevant undeveloped properties and resource bases. In 2023, no resource multiple values were used as the CGUs to which they are attributed to were not tested for impairment.

The discounted cash flow models for 2024 and 2023 include the estimated production cost and carbon tax savings arising from the rollout of Harmony's renewable energy programme, as part of its greater decarbonisation strategy.

The post-tax real discount rates of 10.69% and 12.15% were used to determine the recoverable amounts for the Doornkop and Target 1 CGUs, respectively. The post-tax real discount rates used in determining the recoverable amounts of CGUs tested for impairment in 2023 ranged between 11.69% and 13.15% (2022: 10.20% and 13.10%). No material difference in recoverable amounts is expected should future cash flows be discounted on a pre-tax basis. Refer to note 5 for more information regarding CGUs tested for impairment. Cash flows used in the impairment calculations are based on life-of-mine plans which exceed five years for the majority of the mines. Cash flows from potential projects, life-of-mine extensions and residual ounces can also be included in the impairment assessment where deemed appropriate. An additional risk premium is added to the post-tax real discount rates in these instances.

Should management's estimate of the future not reflect actual events, further impairments may be identified.

Factors affecting the estimates may include:
- Changes to proved and probable ore reserves
- Economical recovery of resources
- The grade of the ore reserves may vary significantly from time to time
- Review of strategy
- Unforeseen operational issues at the mines
- Differences between actual commodity prices and commodity price assumptions
- Changes in the discount rate and foreign exchange rates
- Changes in capital, operating mining, processing and reclamation costs
- Mines' ability to convert resources into reserves
- Potential production stoppages for indefinite periods
- The implementation of Harmony's renewable energy programme
- Carbon tax.

14 Property, plant and equipment continued

Mining assets continued

Sensitivity analysis – impairment of assets

One of the most significant assumptions that influence the life-of-mine plans and therefore impairment assessments is the expected commodity prices. Management determined a reasonably possible change of 11.9% in gold prices based on the standard deviation of market analysts' forecasted long-term gold price assumptions. A 11.9% decrease/increase in the gold price assumptions and resource values used (with all other variables held constant and not taking any actions, such as stopping capital projects, into account) would have resulted in the following post-tax impairment being recorded (including the impairments recorded in the current period) as at 30 June 2024:

	SA Rand	
Figures in million	**2024**	2023
11.9% decrease (2023: 11.8% decrease)		
Doornkop	**2 623**	n/a
Target 1	**450**	1 719
Target North	**2 898**	n/a
Kusasalethu	**n/a**	—
Kalgold	**n/a**	475
11.9% increase (2023: 11.8% increase)		
Target North	**2 688**	n/a

At all other operations, the relevant increase in the gold price would have resulted in no impairments being recorded.

The movement in the mining assets is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**76 774**	70 587
Fully depreciated assets no longer in use derecognised (a)	**(586)**	(1 419)
Additions (b)	**5 426**	5 930
Scrapping of assets (c)	**(622)**	(772)
Adjustment to rehabilitation asset (d)	**(531)**	(111)
Transfers and other movements (e)	**749**	596
Translation	**(2 111)**	1 963
Balance at end of year	**79 099**	76 774
Accumulated depreciation and impairments		
Balance at beginning of year	**48 156**	45 267
Fully depreciated assets no longer in use derecognised (a)	**(586)**	(1 419)
Scrapping of assets (c)	**(525)**	(590)
Depreciation	**4 546**	3 368
Translation	**(1 376)**	1 530
Balance at end of year	**50 215**	48 156
Net carrying value	**28 884**	28 618

(a) Primarily relates to fully depreciated assets derecognised at the Hidden Valley, Tshepong North, Moab Khotsong and Doornkop operations.

(b) Included in additions for 2024 is an amount of R84 million (2023: R188 million) for capitalised depreciation associated with stripping activities at the Hidden Valley operations.

(c) Refer to note 8 for the total loss on scrapping recognised. Primarily relates to the Tshepong North and Kusasalethu operations.

(d) Refer to note 24 for details on the adjustment to the rehabilitation asset.

(e) Transfer of assets mainly relates to assets under construction transferred to mining assets. During the 2024 year an amount of R761 million (2023: R539 million) was transferred to mining assets at Hidden Valley. This related to ongoing mining development costs.

14 Property, plant and equipment continued

Mining assets continued

Stripping activities

Included in the balance for mining assets is an amount of R216 million (2023: R184 million) relating to Kalgold and R676 million (2023: R1 330 million) relating to Hidden Valley. Depreciation of R130 million (2023: R41 million) and R823 million (2023: R514 million) was recorded for Kalgold and Hidden Valley respectively.

Mining assets under construction

Accounting policy

At the group's surface mines, when it has been determined that a mineral property can be economically developed as a result of establishing proved and probable reserves, costs incurred to develop the property are capitalised as incurred until the mine is considered to have moved into the production phase. These costs include costs to further delineate the orebody and remove overburden to initially expose the orebody.

At the group's underground mines, all costs incurred to develop the property, including costs to access specific ore blocks or other areas of the underground mine, are capitalised to the extent that such costs will provide future economic benefits. These costs include the cost of shaft sinking and access, the costs of building access ways, lateral development, drift development, ramps, box cuts and other infrastructure development.

Where a depreciable asset is used in the construction or extension of a mine, the depreciation is capitalised against the mine's cost.

Mineral interests associated with development and exploration phase mineral interests are not amortised until such time as the underlying property is converted to the production stage.

Capitalisation of pre-production costs ceases when commercial levels of production are reached. Commercial levels of production are discussed under "production start date" above.

The movement in the mining assets under construction is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**5 721**	3 802
Additions (a)	**3 247**	2 053
Finance costs capitalised (b)	**237**	123
Transfers and other movements	**(770)**	(539)
Translation	**(263)**	282
Balance at end of year	**8 172**	5 721
Accumulated impairments		
Balance at beginning of year	**670**	670
Balance at end of year	**670**	670
Net carrying value	**7 502**	5 051

(a) The additions for 2024 mainly relates to Hidden Valley of R865 million (2023: R582 million), Zaaiplaats project of R794 million (2023: R537 million), Doornkop 207/212 Level project of R251 million (2023: R304 million) and the Kareerand TSF Expansion project of R960 million (2023: R462 million).

(b) Refer to note 10 for further detail on the capitalisation rate applied.

Wafi-Golpu development

Capitalisation of certain project expenses on Wafi-Golpu was halted from 1 July 2019 following delays in the permitting of the project (refer to note 20). All ongoing expenses since were for holding purposes and did not result in future economic benefits. These have been included in exploration expenditure in the income statement and amounted to R37 million (2023: R48 million) for the year.

14 Property, plant and equipment continued

Undeveloped properties

Accounting policy

Undeveloped properties are initially recognised at cost, which is generally based on the fair value of resources obtained through acquisitions. The carrying values of these properties are tested for impairment or reversal of previously recognised impairment when an indicator is identified. Once development commences, these properties are transferred to mining assets and accounted for in accordance with the related accounting policy.

Critical accounting estimates and judgements – exploration and evaluation assets

The recoverability of exploration and evaluation assets is assessed when indicators for impairment or reversal of previously recognised impairment has been identified. The balances assessed include undeveloped properties and assets under construction. Significant judgement is required as to whether an area of activity is to be carried forward on the balance sheet, or written off through the identification of areas of activity which have not yet reached a stage that permits a reasonable assessment of the existence of economically recoverable reserves, where there is no continuing significant activity plan in relation to the area.

Currently the assets assessed are the Wafi-Golpu Project, Target North and the Eva Copper Project. For further details regarding the permitting process and other developments of the Wafi-Golpu Project, refer to note 20.

The movement in the undeveloped properties is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**8 861**	5 478
Acquisitions[1]	**—**	3 154
Transfers and other movements	**9**	—
Translation	**(127)**	229
Balance at end of year	**8 743**	8 861
Accumulated depreciation and impairments		
Balance at beginning of year	**1 476**	1 474
Impairment[2]	**2 793**	—
Translation	**(1)**	2
Balance at end of year	**4 268**	1 476
Net carrying value	**4 475**	7 385

[1] *Refer to note 13 for details on the fair value of assets acquired following the Eva Copper acquisition.*
[2] *Relates to Target North. Refer to note 6 for details.*

Other non-mining assets

Accounting policy

Land is shown at cost and not depreciated. Other non-mining fixed assets are shown at cost less accumulated depreciation and accumulated impairment losses. Other non-mining fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

- Vehicles at 20% per year
- Computer equipment at 33.3% per year.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

14 Property, plant and equipment continued

Other non-mining assets continued

The movement in the non-mining assets is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**1 000**	895
Fully depreciated assets no longer in use derecognised	**—**	(7)
Additions	**117**	108
Translation	**(1)**	4
Balance at end of year	**1 116**	1 000
Accumulated depreciation and impairments		
Balance at beginning of year	**547**	479
Fully depreciated assets no longer in use derecognised	**—**	(7)
Depreciation	**82**	74
Translation	**—**	1
Balance at end of year	**629**	547
Net carrying value	**487**	453

Accounting policy – financial assets (applicable to notes 15, 16, 17 and 18)

Financial assets are initially recognised when the group becomes a party to their contractual arrangements. On initial recognition, a financial asset is classified as measured at:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI) or
- Fair value through profit or loss (FVTPL).

A financial asset is classified as measured at amortised cost if it is held within the business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The group measures a financial asset initially at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed. The subsequent measurement of financial assets is discussed below.

Financial asset category	Description
Debt instruments at amortised cost	Financial assets at amortised cost consist of restricted cash, restricted investments, loans, trade receivables and cash and cash equivalents. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented in other operating expenses in the income statement.
Debt instruments at fair value through profit or loss	Equity-linked investments which are held to meet rehabilitation liabilities are classified as FVTPL. Debt instruments where the contractual cash flows fail to meet the solely payments of principal and interest (SPPI) criteria are also classified as FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within investment income in the period in which it arises. On derecognition of a financial asset, the difference between the proceeds received or receivable and the carrying amount of the asset is included in profit or loss.
Equity instruments designated at fair value through OCI	The group's equity investments are designated as FVTOCI. The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised when the group's right to receive payments is established either in profit or loss as other income or as a deduction against the asset if the dividend clearly represents a recovery of part of the cost of the investment. Residual values in OCI are reclassified to retained earnings on derecognition of the related FVTOCI instruments.

Accounting policy – financial assets (applicable to notes 15, 16, 17 and 18) continued
Impairment losses on financial assets at amortised cost are assessed using the forward-looking expected credit loss (ECL) approach. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (ie the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive). At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is ''credit impaired'' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Trade receivable loss allowances are measured at an amount equal to lifetime ECLs. Loss allowances are deducted from the gross carrying amount of the assets.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

15 Restricted cash and investments

	SA Rand	
Figures in million	**2024**	2023
Restricted cash	**489**	475
Restricted investments	**6 044**	5 687
Total restricted cash and investments	**6 533**	6 162
Current portion of restricted cash and investments	**39**	41
Non-current portion of restricted cash and investments	**6 494**	6 121

Restricted cash

	SA Rand	
Figures in million	**2024**	2023
Non-current	**450**	434
Current	**39**	41
Total restricted cash	**489**	475

The restricted cash consist of funds set aside for:

	SA Rand	
Figures in million	**2024**	2023
Environmental guarantees and rehabilitation (a)	**217**	183
Guarantee - Tshiamiso Trust (b)	**205**	225
PNG communities (c)	**45**	45
Other	**22**	22
Total restricted cash	**489**	475

(a) The amount primarily relates to funds set aside to serve as collateral against guarantees made to the Department of Mineral Resources and Energy (DMRE) in South Africa for environmental and rehabilitation obligations. Refer to note 24. The funds are invested in short-term money market funds and call accounts, which require third-party approval for release.

(b) Refer to note 25 for details on the silicosis settlement and the arrangement with the trust. The decrease is as a result of the benefit and admin contributions made, reducing the total that the guarantee is calculated on.

(c) Relates to monies set aside for affected communities in the group's PNG operations.

15 Restricted cash and investments continued

Restricted investments

	SA Rand	
Figures in million	**2024**	2023
Investments held by environmental trust funds	**6 030**	5 673
Investments held by the Social Trust Fund	**14**	14
Total restricted investments (non-current)	**6 044**	5 687

Environmental trust funds

Accounting policy

Contributions are made to the group's environmental trust funds, created in accordance with statutory requirements, to fund the estimated cost of pollution control, rehabilitation and mine closure at the end of the life of the group's mines. The trusts are consolidated into the group as the group exercises control of the trusts. The measurement of the investments held by the trust funds is dependent on their classification under financial assets. Income received and gains are treated in accordance with these classifications. The equity-linked notes and investment in unit trusts are classified and measured at fair value through profit or loss, while the equity investments are classified and measured at fair value through other comprehensive income. Interest-bearing short-term investments as well as investments in government bonds are classified and measured as debt instruments at amortised cost.

The environmental trust funds are irrevocable trusts under the group's control. Contributions to the trusts are invested in various instruments which include the following: listed equity securities, unit trusts, government bonds, interest-bearing short-term and medium-term cash investments and medium-term equity-linked notes. The equity-linked notes are issued by commercial banks that provide guaranteed interest and additional interest or growth linked to the growth of the Top 40 index of the JSE. These investments provide for the estimated cost of rehabilitation at the end of the life of the group's mines. Income earned on the investments is retained in the funds and reinvested.

The environmental trust funds consist of:

	SA Rand	
Figures in million	**2024**	2023
Fixed deposits	**3 665**	3 385
Cash equivalents	**74**	58
Equity-linked deposits	**1 494**	1 493
Government bonds	**401**	234
Equity investments	**335**	305
Collective investment scheme (unit trusts)	**61**	198
Total environmental trust funds	**6 030**	5 673

Reconciliation of the movement in the investments held by environmental trust funds:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**5 673**	5 244
Interest income	**329**	258
Fair value gain through profit and loss	**95**	184
Fair value gain through other comprehensive income	**18**	30
Dividend received	**15**	13
Acquisition/(maturity) of Equity-linked deposits	**(96)**	229
Acquisition/(maturity) of Fixed deposits	**(5)**	154
Acquisition/(maturity) of Collective investment schemes (unit trusts)	**(138)**	141
Acquisition/(maturity) of Government bonds	**145**	—
Net transfer of cash equivalents	**93**	(524)
Withdrawal of funds for rehabilitation work performed	**(99)**	(56)
Balance at end of year	**6 030**	5 673

15 Restricted cash and investments

Restricted investments continued

The Social Trust Fund

The Social Trust Fund is an irrevocable trust under the group's control. The purpose of the trust is to fund the social plan to reduce the negative effects of restructuring on the group's workforce, to put measures in place to ensure that the technical and life skills of the group's workforce are developed and to develop the group's workforce in such a manner as to avoid or minimise the effect of job losses and a decline in employment through turnaround or redeployment strategies.

The Social Trust Fund investment comprises a unit trust portfolio that is exposed to the fair value changes in the equity market and is classified as a fair value through profit or loss investment.

16 Other non-current assets

	SA Rand	
Figures in million	**2024**	2023
Debt instruments	**76**	116
Loans to associates (a)	**116**	116
Loan to ARM BBEE Trust (b)	**68**	101
Other loans	**8**	15
Loss allowance (a)	**(116)**	(116)
Equity instruments	**88**	78
Rand Mutual Assurance (c)	**78**	69
Other investments	**10**	9
Inventories	**180**	138
Non-current portion of final gold in lock-up (d)	**180**	138
Total other non-current assets	**344**	332

(a) A loan of R116 million (2023: R116 million) owed by Pamodzi Gold Limited (Pamodzi) which was placed into liquidation during 2009, was provided for in full. Harmony is a concurrent creditor in the Pamodzi Orkney liquidation.

(b) During 2021, Harmony advanced R264 million to the ARM Broad-Based Economic Empowerment Trust (the ARM BBEE Trust), a shareholder of African Rainbow Minerals Limited (ARM), after the restructuring of the original loan advanced in 2016. The ARM BBEE Trust is controlled and consolidated by ARM, who holds 12.04% of Harmony's shares at 30 June 2024. Harmony is a trustee of the ARM BBEE Trust. The loan under the revised loan agreement is interest-free and is receivable on the maturity of the loan on 30 June 2035. The loan is unsubordinated and unsecured.

The loan does not meet the requirements for amortised cost measurement as it fails the solely payments of principal and interest test and was therefore classified as fair value through profit and loss (refer to the fair value determination section in note 37 for detail). The group determined that the contractual terms include exposure to risk and volatility that is inconsistent with a basic lending arrangement. In making this assessment the group considered contingent events that would change the amount and timing of cash flows and potential limits on the group's claim to cash flows from specified assets (eg non-recourse asset arrangements).

During the 2024 financial year, repayments of R42 million (2023: R74 million) were received on the loan.

(c) Refer to note 37 for the fair value valuation technique used to measure.

(d) Refer to note 21 for further details on inventories.

17 Derivative financial instruments

The group has the following derivative financial instruments:

Figures in million (SA Rand)	Hedging contracts: Rand gold forwards (a)	Hedging contracts: US$ gold forwards (b)	Hedging contracts: Rand gold collars (a)	Hedging contracts: US$ gold collars (b)	US$ silver contracts (b)	Foreign exchange contracts (c)	Total
At 30 June 2024							
Derivative financial assets	**282**	**30**	**155**	**18**	**3**	**523**	**1 011**
Non-current	**172**	**27**	**135**	**18**	**3**	**98**	**453**
Current	**110**	**3**	**20**	**—**	**—**	**425**	**558**
Derivative financial liabilities	**(1 799)**	**(236)**	**(9)**	**(4)**	**(63)**	**—**	**(2 111)**
Non-current	**(510)**	**(77)**	**—**	**(1)**	**(21)**	**—**	**(609)**
Current	**(1 289)**	**(159)**	**(9)**	**(3)**	**(42)**	**—**	**(1 502)**
Net derivative financial instruments	**(1 517)**	**(206)**	**146**	**14**	**(60)**	**523**	**(1 100)**
Unrealised gains/(losses) included in other reserves, net of tax	**(1 192)**	**(197)**	**123**	**14**	**—**	**—**	**(1 252)**
Movements for the year ended 30 June 2024							
Realised losses included in revenue	**(1 215)**	**(50)**	**—**	**—**	**—**	**—**	**(1 265)**
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	**(1 580)**	**(310)**	**141**	**15**	**—**	**—**	**(1 734)**
Gains/(losses) on derivatives	**—**	**—**	**—**	**—**	**(98)**	**670**	**572**
Day one gain/(loss) amortisation	**(114)**	**(11)**	**5**	**1**	**—**	**—**	**(119)**
Total gains/(losses) on derivatives	**(114)**	**(11)**	**5**	**1**	**(98)**	**670**	**453**
Hedge effectiveness							
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	**(1 580)**	**(310)**	**141**	**15**	**—**	**—**	**(1 734)**
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	**1 580**	**310**	**(141)**	**(15)**	**—**	**—**	**1 734**

(a) Rand gold contracts

Harmony maintains a derivative programme for some of the South African companies by entering into commodity derivative contracts. The contracts comprise forward sale contracts and zero cost collars. Hedge accounting is applied to these contracts.

(b) US$ commodity contracts

Harmony maintains a derivative programme for Hidden Valley by entering into commodity derivative contracts. The contracts comprise US$ gold forward sale contracts as well as US$ gold zero cost collars and silver zero cost collars which establish a minimum (floor) and maximum (cap) commodity sales price. Hedge accounting is applied to all US$ gold forward sale contracts and US$ gold zero cost collars, shown separately from the silver zero cost collars that are not hedge accounted.

(c) Foreign exchange contracts

Harmony maintains a foreign exchange derivative programme in the form of zero cost collars, which sets a floor and cap Rand/US$ exchange rate at which to convert US dollars to Rands, and foreign exchange forward contracts (FECs). Hedge accounting is not applied to these contracts.

17 Derivative financial instruments continued

Figures in million (SA Rand)	Hedging contracts: Rand gold forwards (a)	Hedging contracts: US$ gold forwards (b)	US$ silver contracts (b)	Foreign exchange contracts (c)	Total
At 30 June 2023					
Derivative financial assets	179	67	44	89	379
Non-current	135	33	16	85	269
Current	44	34	28	4	110
Derivative financial liabilities	(1 291)	(19)	—	(221)	(1 531)
Non-current	(401)	—	—	(69)	(470)
Current	(890)	(19)	—	(152)	(1 061)
Net derivative financial instruments	(1 112)	48	44	(132)	(1 152)
Unrealised gains/(losses) included in other reserves, net of tax	(808)	55	—	—	(753)
Movements for the year ended 30 June 2023					
Realised gains/(losses) included in revenue	(209)	25	—	—	(184)
Unrealised losses on gold contracts recognised in other comprehensive income	(1 748)	(34)	—	—	(1 782)
Gains/(losses) on derivatives	—	—	21	(145)	(124)
Day one loss amortisation	(66)	(4)	—	—	(70)
Total gains/(losses) on derivatives	(66)	(4)	21	(145)	(194)
Hedge effectiveness					
Changes in the fair value of the hedging instrument used as the basis for recognising hedge ineffectiveness	(1 748)	(34)	—	—	(1 782)
Changes in the fair value of the hedged item used as the basis for recognising hedge ineffectiveness	1 748	34	—	—	1 782
Movements for the year ended 30 June 2022					
Realised gains/(losses) included in revenue	602	(105)	—	—	497
Unrealised gains/(losses) on gold contracts recognised in other comprehensive income	(292)	50	—	—	(242)
Gains/(losses) on derivatives	—	—	114	(16)	98
Day one loss amortisation	(39)	(6)	—	—	(45)
Total gains/(losses) on derivatives	(39)	(6)	114	(16)	53

Hedge accounting

During April 2024, Harmony added gold zero cost collar (gold collar) hedging contracts to the gold forward sale derivative contracts to hedge the risk of lower gold prices. Cash flow hedge accounting is applied to the majority of these contracts, resulting in the effective portion of the unrealised gains and losses being recorded in other comprehensive income (other reserves – refer to note 23). Refer to note 37 for a summary of the risk management strategy applied and the balances relating to designated hedging instruments as at reporting date.

Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments. The group enters into gold forward and gold zero cost collar contracts that have similar terms as the hedged item, such as notional amount, maturity date and reference gold spot price thereby ensuring that an economic relationship exists between the hedging instrument and the hedged item and resulting in a hedge ratio of 1:1. Potential sources of hedge ineffectiveness include counterparty and own credit risk, day one gains and losses, a mismatch in the timing of the derivative and underlying gold sale maturities, location differential and the refining margin. Hedge ineffectiveness is measured by comparing the change in the expected cash flows from a forward sale contract versus the sale of an equivalent quantity of gold in the open market. Ineffectiveness results when the changes in the fair values in the hedging instruments exceed the fair value changes in the hedged item. A negligible amount of hedge ineffectiveness was experienced in the years presented.

17 Derivative financial instruments continued

Hedge accounting continued

A new limit for gold hedging was approved by the Board in April 2024 as 30%, 20% and 10% of production in a 12-, 24- and 36-month period, respectively, for contracts going forward. Refer to note 37 for further details.

The gains and losses from derivative contracts to which hedge accounting is not applied are included in gains/(losses) on derivatives in profit or loss.

During the current financial year the hedging policy was expanded to a 36-month period from a 24-month period at 30 June 2023. Consequently, the disclosure of open positions is now presented on a bi-annual basis compared to a quarterly basis in the prior years. HY1 represents the the period July to December and HY2 represents the period January to June. The following table shows the open position at the reporting date:

	FY25		FY26		FY27		Total
	HY1	HY2	HY1	HY2	HY1	HY2	
At 30 June 2024							
Foreign exchange contracts							
Zero cost collars							
US$m	178	146	48	18	—	—	390
Average floor – R/US$	18.48	19.30	19.21	19.57	—	—	18.93
Average cap – R/US$	20.48	21.31	21.21	21.57	—	—	20.93
Forward contracts							
US$m	75	67	36	9	—	—	187
Average forward rate – R/US$	19.53	20.05	20.12	20.40	—	—	19.79
Commodity contracts							
Rand gold forward contracts							
000 oz – cash flow hedge	192	188	152	82	14	10	638
Average R'000/kg	1 253	1 365	1 389	1 550	1 679	1 734	1 373
US$ gold forward contracts							
000 oz – cash flow hedge	20	19	18	11	5	2	75
Average US$/oz	2 151	2 155	2 249	2 496	2 634	2 695	2 273
Rand gold zero cost collar contracts							
000 oz – cash flow hedge	24	22	4	26	50	44	170
Average floor – R'000/kg	1 346	1 412	1 463	1 534	1 577	1 618	1 524
Average cap – R'000/kg	1 523	1 591	1 672	1 726	1 786	1 827	1 722
US$ gold zero cost collar contracts							
000 oz – cash flow hedge	2	2	6	7	7	7	31
Average floor – US$/oz	2 260	2 302	2 391	2 448	2 499	2 536	2 447
Average cap – US$/oz	2 510	2 552	2 658	2 721	2 786	2 818	2 721
Total gold contracts							
000 oz – cash flow hedge	238	231	180	126	76	63	914
US$ silver contracts							
000 oz	600	600	600	430	—	—	2 230
Average floor – US$/oz	25.13	26.70	28.14	29.59	—	—	27.22
Average cap – US$/oz	27.95	29.55	31.20	32.83	—	—	30.20

17 Derivative financial instruments continued

The following table shows the open position at the reporting date:

	FY24		FY25		Total
	HY1	HY2	HY1	HY2	
At 30 June 2023					
Foreign exchange contracts					
Zero cost collars					
US$m	156	156	154	96	562
Average floor – R/US$	17.56	17.93	18.48	19.53	18.25
Average cap – R/US$	19.48	19.90	20.49	21.55	20.23
Forward contracts					
US$m	72	72	69	37	250
Average forward rate – R/US$	18.94	18.94	19.53	20.30	18.96
Commodity contracts					
Rand gold forward contracts					
000 oz – cash flow hedge	156	150	144	102	552
Average R'000/kg	1 087	1 146	1 207	1 341	1 181
US$ gold forward contracts					
000 oz – cash flow hedge	18	18	15	4	55
Average US$/oz	1 901	2 079	2 136	2 175	2 043
Total gold contracts					
000 oz – cash flow hedge	174	168	159	106	607
US$ silver contracts					
000 oz	480	480	420	160	1540
Average floor – US$/oz	24.22	24.54	24.79	25.66	24.62
Average cap – US$/oz	27.00	27.36	27.79	28.66	27.50

Refer to note 37 for the details on the fair value measurements.

18 Trade and other receivables

	SA Rand	
Figures in million	**2024**	2023
Financial assets		
Trade receivables (metals)	**1 239**	1 179
Other trade receivables	**401**	460
Loss allowance	**(212)**	(211)
Trade receivables – net	**1 428**	1 428
Interest and other receivables	**150**	121
Employee receivables	**10**	12
Non-financial assets		
Prepayments	**355**	189
Value added tax and general sales tax	**625**	570
Income and mining taxes	**36**	75
Total trade and other receivables	**2 604**	2 395

18 Trade and other receivables continued

The movement in the loss allowance for trade and other receivables during the year was as follows (refer to note 37 for details):

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**211**	204
Increase in loss allowance recognised during the year	**49**	155
Reversal of loss allowance during the year	**(48)**	(148)
Balance at end of year	**212**	211

The movement relates to various individually immaterial debtors.

The loss allowance for trade and other receivables stratified according to the ageing profile at the reporting date is as follows:

	SA Rand	
Figures in million	**Gross**	**Loss allowance**
30 June 2024		
Not past due[1]	**1 364**	**—**
Past due by 1 to 30 days	**33**	**12**
Past due by 31 to 60 days	**21**	**9**
Past due by 61 to 90 days	**15**	**7**
Past due by more than 90 days	**54**	**50**
Past due by more than 361 days	**153**	**134**
Total	**1 640**	**212**
30 June 2023		
Not past due[1]	1 331	—
Past due by 1 to 30 days	64	29
Past due by 31 to 60 days	22	14
Past due by 61 to 90 days	42	9
Past due by more than 90 days	42	38
Past due by more than 361 days	138	121
Total	1 639	211

[1] *The gross amount includes the full trade receivables (metals) balance, which has no attributable loss allowance.*

There were no renegotiations of the terms of any receivables during 2024 and 2023. As at 30 June 2024 and 30 June 2023, there was no collateral pledged or held for any of the receivables.

19 Investments in associates

Critical accounting estimates and judgements

The investments in associates are evaluated for impairment by comparing the entire carrying value of the investment (including loans to associates and preference shares) to the recoverable amount, which is the higher of value in use or fair value less costs to sell. Discounted cash flow models are used to calculate the net present value of the investments. The cash flows in the models include expected interest and capital payments on loans, dividends, redemption amounts and proceeds on disposal.

(a) Harmony acquired a 32.40% interest in Pamodzi on 27 February 2008, initially valued at R345 million. Pamodzi was listed on the JSE and had interests in operating gold mines in South Africa. Pamodzi was placed in liquidation in March 2009. As at 30 June 2024, to the best of our knowledge, the liquidation process has not been concluded. Refer to note 16(a) for details of the loan and provision for impairment of the loan.

(b) Rand Refinery provides precious metal smelting and refining services in South Africa. Harmony holds a 10.38% share in Rand Refinery. This investment is a strategic investment for the group as Rand Refinery is the only company that provides such services in South Africa. Although the group holds less than 20% of the equity shares of Rand Refinery, the group is able to exercise significant influence by virtue of having a right to appoint a director on the board. Through the 10.38% shareholding and the right to appoint a director on the board, the investment has been accounted for as an associate.

Rand Refinery has a 31 August financial year-end.

In the current year, a dividend of R27 million (2023: R71 million) was received from Rand Refinery.

20 Investment in joint operations

The group has a 50% interest in certain mining and exploration assets located in the Morobe province, PNG. Newmont Corporation owns the remaining 50% interest in these assets. The asset in the joint arrangement is the Wafi-Golpu project. The joint arrangement is accounted for as a joint operation.

State participation

Under the conditions of the Wafi-Golpu exploration tenements, the PNG government (the State) has reserved the right prior to the commencement of mining to take up an equity interest of up to 30% of any mineral discovery within the Wafi-Golpu tenements. The right is exercisable by the State once at any time prior to the commencement of mining. If the State exercises this right, the exercise price is a pro-rata share of the accumulated exploration expenditure. Once the right is exercised, the State is responsible for its proportionate share of ongoing exploration and project development costs. The State has indicated its intention to exercise its option in full, however, as at 30 June 2024, this option has not been exercised.

Permitting

Special Mining Lease

In August 2016, application was made to the Mineral Resources Authority for a Special Mining Lease (SML) under the PNG Mining Act 1992. The application was subsequently updated and amended in March 2018.

There have been considerable delays in the permitting process. These include a judicial review instituted in 2019 by the Governor and Government of Morobe Province in connection with a memorandum of agreement (MoU) entered into in December 2018 between the State of PNG and the project proponents regarding progress towards a Mining Development Contract (MDC). The State withdrew from the MoU in 2019, however, meaningful negotiations with the PNG State Negotiating Team only recommenced in the second half of 2022.

In April 2023 and the project proponents entered into a Framework Memorandum of Understanding with the State, setting out the key terms and principles to guide the negotiation and preparation of the MDC and other Project agreements.The Wafi-Golpu Project will progress to development only once all Project agreements have been executed and SML 10 and all other associated tenements and permits are granted. Permitting and other contract negotiations are ongoing.

Any potential future development of the Wafi-Golpu Project is subject to further studies, completion of the remaining statutory processes, receipt of all necessary or desirable government permissions and approvals, market and operating conditions as well as approval by the board of directors of the Wafi-Golpu Joint Venture and of both Newmont Corporation and Harmony.

Environment Permit

In July 2018, application was made to the Conservation and Environment Protection Authority for an Environment Permit under the PNG Environment Act 2000, by the submission under the Act of an Environmental Impact Statement. The Environment Permit was granted in December 2020.

During March 2021, the Governor and Government of the Morobe Province instituted a judicial review in the Lae National Court against the grant by the Minister for the Environment of the Environment Permit, pending the resolution of which review the grant of an SML was stayed. Following an appeal to the Supreme Court, the National Court stay order was itself stayed. The project proponents are not parties to this proceeding, and the present Governor, who was appointed in September 2022, has stated publicly that he intends to withdraw the proceedings instituted by his predecessor, however as at 30 June 2024 has not yet done so.

In December 2022, coastal villagers represented by the Centre for Environmental Law and Community Rights Inc (CELCOR) commenced legal proceedings also seeking judicial review of the grant of the environment permit. An application by CELCOR for the proceedings to be joined with those of the governor and Morobe Provincial Government was dismissed by the Supreme Court, but the proceedings were subsequently informally associated by order of court. CELCOR successfully appealed the informal order and the judicial review is presently proceeding independently.

Either of the proceedings, if determined against the State and the Minister for Environment, could result in the setting aside of the Environment Permit, the staying of the permitting process or the grant of the SML. Such an event could delay the development progress of the project.

Carrying amount and impairment considerations

The carrying amount of the project amounts to R2.8 billion (2023: R3.1 billion). The majority of the change year on year relates to foreign exchange translation. There was no indicator of impairment at 30 June 2024 and 2023.

21 Inventories

Accounting policy

Inventories, which include finished inventories (includes bullion on hand), work in process, gold in lock-up, ore stockpiles and consumables, are measured at the lower of cost and net realisable value. Net realisable value is assessed at each reporting date and is determined with reference to relevant market prices.

The cost of finished inventories, work in process and gold in lock-up is determined by reference to production cost, including amortisation and depreciation at the relevant stage of production. Ore stockpiles are valued at average production cost. Stockpiles and gold in lock-up are classified as non-current assets where the stockpile's volume exceeds current processing capacity and where a portion of static gold in lock-up is expected to be recovered more than 12 months after balance sheet date.

Work in process inventories represent materials that are currently in the process of being converted to a saleable product. In-process material is measured based on assays of the material fed to process and the projected recoveries at the respective plants. In-process inventories are valued at the average cost of the material fed to process attributable to the source material coming from the mine or stockpile plus the in-process conversion costs, including the applicable depreciation relating to the process facility, incurred to that point in the process. Gold-in-process includes dynamic gold in lock-up, which is generally measured from the plants onwards. Final gold in lock-up is expected to be extracted when plants are demolished at the end of their useful lives, which is largely dependent on the estimated useful life of the operations feeding the plants.

At the group's open pit operations, gold-in-process represents production in broken ore form.

Consumables are valued at weighted average cost value after appropriate allowances for slow-moving and redundant items.

Critical accounting estimates and judgements

Judgement is applied in estimating the provision for stock obsolescence. The provision is recognised on items not considered critical as a percentage of the value of the inventory, depending on the period elapsed since the inventory was purchased or issued. Inventory held for longer than five years is written down to zero unless there is sufficient evidence of a recoverable amount.

	SA Rand	
Figures in million	**2024**	2023
Final gold in lock-up	**180**	138
Work in process, ore stockpiles and finished inventories (a)	**1 533**	1 095
Consumables at weighted average cost (net of provision)	**2 070**	2 170
Total inventories	**3 783**	3 403
Non-current portion of final gold in lock-up included in Other non-current assets	**(180)**	(138)
Total current portion of inventories	**3 603**	3 265
Included in the balance above is:		
Inventory valued at net realisable value[1]	**145**	138

[1] *The inventory at net realisable value relates to non-current gold in lock-up.*

(a) The increase is mainly due to a 301kg increase in gold stock volume in South African operations, combined with a higher cost per kilogram attributable to the gold stock at Hidden Valley, together accounting for R411 million of the increase.

During the year, the provision for slow-moving and redundant stock decreased by R12 million (2023: increase of R85 million). The total provision at 30 June 2024 was R480 million (2023: R492 million).

22 Share capital

Accounting policy

Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The cost of treasury shares is eliminated against the share capital balance.

Authorised

1 200 000 000 (2023: 1 200 000 000) ordinary shares with no par value.
6 866 103 (2023: 4 400 000) convertible preference shares with no par value.

Issued

632 634 413 (2023: 618 071 972) ordinary shares with no par value. All issued shares are fully paid.
6 866 103 (2023: 4 400 000) convertible preference shares with no par value.

Share issues

Share issues relating to employee share options

An additional 1 910 916 (2023: 1 546 270) shares were issued to settle the exercise of share options by employees relating to Harmony's management share option schemes. In the current financial year, Harmony implemented a new employee share option scheme referred to as the Katleho ya Moruo (Harmony ESOP Trust). On 4 April 2024 a total of 12 651 525 shares were issued to the Harmony ESOP Trust as part of the new scheme. These shares will be used to facilitate the non-managerial share based payment scheme. Note 34 sets out the details in respect of the share option schemes.

Convertible preference shares

On 21 February 2024, Harmony issued 2 466 103 convertible preference shares to the Harmony Gold Community Trust. The convertible preference shares carry a minimum annual preference dividend of R2 per share and are convertible into ordinary shares on a 1:1 basis after the tenth anniversary of the date on which the shares were issued. The conversion is at the election of Harmony.

Treasury shares

Included in the total of issued shares are the following treasury shares:

Number of shares	**2024**	2023
Ordinary shares		
Lydenburg Exploration Limited[1]	**335**	335
Kalgold Share Trust[2]	**47 046**	47 046
Harmony ESOP Trust[2]	**12 651 525**	—
Convertible preference shares		
Harmony Gold Community Trust[3]	**6 866 103**	4 400 000

[1] *A wholly-owned subsidiary.*
[2] *Trust controlled by the group.*
[3] *The issue of the convertible preference shares did not impact the group's consolidated financial statements as the Harmony Gold Community Trust is controlled by the group.*

23 Other reserves

	SA Rand	
Figures in million	**2024**	2023
Foreign exchange translation reserve (a)	**3 277**	4 220
Hedge reserve (b)	**(1 389)**	(753)
Time value reserve (b)	**137**	—
Share-based payments (c)	**3 607**	3 363
Post-retirement benefit actuarial gain/(loss) (d)	**(3)**	—
Equity instruments designated at fair value through other comprehensive income (e)	**203**	178
Acquisition of non-controlling interest in subsidiary (f)	**(381)**	(381)
Equity component of convertible bond (g)	**277**	277
Repurchase of equity interest (h)	**(98)**	(98)
Other	**(28)**	(28)
Total other reserves	**5 602**	6 778

(a) The foreign exchange translation reserve movement represents the cumulative translation effect of the group's off-shore operations. Refer to note 37 for details on the exchange rate movements year on year.

(b) Harmony has entered into gold hedging contracts. Cash flow hedge accounting is applied to these contracts, resulting in the effective portion of the unrealised gains and losses being recorded in other comprehensive income (other reserves).

Harmony introduced gold collar hedging contracts during April 2024. The changes in time value relating to these gold collars has been included in the time value reserve and presented separately from the changes in intrinsic value of all Harmony's gold hedging contracts. Refer to note 17 for further information.

The reconciliation of the hedge and time value reserves are as follows:

	SA Rand		
Figures in million	Hedge reserve	Time value reserve	Total
At 30 June 2024			
Balance at beginning of year	**(753)**	**—**	**(753)**
Remeasurement of gold hedging contracts	**(636)**	**137**	**(499)**
Unrealised loss on gold hedging contracts	**(1 891)**	**157**	**(1 734)**
Released to revenue	**1 265**	**—**	**1 265**
Foreign exchange translation	**10**	**(1)**	**9**
Deferred taxation thereon	**(20)**	**(19)**	**(39)**
Balance at end of year	**(1 389)**	**137**	**(1 252)**
Attributable to:			
Rand gold hedging contracts	**(1 192)**	**123**	**(1 069)**
US dollar gold hedging contracts	**(197)**	**14**	**(183)**
At 30 June 2023			
Balance at beginning of year	480	—	480
Remeasurement of gold hedging contracts	(1 233)	—	(1 233)
Unrealised gain on gold hedging contracts	(1 782)	—	(1 782)
Released to revenue	184	—	184
Foreign exchange translation	6	—	6
Deferred taxation thereon	359	—	359
Balance at end of year	(753)	—	(753)
Attributable to:			
Rand gold hedging contracts	(808)	—	(808)
US dollar gold hedging contracts	55	—	55

23 Other reserves continued

(c) The reconciliation of the movement in the share-based payments is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**3 363**	3 249
Share-based payments expensed (i)	**244**	114
Balance at end of year	**3 607**	3 363

(i) The group issues equity-settled instruments to certain qualifying employees under an employee share option scheme and employee share ownership plan (ESOP) to award shares from the company's authorised but unissued ordinary shares. Equity share-based payments are measured at the fair value of the equity instruments at the grant date and are expensed over the vesting period, based on the group's estimate of the shares that are expected to vest. The increase relates to the costing under the new equity-settled plan known as the Katleho ya Moruo Employee Share Ownership Plan (Katleho ya Moruo ESOP) from 4 April 2024. Refer to note 34 for further details.

(d) The actuarial gains or losses related to the post-retirement benefit obligation will not be reclassified to the income statement Refer to note 25.

(e) Includes R123 million (2023: R114 million) related to the cumulative fair value movement of Harmony's interest in Rand Mutual Assurance. Refer to note 16. The remainder relates to investments held by the environmental trusts.

(f) On 15 March 2004, Harmony announced that it had made an off-market cash offer to acquire all the ordinary shares, listed and unlisted options of Abelle Limited, held by non-controlling interests. The excess of the purchase price of R579 million over the carrying amount of non-controlling interest acquired, amounting to R381 million, has been accounted for under other reserves.

(g) On 24 May 2004, the group issued a convertible bond. The amount representing the value of the equity conversion component is included in other reserves, net of deferred income taxes. The equity conversion component is determined on the issue of the bonds and is not changed in subsequent periods. The convertible bonds were repaid in 2009.

(h) On 19 March 2010, Harmony Gold Mining Company Limited concluded an agreement with African Vanguard Resources (Proprietary) Limited (AVRD), for the purchase of its 26% share of the mining titles of the Doornkop South Reef. The original sale of the 26% share in the mining titles was accounted for as an in-substance call option by AVRD over the 26% mineral right. The agreement to purchase AVRD's 26% interest during the 2010 financial year was therefore considered to be a repurchase of the option (equity interest). The 26% interest was transferred from AVRD to Harmony in exchange for Harmony repaying the AVRD Nedbank loan and the issue of 2 162 359 Harmony shares. The difference between the value of the shares issued of R152 million, the liability to the AVRD and transaction costs, have been taken directly to equity.

Accounting policy – provisions (applicable to notes 24, 25 and 28)

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the net present value of the best estimate of the expenditure required to settle the present obligation at balance sheet date. It is calculated using a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The estimate takes into account the associated risks and uncertainties. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required, the provision is reversed.

24 Provision for environmental rehabilitation

Accounting policy

Estimated long-term environmental obligations, comprising pollution control, rehabilitation and mine closure, are based on the group's environmental management plans in compliance with current technological, environmental and regulatory requirements.

Based on disturbances to date, the net present value of expected rehabilitation cost estimates is recognised and provided for in full in the financial statements. The estimates are reviewed annually and are discounted using a pre-tax risk-free rate that is adjusted to reflect the current market assessments of the time value of money and the risks specific to the obligation.

Annual changes in the provision consist of finance costs relating to the change in the present value of the provision and inflationary increases in the provision estimate, as well as changes in estimates. The present value of environmental disturbances created is capitalised to mining assets against an increase in the rehabilitation provision. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in the income statement. If the asset value is increased and there is an indication that the revised carrying value is not recoverable, impairment is assessed in accordance with the accounting policy dealing with impairments of non-financial assets (refer to note 2.5). Rehabilitation projects undertaken included in the estimates are charged to the provision as incurred. The cost of ongoing current programmes to prevent and control pollution is charged against income as incurred. Over time, the liability is increased to reflect an interest element, and the capitalised cost is depreciated over the life of the related asset.

Critical accounting estimates and judgements

Significant judgement is applied in estimating the ultimate rehabilitation cost that will be required in future to rehabilitate the group's mines, related surface infrastructure and tailings dams. Ultimate cost may significantly differ from current estimates. The following rates were used in the calculation of the provision:

%	**2024**	2023	2022
South African operations			
Inflation rate			
– short term (Year 1)	**5.83**	6.59	6.55
– short term (Year 2)	**5.68**	5.65	5.20
– medium term (Year 3)[1]	**5.64**	5.68	n/a
– long term (Year 3 onwards)[1]	**n/a**	n/a	5.50
– long term (Year 4 onwards)[1]	**5.64**	5.64	n/a
Discount rates[2]			
– 12 months	**9.00**	9.30	5.50
– one to five years	**—**	9.20	8.30
– two to four years	**9.20**	—	—
– five to seven years	**10.90**	—	—
– six to nine years	**—**	10.60	9.90
– ten years or more	**12.00**	12.10	10.90
– fifteen years or more	**12.60**	—	—
– twenty years or more	**12.70**	—	—
PNG operations			
Inflation rate	**4.74**	4.84	5.33
Discount rate	**10.33**	9.33	8.45

[1] *In 2023, management refined the approach for applying inflation rate assumptions in the calculation.*
[2] *In 2024, the grouping of the discount rates were updated to reflect the changes in the concentration of the lives of group's mines.*

The group's mining and exploration activities are subject to extensive environmental laws and regulations. The group has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future reclamation costs are based principally on legal and regulatory requirements.

24 Provision for environmental rehabilitation continued

The following is a reconciliation of the total provision for environmental rehabilitation:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**5 473**	5 013
Change in estimate – Balance sheet[1]	**(531)**	(111)
Change in estimate – Income statement	**3**	32
Utilisation of provision	**(117)**	(120)
Time value of money and inflation component of rehabilitation costs	**486**	483
Translation	**(159)**	176
Balance at end of year	**5 155**	5 473

[1] *The majority of the change in 2024 relates to the inclusion of the deepening project for Mponeng in its life of mine plan. This increased the number of years and together with higher discount rates resulted in a significant decrease in the net present value of the liability. In 2023, there were no significant changes other than an increase in discount rates.*

The environmental provision for PNG amounts R1 446 million (2023: R1 478 million) and is unfunded due to regulations in the operating country.

While the ultimate amount of rehabilitation costs to be incurred in the future is uncertain, the group has estimated that, based on current environmental and regulatory requirements, the total undiscounted cost for the operations, in current monetary terms, is as follows:

	SA Rand	
Figures in million	**2024**	2023
Future net undiscounted obligation		
Ultimate estimated rehabilitation cost	**8 387**	7 930
Amounts invested in environmental trust funds (refer to note 15)	**(6 030)**	(5 673)
Total future net undiscounted obligation	**2 357**	2 257

The group is required to adhere to the National Environmental Act's (NEMA) financial provision requirements. They are also required to substantively review and align their financial provision in accordance with these regulations during the relevant transitional period, which has now been extended with no firm date given. The group intends to finance the ultimate rehabilitation costs from the money invested in environmental trust funds as well as the proceeds on the sale of assets and gold from plant clean-up at the time of mine closure. The group has guarantees in place, some cash-backed, relating to some of the environmental liabilities. Refer to notes 15 and 36.

25 Other provisions

	SA Rand	
Figures in million	**2024**	2023
Provision for silicosis settlement (a)	**255**	549
Retirement benefit obligation (b)	**290**	264
Total other provisions	**545**	813
Current portion of other provisions	**19**	180
Non-current portion of other provisions	**526**	633

(a) Provision for silicosis settlement

Critical accounting estimates and judgements

Significant judgement is applied in estimating the cost that will be required in future to settle any claims against certain of the group's mines. The ultimate cost may differ from current estimates.

The provision amount was based on estimates of the number of potential claimants, levels of disease progression and take-up rates. These estimates were informed by historic information, published academic research and professional opinion. The key assumptions that were made in the determination of the provision amount include:

- Silicosis prevalence rates
- Estimated settlement per claimant
- Benefit take-up rates
- Disease progression rates
- Timing of cash flows

A discount rate of 9.3% (2023: 9.5%) (2022: 6.5%) was used, based on South African government bonds with similar terms to the obligation.

There is uncertainty with regard to the rate at which potential claims would be reported as well as the benefit take-up rates. Refer to sensitivity analysis on the key assumptions below.

Harmony and certain of its subsidiaries (Harmony group), together with other mining companies, were named in a class action suit for silicosis and tuberculosis which was certified by the Johannesburg High Court in May 2016. On 26 July 2019, the Johannesburg High Court approved the settlement of the silicosis and tuberculosis class action suit between the Occupational Lung Disease Gold Working Group (the Working Group) – representing Gold Fields, African Rainbow Minerals, Anglo American SA, AngloGold Ashanti, Harmony and Sibanye Stillwater – and lawyers representing affected mineworkers (settlement agreement). The mandatory three-month period, during which potential beneficiaries could opt out of the settlement agreement and the audit thereof was completed in December 2019. The Tshiamiso Trust was set up to oversee the tracking and tracing of class members, process all submitted claims, including the undertaking of benefit medical examinations, and pay benefits to eligible claimants. A jointly controlled Special Purpose Vehicle has been set up to act as an agent for the Working Group in relation to certain matters set out in the settlement agreement and trust deed. Claims will be accepted for a twelve-year period with an effective date of December 2019.

The Working Group paid the legal costs of the claimants' attorneys and other initial amounts as set out in the settlement agreement in 2021. On 31 January 2020, the Working Group commenced the payment of their quarterly administration and benefit contributions to the Tshiamiso Trust to enable the trustees to settle benefits of eligible claimants. Those payments are revisited as necessary annually, based on activities and claims.

Harmony has provided for the estimated cost of the settlement based on actuarial assessments. A portion of the provision has been transferred to current liabilities. The nominal amount for Harmony group at 30 June 2024 is R355 million.

25 Other provisions continued

(a) Provision for silicosis settlement continued

The following is a reconciliation of the total provision for the silicosis settlement:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**549**	820
Change in estimate[1]	**(174)**	(183)
Time value of money and inflation component	**33**	67
Payments[2]	**(153)**	(155)
Balance at end of year	**255**	549
Current portion of silicosis settlement provision[3]	**19**	180
Non-current portion of silicosis settlement provision	**236**	369

[1] The change in estimate relates mainly to a change in the assumptions due to the availability of actual exit data and an adjustment to the take-up rate, which resulted in a decrease of the estimated obligation as at 30 June 2024.

[2] These payments comprise of the administration and benefit contributions to the Tshiamiso Trust.

[3] During the second half of FY24, Harmony had surplus funds available in the Tshiamiso Trust therefore no further benefit contributions have been made per instruction of the Tshiamiso Trust.

Sensitivity analysis

Management has considered the information available regarding key assumptions, as well as the uncertainties and term of the projections, and determined variances for a reasonable (possible) range to apply to the key assumptions. Information considered included medical data and evidence from the silicosis claim process. Management also considered the guidance provided by the actuarial specialists as to what could be a reasonably possible change for each item. The impact of these reasonable possible changes on the assumptions would increase or decrease the provision amount by the following amounts:

	SA Rand	
Figures in million	**2024**	2023
Effect of an increase in the assumption:		
Change in benefit take-up rate[1]	**67**	81
Change in silicosis prevalence[2]	**67**	81
Change in disease progression rates[3]	**25**	61
Effect of a decrease in the assumption:		
Change in benefit take-up rate[1]	**(67)**	(81)
Change in silicosis prevalence[2]	**(67)**	(81)
Change in disease progression rates[3]	**(25)**	(61)

[1] Change in benefit take-up rate: the take-up rate does not significantly affect the administration fees, but a 10% change results in a proportionate change in the base compensation values.

[2] Change in the silicosis prevalence: the assumptions that will result in a change in the estimated number of cases are either a 10% change in the assumed labour numbers or a 10% change in the disease risk.

[3] Change in disease progression rates: a 10% shorter/longer disease progression period was used, which results in more advanced silicosis cases. This assumption is not applicable to the dependant or tuberculosis classes.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. A change in the settlement claim amount would result in a change in the provision amount on a Rand for Rand basis.

The ultimate outcome of this matter remains uncertain, with the number of eligible potential claimants successfully submitting claims and receiving compensation being uncertain. The provision recorded in the financial statements is consequently subject to adjustment or reversal in the future.

(b) Retirement benefit obligation

Critical accounting estimates and judgements

An updated actuarial valuation is carried out at the end of each financial year. Assumptions used to determine the liability include a discount rate of 12.2%, no increases in employer subsidies (in terms of the agreement), mortality rates according to the SA 1956/62 mortality table (SA "a mf" tables) (retirement age of 60) and a medical inflation rate of 9.7% (2023: discount rate of 13.5%, retirement age of 60 and 10.1% inflation rate) (2022: discount rate of 12.3%, retirement age of 60 and 9.0% inflation rate). Management determined the discount rate by assessing South African government bonds with similar terms to the liability. The changes to the discount rate and medical inflation rate are similar to changes in interest and inflation rates in South Africa.

25 Other provisions continued

(b) Retirement benefit obligation continued

Pension and provident funds

The group contributes to several pension and provident funds governed by the Pension Funds Act, 1956 for the employees of its South African subsidiaries. The pension funds are multi-employer defined contribution industry plans. The group's liability is therefore limited to its monthly determined contributions. The provident funds are funded on a "monetary accumulative basis" with the member's and employer's contributions having been fixed in the constitution of the funds. The Australian group companies make contributions to each employee's superannuation (pension) funds in accordance with the Superannuation Guarantee Scheme (SGS). The SGS is a Federal Government initiative enforced by law which compels employers to make regular payments to regulated funds providing for each employee on their retirement. The SGS was set at a minimum of 11.0% of gross salary and wages for the 2024 year (2023: 10.5%). The fund is a defined contribution plan. The PNG Superannuation Act 2002 requires a compulsory employer contribution of 8.4% (2023: 8.4%) into an approved superannuation (pension) fund if an employee is appointed for a period of three months or more. The approved superannuation funds are defined contribution plans.

Substantially all the group's employees are covered by the above mentioned retirement benefit plans. Funds contributed by the group for the 2024 financial year amounted to R1 226 million (2023: R1 146 million).

Post-retirement benefits other than pensions

Harmony inherited post-retirement medical benefit obligations with the Freegold acquisition in 2002, the Moab Khotsong acquisition in 2018 and the Mponeng acquisition in 2021. Except for the above mentioned employees, Harmony has no other post-retirement benefit obligation for the other group employees.

The group's obligation is to pay a subsidy of 2% for every completed year of employment up to a maximum of 50% of total medical aid contributions, commencing on date of retirement. Should the employee die, either in service or after retirement, this benefit will transfer to his/her dependants. The medical aid tariffs are based on the Bestmed medical scheme (Bestmed) options.

The principal actuarial assumptions used to determine the present value of unfunded obligations are discussed above. In addition, the following was also considered:

- It is assumed that all Continuation and Widow Members (CAWMs) will remain on the current benefit option and income band. For employed members, post-employment contributions were assumed to be equal to the average payable for the current CAWMs membership
- It is assumed that not all employed members will remain employed until retirement therefore estimated resignation and ill-health retirement rates are also taken into account
- It is assumed that 90% of employed members will be married at retirement or earlier death and that wives are four years younger than their husbands.

Through the post-employment medical plan, the group is exposed to a number of risks, the most significant of which are discussed below:

- Change in bond yields: A decrease in the bond yields will increase the plan liability
- Inflation risk: The obligation is linked to inflation and higher inflation will lead to a higher liability
- Life expectancy: The obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

The liability is based on an actuarial valuation conducted during the year ended 30 June 2024, using the projected unit credit method. Subsequent to 30 June 2024, Harmony entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. Refer to note 38 for details.

25 Other provisions continued

(b) Retirement benefit obligation continued

Post-retirement benefits other than pensions continued

	SA Rand	
Figures in million	**2024**	2023
Present value of all unfunded obligations	**290**	264
Current employees	**101**	100
Retired employees	**189**	164
The movement in the retirement benefit obligation is as follows:		
Balance at beginning of year	**264**	251
Contributions paid	**(16)**	(14)
Other expenses included in staff costs/current service cost	**3**	3
Finance costs	**35**	30
Net actuarial (gain)/loss recognised in other comprehensive income during the year	**4**	(6)
Balance at end of year (non-current)	**290**	264

The net actuarial loss for 2024 mainly due to a lower net discount rate driven by the low interest rates assumed and used (2023: the net actuarial gain mainly resulted due to the results of the higher real rate of discount assumed and used).

	SA Rand	
Figures in million	**2024**	2023
The net liability of the defined benefit plan is as follows:		
Present value of defined benefit obligation	**290**	264
Fair value of plan assets	**—**	—
Net liability of defined benefit plan	**290**	264

Management considered whether a reasonably possible change in any of the key assumptions would have a material impact on the obligation, service cost or finance costs. It was determined that changes would result in an immaterial increase or decrease.

26 Leases

Accounting policy

The group assesses the presence of leases in supply contracts with external parties as at the commencement date of the agreement. Having determined that a contract contains a lease asset (and respective contractual cash obligations), Harmony recognises a right-of-use asset and lease liability. The group discloses expensed amounts for contracts assessed as variable leases, low value asset leases and short-term leases. The disclosed value of these expensed leases is either determined on a straight-line basis over the duration of the lease or on a systematic basis that fairly indicates the consumption of the lease contract. All expensed lease contracts are recognised in production costs, corporate, administration and other expenditure in the income statement.

The group applies the following practical expedients when assessing lease contracts:

- The low value lease exemption – the group has elected to take the low value exemption with a value of R50 000 for the individual leased asset value and also applied its accounting policy on capitalisation of assets based on IAS 1 materiality assessment
- The short-term lease exemption – leases with a duration of less than a year will be expensed in the income statement on a straight-line basis
- Non-lease components – the group has applied the practical expedient not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component for the classes of the underlying asset where it is appropriate to do so.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate. The group has applied the IFRS 16 portfolio approach in determining the discount rate for leases. As such, a single discount rate has been used for contracts that share similar characteristics. The group has determined that a portfolio of contracts that are denominated in the same currency may use a single discount rate. This rate has been determined using various factors including in-country borrowings as well as other sources of finance. The nature of the right-of-use assets was also considered.

26 Leases continued

Accounting policy continued

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The non-current and current portions of the lease liability is included in other non-current liabilities and trade and other payables in the balance sheet respectively.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, any initial direct costs and restoration costs as described below. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease term shall be determined as the non-cancellable period of a lease, together with:

- Periods covered by an option to extend the lease if management is reasonably certain to make use of that option and/or
- Periods covered by an option to terminate the lease, if management is reasonably certain not to make use of that option.

Whenever the group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 ***Provisions, Contingent Liabilities and Contingent Assets***. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in mining assets and non-mining assets as part of the property, plant and equipment line in the balance sheet. The group applies its existing accounting policy on impairment of non-financial assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss accordingly.

Critical accounting estimates and judgements

Key judgements applied in determining the right-of-use assets and lease liability are:

- Assessing whether an arrangement contains a lease: various factors are considered, including whether a service contract includes the implicit right to the majority of the economic benefit from assets used in providing the service
- Determining the lease term: management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee. The company applies the considerations for short-term leases where leases are modified to extend the period by 12 months or less on expiry and these modifications are assessed on a standalone basis
- Determining the discount rate: in determining the incremental borrowing rates, management considers the term of the lease, the nature of the asset being leased, the currency in which the lease payments are denominated, in country borrowings as well as other sources of finance

26 Leases continued

Critical accounting estimates and judgements continued

Key judgements applied in determining the right-of-use assets and lease liability are: **continued**

- Determination of whether Harmony has control over the special purpose entities (SPVs) owning the photovoltaic generation facilities of the Phase 1 renewable energy program. Harmony has entered into three 15-year agreements whereby Harmony will purchase all the electricity produced by the photovoltaic generation facilities of the Phase 1 renewable energy program at favourable rates. Harmony has no equity or voting interest in the SPVs and did not provide a direct guarantee for any of the obligations of the SPVs towards their shareholders or third-party debt funders. At the end of the PPA tenure, Harmony is obliged to take up, for a nominal amount, either the solar generation facilities or the shares of the SPVs (provided all liabilities in the SPVs are settled at that date). In the event of termination of the agreement by Harmony or in the event of force majeure due to unforeseeable circumstances that prevent one of the parties from fulfilling their obligations set out in the agreements, Harmony is required to assume the photovoltaic generation facilities and would be required to settle all third-party outstanding debt in the SPVs. In some instances Harmony may have to settle all or a portion of outstanding shareholder loans as well as incur a termination penalty. Harmony has assessed these clauses as protective in nature and the exposure to losses are deemed to be remote. Harmony was assessed to not have control over the SPVs based on the assessment that Harmony does not have substantive rights to direct the relevant activities of the SPVs. The payments made for electricity generated by the Phase 1 photovoltaic generation facilities is to be accounted for as variable lease payments once the facilities have been commissioned.

The movement in the right-of-use assets is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**553**	480
Additions	**270**	240
Modifications	**15**	17
Depreciation	**(248)**	(259)
Terminations	**(5)**	(45)
Translation	**(16)**	120
Balance at end of year	**569**	553

The non-current and current portions of the lease liability are included in other non-current liabilities and trade and other payables in the balance sheet respectively.

The movement in the lease liabilities is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**526**	442
Additions	**249**	228
Modifications	**15**	17
Interest expense on lease liabilities	**32**	28
Lease payments made	**(278)**	(229)
Terminations	**(6)**	—
Translation	**(32)**	40
Balance at end of year	**506**	526
Current portion of lease liabilities	**260**	216
Non-current portion of lease liabilities	**246**	310

The maturity of the group's undiscounted lease payments is as follows:

	SA Rand	
Figures in million	**2024**	2023
Less than and including one year	**270**	235
Between one and five years	**182**	273
Five years and more	**131**	128
Total	**583**	636

26 Leases continued

The amounts included in the income statement relating to leases:

	SA Rand	
Figures in million	**2024**	2023
Depreciation of right-of-use assets[1]	**248**	259
Interest expense on lease liabilities[2]	**32**	28
Short-term leases expensed[3]	**348**	154
Leases of low value assets expensed[3]	**17**	28
Variable lease payments expensed[3, 4]	**2 030**	1 678

[1] *Included in depreciation and amortisation.*
[2] *Included in finance costs.*
[3] *Included in production costs and corporate, administration and other expenditure.*
[4] *These payments relate mostly to mining and drilling contracts as well as contracts for transportation of marginal gold ore. Variable lease payments comprise 76% of the total lease payments made during the period. The majority of the variable lease payments made relate to the contracting of specialists for mining operations at Harmony's open-pit mines and are determined on a per tonne or square metre basis.*

The total cash outflows for leases are:

	SA Rand	
Figures in million	**2024**	2023
Principal and interest payments made for lease liabilities	**278**	229
Short-term lease payments	**348**	154
Lease payments of low value assets leased	**17**	28
Variable lease payments	**2 030**	1 678
Total cash outflows for leases	**2 673**	2 089

During 2022, Harmony reached financial close on three 15-year term power purchase agreements for the procurement of electricity from 30 MW photovoltaic generation facilities. These agreements constitute variable lease contracts that Harmony is committed to. The variable lease payments from these contracts are determined with reference to the quantity of megawatt hours (MWh) generated by the facilities. The commercial operating date for the three plants was achieved during August 2023. The variable lease payments incurred as it relates to these power purchase agreements amounted to R54 million (2023: Rnil).

27 Contingent consideration

Accounting policy

Contingent consideration is initially recognised at fair value in accordance with IFRS 3. Changes in the fair value of the liability subsequent to initial recognition are included in other operating expenses.

Critical accounting estimates and judgements

The contingent consideration liability comprises of the contingent consideration included as part of the consideration transferred for the acquisition of the Mponeng operations and related assets and Eva Copper (refer to note 13).

The Mponeng contingent consideration liability was initially valued at R544 million on 1 October 2020 using the discounted cash flow valuation method, discounted at a post-tax real rate of 10.6%. Other assumptions are the forecast Rand/US dollar exchange rate and life-of-mine plans. Subsequent to initial recognition, the assumptions applied for the valuation of the liability were updated. As at 30 June 2024, the contingent consideration was valued using a post-tax real discount rate of 10.5% (2023: 9.6%) (2022: 10.2%). Refer to note 14 for exchange rate assumptions and other estimates used in the life-of-mine plans.

During February 2024, the contingent consideration attributable to the below infrastructure ounces of gold was initially valued at R303 million as a result of the Mponeng's life-of-mine plan extention project approval. As at 1 October 2020, and at the end of the 2021 to 2023 financial years, the contingent consideration attributable to the below infrastructure ounces of gold was valued at Rnil, as no ounces from below infrastructure sections of the orebody were included in the life-of-mine plan of Mponeng.

The Eva Copper contingent consideration was initially valued at R169 million on 16 December 2022 using a probability weighted method for the new resource payment and a discounted cash flow valuation for the excess payment, both discounted at a post-tax nominal rate of 12.9%. Refer to note 13 for further details on the assumptions applied on initial recognition.

The fair value calculated for the contingent consideration liability is level 3 in the fair value hierarchy due to the use of unobservable inputs.

27 Contingent consideration continued

The contingent consideration liability is attributable to the following business combinations:

	SA Rand	
Figures in million	**2024**	2023
Mponeng	**587**	404
Eva Copper	**378**	185
Total contingent consideration	**965**	589

The movement in the contingent consideration liability is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**589**	356
Acquisitions[1]	**—**	169
Payment of Mponeng contingent consideration liability	**(108)**	—
Remeasurement of contingent consideration (a)	**484**	64
Balance at end of year	**965**	589
Current portion of contingent consideration[2]	**115**	—
Non-current portion of contingent consideration	**850**	589

[1] *Initial recognition of the Eva Copper contingent consideration.*
[2] *Relates to Mponeng contingent consideration for the above-infrastructure ounces being mined.*

(a) The movement in 2024 includes R291 million due to the change in the Mponeng operation's production profile, which is based on Mponeng's life-of-mine plan. It also includes R193 million for the changes in assumptions applied in determining the Eva Copper contingent consideration. These changes relate to a decrease in the discount rate and higher forecasted copper price and inflation rate.

28 Other non-current liabilities

	SA Rand	
Figures in million	**2024**	2023
Sibanye Beatrix ground swap royalty[1]	**25**	22
Lease liability – non-current[2]	**246**	310
Provision for Harmony Education Benefit Fund	**5**	5
Total non-current liabilities	**276**	337

[1] *The increase in royalty provision is due to an increase in gold prices used in the valuation.*
[2] *Refer to note 26 for an analysis of the lease liability.*

29 Streaming arrangements

Accounting policy

The streaming contract was assessed and has been accounted for as an own-use customer contract. At acquisition, the streaming contract was initially recognised at a fair value of R1.4 billion in accordance with IFRS 3. The fair value of the contract took into consideration the existing unfavourable gold price terms at acquisition, in relation to the comparative market gold price.

The obligation to deliver the contractually stipulated ounces over the remaining term of the agreement results in a significant financing component. The interest accrues on the contract liability over the remaining contractual term. As the performance obligation to deliver gold is met, the contract liability unwinds into revenue classified as "consideration from streaming contract" in note 4.

The current portion of the liability is determined with reference to the current production profile of the operation for the next 12 months.

Critical accounting estimates and judgements

The fair value of the unfavourable contract liability, which forms part of the streaming arrangement with Franco-Nevada Barbados (Franco-Nevada), was measured as the difference between a market analyst consensus of gold prices and the fixed cash consideration to be received for gold delivered. A post-tax real rate of 11.6% was used to discount the liability over the expected period of delivery to settle the contract.

Changes in the production plan will affect the subsequent measurement prospectively. This is the only input that is considered for subsequent measurement. Harmony's cost of debt of 7.7% was used to impute the finance cost for the significant financing component recognised on the streaming contract liability.

29 Streaming arrangements continued

Streaming arrangement with Franco-Nevada Barbados

Harmony's subsidiary, Chemwes, which owns the Mine Waste Solutions operation (MWS), has a contract with Franco-Nevada. Franco-Nevada is entitled to receive 25% of all the gold produced through MWS. As part of the acquisition of MWS, Harmony assumed the obligations enforced by the Franco-Nevada contract.

The contract is a streaming agreement that commenced on 17 December 2008 for which Franco-Nevada paid US$125 million upfront for the right to purchase 25% of the gold production through MWS for a fixed amount of consideration until the balance of gold cap is delivered. As at 1 October 2020, the US$125 million upfront payment has been settled. The gold cap is a provision included in the contract, which stipulates the maximum quantity of gold to be sold to Franco-Nevada over the term of the agreement. The consideration is determined as the lower of the quoted spot gold price as per the London Metals Exchange or US$400 per ounce, adjusted with an annual escalation adjustment.

Contract liability and gold delivered

Reconciliation of the ounces owed to Franco-Nevada:

Figures in ounces (oz)	2024	2023
Balance at beginning of year	**38 888**	61 157
Delivered	**(29 724)**	(22 269)
Balance at end of year	**9 164**	38 888

The contract price receivable in US$/oz for each ounce of gold delivered is as follows:
- 17 December 2020 – 16 December 2021: US$437/oz
- 17 December 2021 – 16 December 2022: US$442/oz
- 17 December 2022 – 16 December 2023: US$446/oz
- 17 December 2023 – 30 June 2024: US$451/oz.

Reconciliation of the streaming contract liability:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**390**	687
Finance costs related to significant financing component	**18**	41
Non-cash consideration for delivery of gold ounces (included in Revenue)	**(323)**	(338)
Balance at end of year	**85**	390
Current portion of streaming contract liability	**85**	285
Non-current portion of streaming contract liability	**—**	105

Accounting policy – financial liabilities (applicable to notes 30 and 31)

Financial liabilities are initially measured at fair value when the group becomes a party to its contractual arrangements. Transaction costs are included in the initial measurement of financial liabilities, except for financial liabilities classified at fair value through profit or loss. The subsequent measurement of financial liabilities is discussed below. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. The group classifies financial liabilities as follows:

- Borrowings are initially recognised at fair value net of transaction costs incurred and subsequently measured at amortised cost, comprising original debt and accrued interest less principal payments and amortisation, using the effective yield method. Any difference between proceeds (net of transaction cost) and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest rate method. Extension options of borrowings facilities are treated as loan commitments.

  Fees paid on the establishment of the loan facilities are capitalised as a pre-payment and amortised over the period of the facility to which it relates, to the extent it is probable that some or all of the facility will be drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is expensed.

  Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

- Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Payables are classified as current liabilities if payment is due within a year or less. If not, they are presented as non-current liabilities.

30 Borrowings

Summary of facilities' terms

	Commenced	Tenor (years)	Matures	Secured	Security	Interest payment basis	Interest charge	Repayment term	Repaid
Existing									
R2.5 billion revolving credit facility – sustainability linked	May 2022	Five years	May 2027[2]	No	Unsecured	Variable	JIBAR[3] + 2.40%	On maturity	n/a
US$400 million facility – sustainability linked	May 2022	Five years	May 2027[2]	No	Unsecured	Variable		On maturity	n/a
– US$100 million term facility							SOFR + 2.85%		
– US$300 million revolving credit facility							SOFR + 2.70%		
R1.5 billion facility (green term loan)[1]	May 2022	Six years, six months	November 2028	No	Unsecured	Variable	JIBAR[3] + 2.65%	Bi-annual[4]	n/a
Matured									
US$24 million Westpac loan	July 2018	Four years	July 2022	Yes	Cession and pledge of vehicles and machinery	Variable	LIBOR + 3.20%	Quarterly instalments	July 2022

1 *This facility can only be drawn down for qualifying projects.*
2 *During March 2024 a 12-month extension was granted from May 2026.*
3 *The interest rates of these facilities is expected to be impacted by the South African IBOR reform, where JIBAR is planned to be discontinued and replaced with the South African Rand Overnight Index Average (ZARONIA). As these facilities' agreements makes provision for the use of replacement benchmarks for determining interest rates, the impact of the IBOR reform is expected to be immaterial.*
4 *Initially ten equal bi-annual instalments starting from May 2024 with the final instalment on maturity. As no drawdowns have occurred as of 30 June 2024, the first R150 million is no longer available.*

30 Borrowings continued

Debt covenants

The debt covenant tests for both the Rand and US dollar facilities are as follows:

- The group's interest cover ratio shall be more than five times (EBITDA[1]/ Total interest paid)
- Leverage[2] shall not be more than 2.5 times.

[1] *Earnings before interest, taxes, depreciation and amortisation (EBITDA), as defined in the agreement excludes extraordinary items such as impairment, restructuring cost and gains/losses on disposal of fixed assets.*
[2] *Leverage is defined as total net debt to EBITDA.*

Debt covenants tests were performed for the loan facilities for the 2024 and 2023 financial years and no breaches were noted. For the 2024 financial year, the group's interest cover ratio was 44.1 times (2023: 26.0 times), while the group's leverage was negative 0.2 (2023: 0.2). Management believes that it is very likely that the covenant requirements will be met in the foreseeable future given the current earnings and interest levels.

Interest-bearing borrowings

	SA Rand	
Figures in million	**2024**	2023
Non-current borrowings		
R2.5 billion facility – sustainability linked	**—**	—
Balance at beginning of year	**—**	—
Drawn down	**300**	700
Repayments	**(300)**	(700)
Amortisation of issue costs	**16**	7
Reclassification from prepayments (Trade receivables)	**(16)**	(7)
US$400 million facility – sustainability linked	**1 785**	5 592
Balance at beginning of year	**5 592**	3 180
Drawn down	**—**	2 919
Repayments	**(3 747)**	(1 345)
Amortisation of issue costs	**23**	19
Translation	**(83)**	819
Total non-current borrowings	**1 785**	5 592
Current borrowings		
US$400 million facility – sustainability linked	**9**	103
Balance at beginning of year	**103**	—
Interest accrued	**129**	103
Interest paid	**(224)**	—
Translation	**1**	—
Westpac fleet loan	**—**	—
Balance at beginning of year	**—**	25
Repayments	**—**	(26)
Translation	**—**	1
Total current borrowings	**9**	103
Total interest-bearing borrowings	**1 794**	5 695

	SA Rand	
Figures in million	**2024**	2023
The maturity of borrowings is as follows:		
Current	**9**	103
Between one to two years	**—**	—
Between two to three years	**1 785**	5 592
Total	**1 794**	5 695

30 Borrowings continued

Interest-bearing borrowings continued

	SA Rand	
Figures in million	**2024**	2023
Undrawn committed borrowing facilities:		
Expiring within one year[1]	**1 350**	—
Expiring after one year	**7 958**	5 883
Total	**9 308**	5 883

[1] *The ability to draw down from the green loan ends at the end of November 2024. However repayment of any drawn down amounts prior to this date will be in line with the original payment terms.*

	2024	2023
Effective interest rates (%)		
Westpac fleet loan	**—**	3.4
R2.5 billion RCF – sustainability linked	**10.8**	9.2
US$400 million – sustainability linked	**8.2**	6.8

31 Trade and other payables

Accounting policy

The group accrues for the cost of the leave days granted to employees during the period in which the leave days accumulate.

	SA Rand	
Figures in million	**2024**	2023
Financial liabilities		
Trade payables	**1 138**	1 205
Lease liability – current[1]	**260**	216
Other liabilities	**566**	601
Non-financial liabilities		
Payroll accruals	**968**	888
Leave liabilities (a)	**848**	794
Shaft-related liabilities[2]	**1 367**	1 016
Other accruals	**116**	173
Value added tax	**214**	176
Income and mining tax[3]	**152**	169
Total trade and other payables	**5 629**	5 238

[1] *Refer to note 26 for an analysis of the lease liability.*
[2] *The increase in certain cost categories contributed to the change year on year – refer to note 5.*
[3] *Refer to note 11 for further detail on the movement.*

(a) Employee entitlements to annual leave are recognised on an ongoing basis. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. The movement in the liability recognised in the balance sheet is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**794**	770
Benefits paid	**(838)**	(803)
Total expense per income statement	**907**	807
Translation (gain)/loss	**(15)**	20
Balance at end of year	**848**	794

32 Cash generated by operations

	SA Rand		
Figures in million	**2024**	2023	2022
Reconciliation of profit/(loss) before taxation to cash generated by operations			
Profit/(loss) before taxation	**11 770**	6 606	(1 058)
Adjustments for:			
Amortisation and depreciation	**4 642**	3 454	3 683
Impairment of assets	**2 793**	—	4 433
Share-based payments	**250**	112	145
Net decrease in provision for post-retirement benefits	**(16)**	(15)	(14)
Net increase/(decrease) in provision for environmental rehabilitation	**(114)**	(88)	71
(Profit)/loss on sale of property, plant and equipment	**13**	(46)	(24)
Loss on scrapping of property, plant and equipment	**97**	182	7
Profit from associates	**(81)**	(57)	(63)
Investment income	**(809)**	(663)	(352)
Finance costs	**796**	994	718
Inventory-related adjustments	**(503)**	31	32
Foreign exchange translation differences	**(110)**	795	338
Non-cash portion of (gains)/losses on derivatives	**(432)**	253	252
Day one loss amortisation	**(16)**	(45)	(49)
Streaming contract revenue	**(323)**	(338)	(471)
Silicosis settlement provision – net	**(327)**	(338)	(86)
Contingent consideration remeasurement	**484**	64	(61)
Other non-cash adjustments	**37**	5	36
Effect of changes in operating working capital items			
(Increase)/decrease in Receivables	**(258)**	(627)	21
Increase in Inventories	**(50)**	(308)	(232)
Increase in Payables	**332**	618	52
Cash generated by operations	**18 175**	10 589	7 378

Additional cash flow information

Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and demand deposits.

Non-cash adjustments:

The amounts presented in the cash flow statement exclude transactions that do not represent inflows or outflows of cash and cash equivalents.

(a) Investment income from restricted investments is considered non-cash for the purposes of the cash flow statement. Included in investment income is interest earned from restricted investments of R329 million (2023: R258 million) (2022: R185 million).

(b) Finance costs on borrowings includes accrued interest and amortisation of commitment fees, which is treated as non-cash adjustments for the determination of interest paid in the cash flow statement.

(c) Additions to property, plant and equipment include right-of-use assets which are treated as non-cash adjustments for the determination of additions to property, plant and equipment in the cash flow statement.

Principal non-cash transactions:

Share-based payments (refer to note 34).

Undrawn facilities:

At 30 June 2024, R9 308 million (2023: R5 883 million) (2022: R7 254 million) of borrowing facilities had not been drawn and are therefore available for future operational activities and future capital commitments. Refer to note 30.

Taxation paid:

The income and mining taxes paid in the statement of cash flows represents actual cash paid less refunds received.

Acquisitions of investments/business:

The conditions precedent for the acquisition of the entity which owns 100% of the Eva Copper Project and a package of regional exploration tenements from Eva Copper were fulfilled on 16 December 2023. Refer to note 13 for details on the consideration paid.

33 Employee benefits

Accounting policy

- Pension, provident and medical benefit plans are funded through monthly contributions. The group pays fixed contributions into a separate entity in terms of the defined contribution pension, provident and medical plans which are charged to the income statement in the year to which they relate. The group's liability is limited to its monthly determined contributions and it has no further liability, legal or constructive, if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Refer to note 25 for details of the post-retirement medical benefit plan.
- Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 ***Provisions, Contingent Liabilities and Contingent Assets***, and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

	2024	2023
Number of permanent employees as at 30 June:		
South African operations[1]	**33 123**	33 341
International operations[2]	**1 592**	1 572
Total number of permanent employees	**34 715**	34 913

	SA Rand	
Figures in million	**2024**	2023
Aggregate earnings		
The aggregate earnings of employees including executive directors were:		
Salaries and wages and other benefits (excluding share-based payments)	**17 006**	15 988
Retirement benefit costs	**1 226**	1 146
Medical aid contributions	**403**	382
Total aggregated earnings[3]	**18 635**	17 516

[1] The South African operations include permanent employees for Phoenix of 86 and Margaret Water Company NPC of 50 as a result of Harmony's shareholding of 72% and 66% respectively.
[2] The Wafi-Golpu joint operation employees included in the total is 31 (2023: 31).
[3] These amounts have been included in cost of sales, corporate expenditure and capital expenditure.

During the 2024 financial year, termination costs included in payroll costs decreased to R182 million (2023: R609 million). Termination costs include the cost relating to the voluntary retrenchment and restructuring process as well as retrenchments due to shaft closures (refer to note 5 for further detail).

34 Share-based payments

Accounting policy

The group operates the following employee share incentive plans where the group granted share options to certain employees in exchange for services received:

- The equity-settled Sisonke Employee Share Ownership Plan (Sisonke ESOP) initially awarded in 2019
- The equity-settled Management Deferred Share Plan (DSP) initially awarded in 2020
- The equity-settled Katleho ya Moruo Employee Share Ownership Plan (Katleho ya Moruo ESOP). Shares were issued to the Harmony ESOP Trust on 4 April 2024. However award letters were issued to employees on 1 July 2024. Refer to critical accounting estimates and judgements below for further details.

Equity-settled share-based payments are measured at fair value that includes market performance conditions but excludes the impact of any service and non-market performance conditions of the equity instruments at the date of the grant. The share-based payments are expensed over the vesting period, based on the group's estimate of the shares that are expected to eventually vest. The group used an appropriate option pricing model in determining the fair value of the options granted. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the estimates of the number of options that are expected to become exercisable are revised.

The impact of the revision of original estimates, if any, is recognised in the income statement, with a corresponding adjustment to equity. The proceeds received (if any) net of any directly attributable transaction costs are credited to share capital and premium when the options are exercised.

34 Share-based payments continued

Critical accounting estimates and judgements

On 31 January 2024, the shareholders of Harmony approved the establishment of the Katleho ya Moruo ESOP. The Harmony ESOP Trust subscribed for Harmony shares equal to 2% of the shareholding in Harmony at a value of R100.66 per share equating to a total contribution of R1 273 502 507. The Trust received funding for the subscription of the shares from Harmony and the subsidiaries in the Harmony group who will receive the promised services from the eligible employees. The shares were issued to the Trust on 4 April 2024, while the allocation notices were sent to employees on 1 July 2024.

The trust deed determines that employees will be deemed to have accepted their allocations unless they formally reject within 10 days from the date of allocation (therefore on or before 10 July 2024). For the Katleho ya Moruo ESOP scheme, the service/vesting period commenced on 4 April 2024 while the grant date is 10 July 2024. This is when eligible employees are notified individually, via letters, of their participation unit allocation and acceptance thereof following the passing of 10 business days. Harmony has to recognise employee services as they are received. Therefore, for the period of 4 April 2024 to 30 June 2024, share based payment expenses for the Katleho ya Moruo ESOP scheme were recognised in advance of the grant date and prior to the participation units being issued. The fair value of the options granted under the Katleho ya Moruo ESOP was based on an estimation of what Harmony's share price would be on the grant date of 10 July 2024. The estimated share price used was R175.65. For determining the grant date fair value, Harmony's share price was deemed appropriate as there were no market conditions attached to the grant. Expected dividends were not incorporated in the measurement of the fair value as the employees granted awards under the scheme are entitled to receive dividends on the underlying shares during the vesting period.

The fair value of options granted under the DSP:

	Fair value
18 September 2019 - First issue	**R45.89 - R56.87**
18 September 2020 - Second issue	**R74.90**
20 September 2021 - Third issue	**R45.58 - R57.93**
19 September 2022 - Fourth Issue	**R42.48 - R47.25**
18 September 2023 - Fifth Issue	**R84.88 - R105.85**

The fair value of the first and second issue of options granted under the DSP was based on the Harmony spot share price at each grant date, as there were no market conditions attached to the grant. The fair value of the third, fourth and fifth issue of options granted under the DSP was determined using a Black-Scholes valuation model. The significant inputs into the model are:

	DSP
18 September 2023 - Fifth issue	
Risk-free interest rate[1]	**7.91% - 8.35%**
Expected volatility[2]	**53.03% - 59.23%**
Expected dividend yield[3]	**0.79% - 1.88%**
Spot price on grant date	**R87.39 - R116.27**
Vesting period (from grant date)[4]	**3/5 years**

[1] The risk-free rate was derived from a zero-coupon curve stripped from forward rate agreements and swap inputs.
[2] The volatility was estimated on the historical returns of the Harmony share price over a period matching the time to maturity of the shares.
[3] The dividend yield was based on Harmony's dividend forecasts and estimates of future share prices.
[4] Refer to Vesting under Options granted under the Management Deferred Share Plan below.

Employee share-based payments

The objective of these schemes is to recognise the contributions of employees to the group's financial position and performance and to retain key employees.

Executive management is encouraged to retain shares when they vest and a minimum shareholding requirement has been introduced to achieve this. This shareholding is meant to align shareholder and executive objectives to grow total shareholder return.

The total cost relating to employee share-based payments is made up as follows:

	SA Rand		
Figures in million	**2024**	2023	2022
Sisonke ESOP	**—**	—	91
Katleho ya Moruo ESOP	**112**	—	—
Management DSP	**132**	114	109
Total share-based payments	**244**	114	200

34 Share-based payments continued

Employee share-based payments continued

In December 2018, the board approved the new Total Incentive Plan for management which includes deferred shares. The first allocations under the new plan occurred in October 2019, the subsequent allocations occurring in October of each year since then. Our shareholders have authorised up to 25 000 000 shares of the issued share capital to be used for this plan. As at 30 June 2024, 4 262 157 shares have been issued in terms of the Management DSP.

On 31 January 2024, our shareholders approved the issue of Harmony shares equal to 2% of the shareholding in Harmony to the Harmony ESOP Trust. This equated to 12 651 525 shares. These shares will be used to facilitate the non-managerial share-based payment scheme.

Options granted under the Management Deferred Share Plan

Harmony implemented the Total Incentive Plan, comprising a long-term DSP and a short-term annual cash payment with effect from 1 July 2019. The total incentive for each management-level employee is determined every year through a balanced scorecard calculation. The balanced scorecard result includes a number of key short- and long-term company performance measures (to be measured over trailing three- and one-year periods). The measures are reviewed and defined annually with appropriate weightings. A portion of the total incentive is paid immediately in cash and the balance is settled by means of deferred shares.

Award	Vesting	Performance criteria
DS*	The awards will vest at a rate of 20% per annum over the following five years for executive directors and prescribed officers, and one-third per annum over the following three years for qualifying management.	The participant is still employed within the group.

** Deferred shares.*

Termination of employees' participation in the share scheme is based on "no fault" and "fault" definitions:

- Fault — All unvested and unexercised DS not yet vested are lapsed and cancelled
- No fault — All unvested and unexercised DS will continue in force to vest on the original vesting dates in accordance with the rules of the plan.

Activity on share options

	Number of DS	
Activity on DS granted but not exercised	**2024**	2023
Balance at beginning of year	**5 085 520**	4 449 291
Options granted	**1 993 119**	2 318 254
Options exercised	**(1 765 592)**	(1 480 166)
Options forfeited and lapsed	**(309 810)**	(201 859)
Balance at end of year	**5 003 237**	5 085 520

34 Share-based payments continued

34 Share-based payments continued

Employee share-based payments continued

Options granted under the Management Deferred Share Plan continued

	2024	2023
18 September 2019 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**—**	12
Weighted average share price at the date of exercise (SA Rand)	**—**	41.00
Remaining life (years)	**—**	—
18 September 2019 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**3**	2
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**0.2**	1.2
18 September 2020 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**23**	11
Weighted average share price at the date of exercise (SA Rand)	**85.46**	41.50
Remaining life (years)	**—**	0.2
18 September 2020 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**4**	2
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**1.2**	2.2
20 September 2021 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**62**	31
Weighted average share price at the date of exercise (SA Rand)	**85.00**	40.21
Remaining life (years)	**0.2**	1.2
20 September 2021 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**9**	4
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**2.2**	3.2
19 September 2022 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**43**	—
Weighted average share price at the date of exercise (SA Rand)	**82.20**	—
Remaining life (years)	**1.2**	—
19 September 2022 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**7**	—
Weighted average share price at the date of exercise (SA Rand)	**93.32**	—
Remaining life (years)	**3.2**	—

List of options granted but not yet exercised (listed by grant date)	**Number of options**	**Remaining life (years)**
As at 30 June 2024		
Deferred shares		
18 September 2019 – 5 years	**99 992**	**0.2**
18 September 2020 – 5 years	**189 787**	**1.2**
20 September 2021 – 3 years	**692 409**	**0.2**
20 September 2021 – 5 years	**604 806**	**2.2**
19 September 2022 – 3 years	**1 007 583**	**1.2**
19 September 2022 – 5 years	**528 063**	**3.2**
18 September 2023 – 3 years	**1 429 778**	**2.2**
18 September 2023 – 5 years	**450 819**	**4.2**
Total options granted but not yet exercised	**5 003 237**	

34 Share-based payments continued

Employee share-based payments continued

Options granted under the Katleho ya Moruo ESOP

Following the expiration of the Sisonke Employee Share Ownership Plan in 2022, Harmony approved the establishment of the Katleho ya Moruo ESOP in January 2024. The scheme aims to continue facilitating beneficial interest and ownership by non-managerial employees in South Africa (the beneficiaries) of Harmony shares in order to:

- Facilitate economic empowerment of Harmony's employees
- Incentivise Harmony's employees, so as to promote the shared interests of employees and shareholders in the value growth of Harmony
- Further align the interests of the Harmony shareholders and those of the employees of Harmony.

The shares were issued to the Harmony ESOP Trust (the Trust) on 4 April 2024. Each beneficiary under the scheme will be awarded 360 Participation Units (PU) from 1 July 2024, post year-end, if they qualified for the scheme upon its formation or within six months of the formation thereof. Thereafter, qualifying employees will be awarded PU on a pro-rata basis in line with the scheme rules. The PU will vest after a service period of five years commencing on 4 April 2024. The Katleho ya Moruo ESOP is equity-settled.

Award	Vesting	Performance criteria
PU*	The PU will vest after 5 years from the date on which the service period commenced.	The participant is still employed within the group.

** Participation Unit refers to the vested rights of a beneficiary to an equal number of Harmony shares held by the Trust.*

Termination of employees' participation in the share scheme is based on "no fault" and "fault" definitions:

- Fault — All unvested and unexercised PU are lapsed and cancelled
- No fault — Accelerated vesting occurs and all unvested and unexercised PU are settled in accordance with the rules of the plan.

Activity on share options

No participation units have been awarded as at 30 June 2024.

35 Related parties

None of the directors or major shareholders of Harmony or, to the knowledge of Harmony, their close families, had an interest, directly or indirectly, in any transaction from 1 July 2021 or in any proposed transaction that has affected or will materially affect Harmony or its subsidiaries, other than as stated below.

Directors and other key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group.

The directors' remuneration is as follows:

	SA Rand	
Figures in million	Executive directors	Non-executive directors
2024		
Salaries	**23**	**—**
Retirement contributions	**3**	**—**
Bonuses	**12**	**—**
Exercise/settlement of share options	**13**	**—**
Directors' fees	**—**	**13**
Total	**51**	**13**
2023		
Salaries	23	—
Retirement contributions	3	—
Bonuses	8	—
Exercise/settlement of share options	6	—
Directors' fees	—	14
Total	40	14

On 29 November 2022, Harmony announced the retirement by rotation of Mr Andre Wilkens, non-executive director, and Mr Joaquim Chissano, independent non-executive director, with effect from 29 November 2022.

35 Related parties continued

Directors and other key management continued

The following directors and prescribed officers owned shares in Harmony at year-end. The balance of shares held is attributable to shares held privately and in terms of the minimum shareholding requirement as set out in our remuneration policy:

	Number of shares	
Name of director/prescribed officer	**2024**	2023
Directors		
Peter Steenkamp	**612 436**	598 513
Boipelo Lekubo	**52 918**	24 753
Harry Mashego	**55 053**	28 975
Prescribed officers		
Beyers Nel	**79 706**	54 195
Marian van der Walt	**47 092**	66 870
Johannes van Heerden	**74 065**	42 310
Anton Buthelezi	**13 390**	—
Melanie Naidoo-Vermaak[1]	**n/a**	7 966

[1] *Resigned as prescribed officer effective 31 December 2023.*

Modise Motloba, Harmony's former deputy chairman resigned effective 27 June 2022. He is a director of Tysys (Proprietary) Limited (Tysys) which entered into a contract with the group during the 2017 financial year to provide services relating to the group's small and medium enterprise development projects. Approximately R5 million was paid during the 2022 financial year relating to services rendered in that year.

There were no other changes to the directors' interest between the reporting date and the date of the approval of the financial statements other than indicated above.

Other related parties

The services rendered to joint operations relate to professional and technical services. All the production of the group's South African operations is sent to Rand Refinery in which Harmony holds a 10.38% interest. Refer to note 19.

	SA Rand	
Figures in million	**2024**	2023
Sales and services rendered to related parties		
Joint operations	**5**	4
Total	**5**	4

	SA Rand	
Figures in million	**2024**	2023
Purchases and services acquired from related parties		
Associates	**76**	69
Total	**76**	69

36 Commitments and contingencies

Commitments and guarantees

	SA Rand	
Figures in million	**2024**	2023
Capital expenditure commitments		
Contracts for capital expenditure	**1 681**	1 893
Share of joint operation's contracts for capital expenditure	**21**	160
Authorised by the directors but not contracted for (a)	**14 442**	8 525
Total capital commitments	**16 144**	10 578

(a) The increase relates mainly to the additional capital included for renewable energy projects and the Zaaiplaats project, increasing approximately R1.5 billion and R1.0 billion respectively. The increase in the renewable energy projects relates to cost escalations as well as the inclusion of capital for phase 4 due to the Mponeng deepening project being authorised. Also contributing is the inclusion of approximately R2.9 billion for the Mponeng life of mine extension and deepening project.

Contractual obligations in respect of mineral tenement leases amount to R64 million (2023: R23 million). This relates to the Wafi-Golpu joint operation.

36 Commitments and contingencies continued

Commitments and guarantees continued

	SA Rand	
Figures in million	**2024**	2023
Guarantees		
Guarantees and suretyships[1]	**519**	500
Environmental guarantees[2]	**509**	500
Total guarantees	**1 028**	1 000

[1] The guarantees and suretyships mainly relate to Eskom guarantees.
[2] At 30 June 2024 R217 million (2023: R181 million) has been pledged as collateral for environmental guarantees in favour of certain financial institutions. Refer to note 15.

Contingent liabilities

Critical accounting estimates and judgements

Contingencies will only realise when one or more future events occur or fail to occur. The exercise of significant judgement and estimates of the outcome of future events are required during the assessment of the impact of such contingencies.

Litigation and other judicial proceedings as a rule raise difficult and complex legal issues and are subject to uncertainties and complexities including, but not limited to, the facts and circumstances of each particular case, issues regarding the jurisdiction in which the suit is brought and differences in applicable law. Upon resolution of any pending legal matter, the group may be forced to incur charges in excess of the presently established provisions and related insurance coverage. It is possible that the financial position, results of operations or cash flows of the group could be materially affected by the outcome of the litigation.

The following contingent liabilities have been identified:

(a) On 1 December 2008, Harmony issued 3 364 675 Harmony shares to Rio Tinto Limited (Rio Tinto) for the purchase of Rio Tinto's rights to the royalty agreement entered into prior to our acquisition of the Wafi deposits in PNG. The shares were valued at R242 million on the transaction date. An additional US$10 million in cash will be payable when the decision to mine is made. Of this amount, Harmony is responsible for paying the first US$7 million, with the balance of US$3 million being borne equally by the joint operators.

(b) The group may have a potential exposure to rehabilitate groundwater and radiation that may exist where the group has and/or continues to operate. The group has initiated analytical assessments to identify, quantify and mitigate impacts if and when (or as and where) they arise. Numerous scientific, technical and legal studies are underway to assist in determining the magnitude of the contamination and to find sustainable remediation solutions. The group has instituted processes to reduce future potential seepage and it has been demonstrated that Monitored Natural Attenuation (MNA) by the existing environment will contribute to improvement in some instances. To date water treatment facilities were successfully implemented at Doornkop, Tshepong West, Kusasalethu, Harmony One Plant, Kareerand (MWS) and Target 1. These facilities are now assisting in reducing our dependency on state-supplied potable water and will be key in managing any post closure decant should it arise.

In terms of Free State operations, Harmony has taken the initiative to develop a comprehensive regional closure plan in addition to updating the regional water balance, which will ensure that there is sufficient water for our organic growth initiatives. The geohydrological studies undertaken to date confirm that there is no risk of decant in Welkom. As more studies are undertaken in the area from time to time, this will add to our knowledge base in the Free State area.

Should the studies result in different solutions than the ones initially proposed, or the regulators do not approve the proposed plans, which then results in the group being required to record and account for the contingencies as liabilities, it could then have a material impact on the financial statements of the group.

36 Commitments and contingencies continued

Contingent liabilities continued

(c) Due to the interconnected nature of mining operations in South Africa, any proposed solution for potential flooding and potential decant risk posed by deep groundwater needs to be a combined one, supported by all the mines located in these goldfields. As a result, the Department of Mineral Resources and Energy (DMRE) and affected mining companies require the development of a regional mine closure strategy. In the beginning of 2024, the DMRE released a draft mine closure strategy for comment. The draft strategy while welcomed, is still in its infancy stages in that it does not address how regional mine closure will be achieved. The mining industry is now waiting for an updated draft strategy to be released once again for public comment.

Harmony operations have conducted a number of specialist studies and the risk of surface decant due to rising groundwater levels has been obviated at the entire Free State region and Kalgold. Additional studies have been commissioned at Doornkop and Kusasalethu. Studies that have been conducted indicate that there is no risk of decant from Doornkop, Kusasalethu and Mponeng, but it is recommended that confirmatory studies be completed. In addition, the decant from the Klerksdorp-Orkney-Stilfontein-Hartebeestfontein groundwater system tied with our Moab Khotsong operation has been managed through an appropriate groundwater closure plan and sufficient provision has been set aside for this. Therefore, there is no contingency arising from these operations.

Preliminary studies have also been completed to manage and mitigate the seepage from tailings facilities acquired as part of the Mponeng operations and related assets. Seepage is evident at these facilities and desktop studies have been completed to mitigate the seepage. Further feasibility studies will be conducted to refine these estimates in the future.

Should the additional studies result in different solutions than the ones initially proposed, or the regulators do not approve the proposed plans, it might result in a change in estimate to the recorded liabilities or the group recording liabilities over and above the current provisions.

(d) The individual Harmony mining operations have applied for the respective National Water Act, Section 21 Water Use Licenses to the Department of Water and Sanitation (DWS). The respective Water Use License Applications have subsequently not yet been approved by DWS for our Free State operations and Doornkop. Notably, the Department issued a Water Use Licence for the expansion of the Kareerand Tailings Facility operated by Mine Waste Solutions. The Water Use Licence conditions for the respective operations without a Water Use License are subsequently not yet known and the subsequent potential water resource impact liability as part of the mine rehabilitation and closure process (to which DWS is an important participant and decision maker) is uncertain. All operations continue to operate legally and responsibly.

(e) In terms of the sale agreements entered into with Rand Uranium, Harmony retained financial exposure relating to environmental disturbances and degradation caused by it before the effective date, in excess of R75 million of potential claims. Rand Uranium is therefore liable for all claims up to R75 million and retains legal liability. The likelihood of potential claims cannot be determined presently and no provision for any liability has been made in the financial statements.

(f) Randfontein Estates Limited (REL), a subsidiary of Harmony has an existing legal dispute with the Merafong Municipality (Merafong) relating to rates payable in terms of Merafong's Supplementary Valuation Roll 6 (SVR6). REL lodged appeals against the market values contained in SVR6. Merafong is contending for total rates payable of between R124 million and R164 million under SVR6, while Harmony is contending for total rates payable of between R17 million and R69 million on the basis that certain items of the mining operations are not rateable and/or disregarded for valuation purposes and that depreciation, rehabilitation, phasing-in and category use changes are favourably considered by the Merafong Valuation Appeal Board (Merafong VAB). Payment arrangements have been concluded between REL and Merafong in relation to these rates disputes. The Merafong VAB hearings are currently underway with other mining companies with similar legal disputes. Harmony's appeal hearings have been extended to end in October 2024, where the outcome of the matter will be decided upon by the Merafong VAB.

37 Financial risk management

The group's operating activities expose it to a variety of financial risks: market risk (including foreign exchange risk, commodity price risk, other price risk and interest rate risk), credit risk and liquidity risk. The group may use derivative financial instruments to hedge certain risk exposures.

The group's financial assets and liabilities are classified as set out below:

	SA Rand					
Figures in million	Debt instruments at amortised cost	Equity instruments designated at fair value through OCI	Derivatives designated as cash flow hedges	Derivatives at fair value through profit or loss	Debt instruments at fair value through profit or loss	Financial liabilities at amortised cost
At 30 June 2024						
Financial assets						
Restricted cash and investments	4 629	335	—	—	1 569	—
Other non-current assets	8	88	—	—	68	—
Non-current derivative financial instruments	—	—	352	101	—	—
– Rand gold forwards	—	—	172	—	—	—
– US$ gold forwards	—	—	27	—	—	—
– Rand gold collars[1]	—	—	135	—	—	—
– US$ gold collars[1]	—	—	18	—	—	—
– US$ silver contracts	—	—	—	3	—	—
– Foreign exchange contracts	—	—	—	98	—	—
Current derivative financial instruments	—	—	133	425	—	—
– Rand gold forwards	—	—	110	—	—	—
– US$ gold forwards	—	—	3	—	—	—
– Rand gold collars[1]	—	—	20	—	—	—
– Foreign exchange contracts	—	—	—	425	—	—
Trade and other receivables	1 588	—	—	—	—	—
Cash and cash equivalents	4 693	—	—	—	—	—
Financial liabilities						
Non-current derivative financial instruments	—	—	588	21	—	—
– Rand gold forwards	—	—	510	—	—	—
– US$ gold forwards	—	—	77	—	—	—
– US$ gold collars[1]	—	—	1	—	—	—
– US$ silver contracts	—	—	—	21	—	—
Current derivative financial instruments	—	—	1 460	42	—	—
– Rand gold forwards	—	—	1 289	—	—	—
– US$ gold forwards	—	—	159	—	—	—
– Rand gold collars[1]	—	—	9	—	—	—
– US$ gold collars[1]	—	—	3	—	—	—
– US$ silver contracts	—	—	—	42	—	—
Borrowings	—	—	—	—	—	1 794
Contingent consideration liability	—	—	—	—	965	—
Other non-current liabilities	—	—	—	—	—	271
Trade and other payables	—	—	—	—	—	1 964

[1] *Harmony introduced gold zero cost collar hedging contracts to its derivative programme during April 2024 to hedge the risk of lower gold prices. Cash flow hedge accounting is applied to these contracts.*

37 Financial risk management continued

Figures in million	Debt instruments at amortised cost	Equity instruments designated at fair value through OCI	Derivatives designated as cash flow hedges	Derivatives at fair value through profit or loss	Debt instruments at fair value through profit or loss	Financial liabilities at amortised cost
	SA Rand					
At 30 June 2023						
Financial assets						
Restricted cash and investments	4 152	305	—	—	1 705	—
Other non-current assets	15	78	—	—	101	—
Non-current derivative financial instruments	—	—	168	101	—	—
– Rand gold forwards	—	—	135	—	—	—
– US$ gold forwards	—	—	33	—	—	—
– US$ silver contracts	—	—	—	16	—	—
– Foreign exchange contracts	—	—	—	85	—	—
Current derivative financial instruments	—	—	78	32	—	—
– Rand gold forwards	—	—	44	—	—	—
– US$ gold forwards	—	—	34	—	—	—
– US$ silver contracts	—	—	—	28	—	—
– Foreign exchange contracts	—	—	—	4	—	—
Trade and other receivables	1 561	—	—	—	—	—
Cash and cash equivalents	2 867	—	—	—	—	—
Financial liabilities						
Non-current derivative financial instruments	—	—	401	69	—	—
– Rand gold forwards	—	—	401	—	—	—
– Foreign exchange contracts	—	—	—	69	—	—
Current derivative financial instruments	—	—	909	152	—	—
– Rand gold forwards	—	—	890	—	—	—
– US$ gold forwards	—	—	19	—	—	—
– Foreign exchange contracts	—	—	—	152	—	—
Borrowings	—	—	—	—	—	5 695
Contingent consideration liability	—	—	—	—	589	—
Other non-current liabilities	—	—	—	—	—	332
Trade and other payables	—	—	—	—	—	2 022

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges certain selected financial risks in close cooperation with the group's operating units. The audit and risk committee and the board provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, commodity price risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity.

Market risk

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (US$). Foreign exchange risk arises when future commercial transactions or recognised financial assets or liabilities are denominated in a currency that is not the entity's functional currency. Harmony's revenues are sensitive to the R/US$ exchange rate as all revenues are generated by commodity sales denominated in US$. A weakening of the Rand will increase the reported revenue total; conversely a strengthening will decrease it. Harmony may enter into hedging transactions to reduce this risk. The limit currently set by the board is 25% of the group's foreign exchange risk exposure for a period of 24 months. The audit and risk committee reviews the details of the programme quarterly. Refer to note 17 and the fair value determination for financial assets and liabilities section below for details of the contracts.

37 Financial risk management continued
Market risk continued
Foreign exchange risk continued

The Rand strengthened during the 2024 year from a closing rate of R18.83/US$1 on 30 June 2023 to R18.19/US$1 on 30 June 2024. The strengthening of the Rand resulted in the average locked-in rates being higher than the spot exchange rate at 30 June 2024, which had a positive impact on the contracts that matured during the period as well as those that were outstanding as at 30 June 2024.

The group is exposed to foreign exchange risk arising from borrowings and cash denominated in a currency other than the functional currency of that entity (refer to note 2.2 for details on the group's functional currencies). These exposures are mainly to the US$. The strengthening of the Rand also had a positive impact on the translation of the US$ debt facilities at 30 June 2024. At 30 June 2023 these exposures impacted negatively on the translation of the US$ debt facilities. Refer to note 30 for further detail.

Translation of the international net assets was impacted by the Kina weakening from a closing rate of PGK2.38/A$1 on 30 June 2023 to PGK2.57/A$1 on 30 June 2024 and the Rand strengthening during the year to R12.14/A$ on 30 June 2024 from a closing rate of R12.56/A$ on 30 June 2023. This impacted the translation of balances from Kina to Australian dollar and Australian dollar to Rand on consolidation as well as the average rate at which income statement items were translated at. A foreign exchange translation loss of R943 million has been recognised in other comprehensive income relating to the translation of the international net assets to Rand. At 30 June 2023 the translation of international net assets was impacted by a weakening of the Rand against the Australian dollar from R11.25/A$ at 30 June 2022 to R12.56/A$ resulting in a gain of R1 123 million being recognised in other comprehensive income.

The relevant exchange rates traded in the following ranges:

	Year ended	
	30 June 2024	30 June 2023
R/US$ foreign exchange rate range for the year	**17.54 – 19.51**	16.17 – 19.81
R/A$ foreign exchange rate range for the year	**11.71 – 12.72**	11.19 – 12.94
A$/PGK foreign exchange rate range for the year	**2.30 – 2.60**	2.18 – 2.52

The group has reviewed its foreign currency exposure on financial assets and financial liabilities and has identified the following sensitivities in the exchange rates that would affect profit and loss before tax:
- Rand/US$ exchange rate – 3% (2023: 5%) based on the standard deviation from a one-year forecast of various financial institution outlooks
- A$/US$ exchange rate – 3% (2023: 4%) based on the standard deviation from a one-year forecast of various financial institution outlooks.

Only material foreign currency exposure balances were considered when determining the need for a sensitivity analysis and therefore management has not performed a sensitivity analysis on PGK/US$ exchange rates.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis – borrowings		
Rand against US$		
Balance at 30 June	**1 794**	5 695
Strengthen by 3% (FY23: 5%)	**54**	285
Weaken by 3% (FY23: 5%)	**(54)**	(285)
Closing rate	**18.19**	18.83
Sensitivity analysis – contingent consideration liability: Mponeng		
Rand against US$		
Balance at 30 June	**587**	404
Strengthen by 3% (FY23: 5%)	**18**	20
Weaken by 3% (FY23: 5%)	**(18)**	(20)
Closing rate	**18.19**	18.83
Sensitivity analysis – contingent consideration liability: Eva Copper		
US$ against A$		
Balance at 30 June	**378**	185
Strengthen by 3% (FY23: 4%)	**11**	7
Weaken by 3% (FY23: 4%)	**(11)**	(8)
Closing rate	**0.67**	0.67

37 Financial risk management continued
Market risk continued
Foreign exchange risk continued

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis – other financial instruments		
Rand against US$		
Balance at 30 June	**523**	(132)
Strengthen by 3% (FY23: 5%)	**250**	495
Weaken by 3% (FY23: 5%)	**(241)**	(615)
Closing rate	**18.19**	18.83
US$ against A$		
Balance at 30 June	**252**	408
Strengthen by 3% (FY23: 4%)	**7**	16
Weaken by 3% (FY23:4%)	**(8)**	(17)
Closing rate	**0.67**	0.67

Commodity price sensitivity
The profitability of the group's operations, and the cash flows generated by those operations, are affected by changes in the market price of gold, and in the case of Hidden Valley, silver as well. Harmony entered into derivative contracts to manage the variability in cash flows from the group's production to create cash certainty and protect the group against lower commodity prices. A new limit for gold hedging was approved by the Board in April 2024 as 30%, 20% and 10% of production in a 12-, 24- and 36-month period, respectively, for contracts going forward. Prior to April 2024, the limit was 20% for a 24-month period. The limit set by the Board is 50% of silver exposure over a 24-month period. Management continues to top up these programmes as and when opportunities arise to lock in attractive margins for the business, but are not required to maintain hedging at these levels. The audit and risk committee reviews the details of the programme quarterly.

The exposure to the variability in the price of gold is managed by entering into gold forward sales contracts and gold zero cost collar contracts for a portion of the group's production. A portion of the production of the South African operations is linked to Rand gold forward contracts and Rand gold zero cost collar contracts. US$ gold forward contracts and US$ gold zero cost collar contracts were entered into for the production from Hidden Valley. The exposure to the variability in the price of silver for Hidden Valley is managed by entering into US$ silver zero cost collars. These contracts have not been designated as hedging instruments for hedge accounting and the gains and losses are accounted for in the income statement. Refer to note 17 and the fair value determination for financial assets and liabilities section below for further detail on these contracts.

Gold traded within a range of US$1 820/oz and US$2 425/oz (2023: US$1 622/oz and US$2 051/oz) during the current year. For both the 2023 and 2024 year, an increase in the price of gold in US$ terms resulted in the average locked-in gold forward prices being lower than the gold spot price which had a negative impact on the gold forward hedging contracts that matured during the period as well as those that were outstanding as at 30 June 2023 and 30 June 2024.

The group has reviewed its exposure to commodity-linked instruments and identified a sensitivity of 8% (2023: 7%), based on the standard deviation of a one-year forecast gold price from various financial institution outlooks. The estimated sensitivity would affect other comprehensive income.

Only material commodity balances were considered when determining the need for a sensitivity analysis and therefore management has not performed a sensitivity analysis on silver commodities.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis		
Rand gold derivatives		
Other comprehensive income		
Increase by 8% (FY23: 7%)	**(2 740)**	(1 472)
Decrease by 8% (FY23: 7%)	**2 439**	1 314
US$ gold derivatives		
Other comprehensive income		
Increase by 8% (FY23: 7%)	**(418)**	(141)
Decrease by 8% (FY23: 7%)	**376**	137

37 Financial risk management continued

Market risk continued

Other price risk

The group is exposed to the risk of fluctuations in the fair value of fair value through profit or loss financial assets as a result of changes in market prices (other than changes in interest rates and foreign currencies). Harmony generally does not use any derivative instruments to manage this risk.

Sensitivity analysis

Certain of the restricted investments are linked to the Top 40 Index on the JSE. Management considered a sensitivity of 2% (2023: 6%) as appropriate, based on the average fluctuations within the last year's historical data. These changes in the Top 40 index at the reporting dates, with all other variables held constant, would not have a material impact on the balances.

Interest rate risk

The group's interest rate risk arises mainly from borrowings. The group has variable interest rate borrowings. Variable rate borrowings expose the group to cash flow interest rate risk.

With inflation rates easing and economies recovering, central banks have kept interest rates unchanged during the year ended 30 June 2024. The stable interest rates coupled with a reduction in borrowings has had a positive impact on Harmony's cost of borrowings. The group has therefore not entered into interest rate swap agreements as the interest rate risk continues to be assessed as low. The audit and risk committee reviews the group's risk exposure quarterly.

Interest rate risk arising from borrowings is offset by cash and restricted cash and investments held at variable rates. As at 30 June 2024, management reasonably expects profit or loss before tax to increase/(decrease) by the following sensitivities:

- A 53 basis points (2023: 15 basis point) finance cost movement based on the average of a one-year forecast US Federal rate from various financial institution outlooks
- A 41 basis points (2023: 50 basis points) sensitivity on interest received based on an average of a one-year forecast of the South African prime interest rate from various financial institution outlooks.

The above analysis assumes that all other variables remain constant.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis – borrowings (finance costs)		
US$-denominated borrowings		
Increase by 53 basis point (FY23: 15 basis point)	**(10)**	(9)
Decrease by 53 basis points (FY23: 15 basis point)	**10**	9
Sensitivity analysis – financial assets (interest received)		
Increase by 41 basis points (FY23: 50 basis points)	**38**	34
Decrease by 41 basis points (FY23: 50 basis points)	**(38)**	(34)

Credit risk

Credit risk is the risk that a counterparty may default or not meet its obligations in a timely manner. Financial instruments that are subject to credit risk are restricted cash and investments, derivative financial instruments and cash and cash equivalents, as well as trade and other receivables (excluding non-financial instruments).

Assessment of credit risk

In assessing the creditworthiness of local institutions, management uses the national scale long-term ratings. The credit risk arising from cash and cash equivalents, restricted cash and investments, and derivative financial assets is managed by ensuring amounts are only invested with financial institutions of good credit quality based on external credit ratings and by assessing the underlying source of where the funds are invested. The group has policies that limit the amount of credit exposure to any one financial institution. The audit and risk committee reviews the exposure on a quarterly basis. Exposure to credit risk on trade and other receivables is monitored on a regular basis by management.

At 30 June 2024, the national scale investment grade rating of the major South African banks remained unchanged at AA+, which is in line with the group's credit risk policy. The credit rating of the group's Australian counterparts changed from A+ at 30 June 2023 to AA- at 30 June 2024.

An assessment of the expected credit losses for the financial assets measured at amortised cost at 30 June 2024 resulted in an immaterial amount for each instrument, in line with the assessment performed in 2023 (refer to the expected credit loss assessment below for further detail).

Management will continue to review the underlying strength of the economies we operate in as well as the creditworthiness of the financial institutions and make any changes deemed necessary to safeguard the assets and reduce the credit risk.

The group's maximum exposure to credit risk is represented by the carrying amount of all financial assets determined to be exposed to credit risk, amounting to R13 566 million as at 30 June 2024 (2023: R10 780 million).

37 Financial risk management continued

Credit risk continued

Assessment of credit risk continued

The group has restricted investments that are invested in various collective investment schemes totalling R75 million (2023: R212 million) and equity investments of R335 million (2023: R305 million).

Financial institutions' credit rating by exposure (source: Fitch Ratings and Global Credit Ratings)

	SA Rand	
Figures in million	**2024**	2023
Cash and cash equivalents		
AA+	**3 598**	2 093
AA-	**1 095**	—
A+	**—**	774
Total	**4 693**	2 867
Restricted cash and investments (refer to note 15)		
AAA	**401**	234
AA+	**5 722**	5 411
Total	**6 123**	5 645
Derivative financial assets (refer to note 17)		
AA+	**407**	117
AA	**221**	—
AA-	**156**	127
A+	**227**	135
Total	**1 011**	379

Expected credit loss assessment

The group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The group's debt instruments at amortised cost consist of cash and cash equivalents, a portion of restricted cash and investments and trade and other receivables. The assessment of ECLs for the different debt instruments is discussed below:

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions which are rated between AA- and AA+ (see above). The ECL on cash and cash equivalents has been determined using the simplified approach that allows the group to assume that the credit risk on financial instruments determined to have low credit risk at the reporting date, has not increased significantly since initial recognition of the financial instrument. The ECL was estimated with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. The ECL was determined to be immaterial.

Restricted cash and investments

The restricted cash and investments relate largely to the environmental trust funds. These funds are held with banks and financial institutions that are rated AA+ (see above) as well as investments in government bonds rated at AAA. Impairment of investments with investment-grade ratings has been determined using the simplified approach that allows the group to assume that the credit risk on financial instruments determined to have low credit risk at the reporting date, has not increased significantly since initial recognition of the financial instrument. The group considers that the majority of its restricted cash and investments have low credit risk based on the external credit ratings of the counterparties with which the funds are deposited. The ECL was estimated with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. Concentration of credit risk on restricted cash and investments is considered minimal due to the group’s investment risk management and counterparty exposure risk management policies.

Trade and other receivables

The group’s exposure to credit risk arising from trade receivables (metals) and other trade receivables is influenced mainly by the individual characteristics of each customer.

Trade receivables result largely from the sale of gold and are fully performing. Exposure to credit risk on receivables from gold sales is limited through payment terms of two to three days after recognition of revenue for gold sales. The majority of other receivables comprise a limited number of individually significant customers. The group determines the ECL on trade receivables and individually significant other receivable balances with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. The external credit ratings used range between A- to AA-. The ECL was determined to be immaterial.

Loss allowances on individually insignificant other trade receivables has been determined using the simplified ECL approach using a provision matrix and reflects the short-term maturities of the exposures and past experienced credit judgement. Refer to note 18 for details on the amount of the loss allowance recognised and the stratification of trade and other receivables for purposes of the assessment.

37 Financial risk management continued

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

In the ordinary course of business, the group receives cash from its operations and is required to fund working capital and capital expenditure requirements. Management prepares cash flow forecasts weekly and ensures that surplus funds are invested in a manner to achieve market-related returns and to provide sufficient liquidity at the minimum risk. The group maintains and refinances committed credit facilities as medium-term forecasts require. The audit and risk committee reviews the updated forecasts quarterly. The group is able to actively source financing at competitive rates. Where necessary, funds will be drawn from its revolving credit facilities (refer to note 30).

The following are the undiscounted contractual maturities of financial liabilities (including principal and interest payments assuming the closing R/US$ exchange rate, closing spot US$ gold price and interest rate at year end):

	SA Rand			
Figures in million	**2024**		2023	
	Current	**More than 1 year**	Current	More than 1 year
Contingent consideration liability[1]				
Due between 0 to five years	**115**	**636**	—	604
Due between six to 10 years	**—**	**414**	—	225
Due between 10 to 15 years	**—**	**490**	—	471
Due between 15 to 20 years	**—**	**461**	—	—
Other non-current liabilities[2]	**—**	**25**	—	22
Lease liability[3]	**270**	**313**	235	401
Trade and other payables (excluding non-financial liabilities)[2,4]	**1 704**	**—**	1 806	—
Derivative financial liabilities[4]				
Due between 0 to six months	**973**	**—**	609	—
Due between six to 12 months	**649**	**—**	639	—
Due between one to two years	**—**	**766**	—	812
Borrowings[4]				
Due between 0 to six months	**75**	**—**	597	—
Due between six to 12 months	**74**	**—**	215	—
Due between one to two years	**—**	**149**	—	431
Due between two to three years[5]	**—**	**1 953**	—	5 660
Total	**3 860**	**5 207**	4 101	8 626

[1] *The increase in the settlement period is due to the inclusion of the deepening project for Mponeng in its life-of-mine plan.*
[2] *These balances exclude the lease liability as it has been disclosed separately.*
[3] *Refer to note 26 for details of the maturity periods.*
[4] *The group will utilise its cash generated from operations to settle outstanding obligations.*
[5] *Final repayment of capital amount of R1 819 million in May 2027, taking into account a 12-month extension that was granted in March 2024. This repayment is based on the final outstanding balance of US$100 million and the closing exchange rate of R18.19.*

Capital risk management

The primary objective of managing the group's capital is to ensure that there is sufficient capital available to support the funding requirements of the group, in a way that optimises the cost of capital and matches the current strategic business plan.

The group manages and makes adjustments to the capital structure, which consists of debt and equity, as and when borrowings mature or when funding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. In doing so, the group ensures it stays within the debt covenants agreed with lenders. The group may also sell assets to reduce debt or schedule projects to manage the capital structure.

The group made repayments of R4 047 million during the year ended 30 June 2024. The consideration of R2 996 million for the acquisition of Eva Copper was the main contributor to the group's net debt for the year ended 30 June 2023. It remains the group's objective to adhere to a conservative approach to debt and maintain low levels of gearing in order to be well positioned for upcoming increased capital expenditure.

37 Financial risk management continued

Capital risk management continued

Net cash/(debt) is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cash and cash equivalents	**4 693**	2 867
Borrowings	**(1 794)**	(5 695)
Net cash/(debt)	**2 899**	(2 828)

There were no changes to the group's approach to capital management during the year.

Fair value determination for financial assets and liabilities

The fair value levels of hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from other prices)

Level 3: Inputs for the asset that are not based on observable market data (that is, unobservable inputs).

The following table sets out the group's assets and liabilities measured at fair value by level within the fair value hierarchy:

	SA Rand					
Figures in million	**At 30 June 2024**			At 30 June 2023		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Fair value through other comprehensive income						
Other non-current assets (a)	**—**	**—**	**88**	—	—	78
Restricted cash and investments (b)	**335**	**—**	**—**	305	—	—
Fair value through profit or loss						
Restricted cash and investments (b)	**—**	**1 569**	**—**	—	1 705	—
Derivative financial assets (c)	**—**	**1 011**	**—**	—	379	—
Derivative financial liabilities (c)	**—**	**(2 111)**	**—**	—	(1 531)	—
Loan to ARM BBEE Trust (d)	**—**	**—**	**68**	—	—	101
Contingent consideration liability (e)	**—**	**—**	**(965)**	—	—	(589)

(a) The majority of the balance relates to the equity investment in Rand Mutual Assurance. The fair value of the investment was estimated with reference to an independent valuation. A combination of the "Embedded Valuation" and "Net Asset Value" techniques were applied to revalue the investment at the reporting dates. In evaluating the group's share of the business, common practice marketability and minority discounts as well as additional specific risk discounts were applied. There are no inputs to the valuation that a reasonably possible change would result in a material change in the fair value of the investment.

(b) The level 1 valued assets comprise listed equity securities designated as fair value through other comprehensive income instruments. The majority of the level 2 valued assets are directly derived from the Top 40 index on the JSE, and are discounted at market interest rates. This relates to equity-linked deposits in the group's environmental rehabilitation trust funds. The remaining balance of the environmental trust funds is carried at amortised cost and therefore not disclosed here.

(c) The mark-to-market remeasurement of the derivative contracts (refer to note 17 for further details) was determined as follows:

- Foreign exchange contracts comprise zero cost collars and FECs: The zero cost collars were valued using a Black-Scholes valuation technique derived from spot Rand/US$ exchange rate inputs, implied volatilities on the Rand/US$ exchange rate, Rand/US$ inter-bank interest rates and discounted at a market interest rate (zero-coupon interest rate curve). The value of the FECs is derived from the forward Rand/US$ exchange rate and discounted at a market interest rate (zero coupon interest rate curve)
- Rand gold forward sale contracts: spot Rand/US$ exchange rate, Rand and dollar interest rates (forward points), spot US$ gold price, differential between the US interest rate and gold lease interest rate which is discounted at a market interest rate
- US$ gold forward sale contracts: spot US$ gold price, differential between the US interest rate and gold lease interest rate and discounted at a market interest rate
- Silver contracts (zero cost collars): a Black-Scholes valuation technique, derived from the spot US$ silver price, strike price, implied volatilities, time to maturity and interest rates and discounted at a market interest rate

37 Financial risk management continued

Fair value determination for financial assets and liabilities continued

(c) Derivative contracts **continued**

- Rand gold zero cost collar contracts: a Black-Scholes valuation technique, derived from spot Rand/US$ exchange rate, spot US$ gold price, Rand and dollar interest rates (forward points) with discounting at the market interest rate (zero-coupon interest rate curve), US$ gold forward rates, time to maturity and implied volatilities
- US$ gold zero cost collar contracts: a Black-Scholes valuation technique, derived from spot US$ gold price, US$ gold forward rates, US$ interest rates with discounting at the market interest rate (zero-coupon interest rate curve), time to maturity and implied volatilities.

(d) At 30 June 2024, the fair value movement was calculated using a discounted cash flow model, taking into account forecast dividend payments over the estimated repayment period of the loan at a rate of 12.6% (2023: 12.7%). A 73 basis points (2023: 37 basis points) change in the discount rate, which would represent a reasonably possible change based on expected movements in lending rates, would not cause a material change in the fair value of the loan. The loan balance forms part of other non-current assets in the balance sheet. During the 2024 year, repayments to the value of R42 million (2023: R74 million) were received.

(e) Contingent consideration liabilities (refer to note 27) consist of the following:

- Mponeng operation
  The contingent consideration liability related to the Mponeng operation was determined using the expected gold production profile for Mponeng. At 30 June 2024, the liability was valued at R587 million (2023: R404 million), using a discounted cash flow valuation method at a post-tax real rate of 10.5% (2023: 9.6%). Should the expected gold production profile increase by 9.7% or decrease by 9.7%, the contingent consideration liability would increase by R354 million (2023: R411 million at 9.8%) or decrease by R340 million (2023: R314 million at 9.8%) respectively. This represents reasonably expected changes which, for FY24, were determined based on the average variance between the planned production and the actual production achieved over a number of years. The reasonably expected change for FY23 was determined using the standard deviation of previous years' actual production. No other reasonably expected changes in key unobservable inputs would have caused a material change in the fair value of the liability. The remeasurement of the liability has been included in other operating income/(expenses).
- Eva Copper
  The contingent consideration for Eva Copper includes contingent consideration valued at R378 millions (2023: R185 millions), using a probability weighted method for the new resource payment and a discounted cash flow valuation for the excess payment, both discounted at a post-tax nominal rate of 11.4% (2023: 12.9%). A long-term copper price of US$4.00/lbs (2023: US$3.50/lbs) was applied in the valuation. A 10.4% change in the long-term copper price, which would represent a reasonably possible change based on the standard deviation of market analysts long-term forecasts of the copper price, would not cause a material change in the fair value of the contingent consideration. The remeasurement of the liability has been included in other operating income/(expenses).

The carrying values (less any impairment allowance) of short-term financial instruments are assumed to approximate their fair values. This includes restricted cash and investments carried at amortised cost. The fair values of borrowings fairly approximates their carrying values, as these values do not differ materially due to the interest payable on the borrowings being set at market-related floating interest rates.

38 Subsequent events

(a) During August 2024, management received information relating to the preliminary results of the exploration drilling programme conducted for Target North. These preliminary results indicated that a decrease of the mineral resource estimation attributable to Target North is likely. The decrease in the attributable ounces as indicated by the preliminary results constitutes an indication of impairment. The indicator is considered to be an adjusting event as it provides more reliable information of circumstances that already existed as at 30 June 2024. Therefore an impairment assessment was performed for Target North at the reporting date. Please refer to note 5 and 14 for more information relating to the impairment considerations of Target North.

(b) On 30 July 2024, the Queensland Government announced its decision to provide conditional grant funding of A$20.7 million for Eva Copper under the Mount Isa Mining Acceleration Programme. The grant is subject to a number of conditions, including that Harmony reaches a positive Final Investment Decision by January 2026. This constitutes a non-adjusting subsequent event. Management is still assessing the 2025 financial year accounting treatment and impact of the government grant.

(c) On 4 September 2024, a final dividend of 94 SA cents was declared, paid on 14 October 2024.

38 Subsequent events continued

(d) Effective from 1 September 2024, Harmony has entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. During September 2024, Harmony transferred a once-off amount of R350 million to RMA as a single premium for the transfer of the on-balance sheet liability of R290 million. Harmony and RMA have fulfilled all the relevant clauses per the contract, and the liability was derecognised.

(e) On 1 October 2024, Dr Urishanie Govender was appointed as Chief Sustainability Officer and will be classified as a prescribed officer going forward.

(f) On 23 October 2024, Harmony fulfilled all its obligations stemming from the streaming arrangement with Franco Nevada. Refer to note 29 for further information on the Franco-Nevada streaming arrangement. Going forward, all gold revenue generated by the Mine Waste Solutions operation will be based on quoted market prices. This constitutes a non-adjusting subsequent event.

39 Segment report

Accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM has been identified as the Group CEO's office.

The group has one main economic product, being gold. In order to determine operating and reportable segments, management reviewed various factors, including geographical location as well as managerial structure. It was determined that an operating segment consists of a shaft or a group of shafts or open pit mine managed by an operational management team.

After applying the qualitative and quantitative thresholds from IFRS 8 ***Operating Segments***, the reportable segments were determined as: Tshepong North, Tshepong South, Moab Khotsong, Bambanani, Joel, Doornkop, Target 1, Kusasalethu, Masimong, Mponeng, Mine Waste Solutions and Hidden Valley. All other operating segments have been grouped together under all other surface operations.

The CODM has been identified as the Group CEO's office consisting of the:
- Chief executive officer
- Financial director
- Executive director: Stakeholder relations and Corporate affairs
- Group Chief operating officer: Operations
- Group Chief operating officer: Chief Development Officer
- Chief financial officer: Treasury
- Senior executive: Chief Corporate Officer
- Senior executive: Chief Sustainability Officer
- Senior executive: Chief People Officer
- Executive: Chief Technology and Information Officer
- Executive operating officer: South Africa Operations
- Executive operating officer: Australasia Operations.

When assessing profitability, the CODM considers the revenue and production costs of each segment. The net of these amounts is the production profit or loss. Therefore, production profit has been disclosed in the segment report as the measure of profit or loss. The CODM also considers capital expenditure, gold production and tonnes milled when assessing the overall economic sustainability of each segment. The CODM, however, does not consider depreciation or impairment and therefore these amounts have not been disclosed in the segment report.

Segment assets consist of mining assets and mining assets under construction included under property, plant and equipment which can be attributed to the segment. Current and non-current group assets that are not allocated at a segment level form part of the reconciliation to total assets.

A reconciliation of the segment totals to the group financial statements has been included in note 40.

39 Segment report continued

	Revenue[1] 30 June			Production cost 30 June			Production profit/(loss) 30 June			Segment assets 30 June			Capital expenditure[#] 30 June			Kilograms produced* 30 June			Tonnes milled* 30 June		
	2024	2023	2022	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022
	Rand million			Rand million			Rand million			Rand million			Rand million			Kg			000t		
South Africa																					
Underground																					
Moab Khotsong	**8 108**	7 036	5 779	**4 638**	4 515	4 038	**3 470**	2 521	1 741	**6 017**	5 125	4 324	**1 330**	1 167	894	**6 599**	6 668	6 508	**822**	920	959
Mponeng	**10 577**	7 845	5 620	**5 795**	4 997	4 487	**4 782**	2 848	1 133	**4 438**	4 630	4 433	**890**	704	605	**8 751**	7 449	6 086	**880**	884	840
Tshepong North	**3 877**	3 530	3 429	**2 827**	2 701	2 894	**1 050**	829	535	**2 369**	2 226	2 049	**559**	553	1 038	**3 248**	3 354	3 793	**726**	795	988
Tshepong South	**3 734**	3 607	2 922	**2 564**	2 395	2 190	**1 170**	1 212	732	**2 326**	2 043	1 730	**527**	514	476	**3 129**	3 431	3 229	**465**	506	573
Doornkop	**4 198**	4 384	3 106	**3 041**	3 009	2 453	**1 157**	1 375	653	**3 924**	3 624	3 222	**686**	716	491	**3 470**	4 213	3 444	**815**	898	874
Joel	**2 079**	2 044	1 411	**1 663**	1 616	1 308	**416**	428	103	**1 372**	1 306	1 244	**235**	231	225	**1 733**	1 947	1 556	**401**	435	434
Target 1	**2 262**	1 308	1 648	**2 352**	2 009	1 812	**(90)**	(701)	(164)	**1 951**	1 745	1 517	**488**	428	384	**1 859**	1 275	1 800	**462**	365	455
Kusasalethu	**4 638**	3 621	4 139	**3 670**	3 343	3 086	**968**	278	1 053	**520**	634	822	**226**	253	210	**3 842**	3 460	4 567	**584**	567	607
Masimong	**2 137**	2 053	1 733	**1 852**	1 724	1 504	**285**	329	229	**—**	16	17	**44**	47	49	**1 780**	1 961	1 910	**473**	470	486
Bambanani[2]	**—**	18	1 286	**—**	16	1 163	**—**	2	123	**—**	—	—	**—**	—	25	**—**	—	1 433	**—**	—	176
Surface																					
Mine Waste Solutions	**4 016**	2 689	2 642	**2 047**	1 809	1 588	**1 969**	880	1 054	**3 546**	2 060	1 027	**1 463**	932	264	**3 770**	2 804	2 899	**22 655**	23 067	23 443
All other surface operations	**6 463**	4 945	4 868	**3 694**	3 371	3 551	**2 769**	1 574	1 317	**1 268**	1 234	1 066	**338**	316	282	**5 296**	4 719	5 304	**19 676**	19 382	20 737
Total South Africa	**52 089**	43 080	38 583	**34 143**	31 505	30 074	**17 946**	11 575	8 509	**27 731**	24 643	21 451	**6 786**	5 861	4 943	**43 477**	41 281	42 529	**47 959**	48 289	50 572
International																					
Hidden Valley	**6 181**	4 440	3 159	**2 247**	2 036	2 122	**3 934**	2 404	1 037	**5 570**	5 766	4 141	**1 541**	1 737	1 249	**5 101**	4 370	3 707	**3 360**	3 846	3 229
Total international	**6 181**	4 440	3 159	**2 247**	2 036	2 122	**3 934**	2 404	1 037	**5 570**	5 766	4 141	**1 541**	1 737	1 249	**5 101**	4 370	3 707	**3 360**	3 846	3 229
Total operations	**58 270**	47 520	41 742	**36 390**	33 541	32 196	**21 880**	13 979	9 546	**33 301**	30 409	25 592	**8 327**	7 598	6 192	**48 578**	45 651	46 236	**51 319**	52 135	53 801
Reconciliation of segment information to the consolidated income statement and balance sheet	**3 109**	1 755	903	**2 533**	1 325	903	**576**	430	—	**27 159**	26 831	21 216	**—**	—	—	**—**	—	—	**—**	—	—
	61 379	49 275	42 645	**38 923**	34 866	33 099	**22 456**	14 409	9 546	**60 460**	57 240	46 808	**8 327**	7 598	6 192	**48 578**	45 651	46 236	**51 319**	52 135	53 801

[#] *Capital expenditure for international operations excludes expenditure spent on Wafi-Golpu and Eva Copper of R71 million (2023: R41 million) (2022: R22 million).*
[*] *Production statistics are unaudited.*
[1] *Segment revenue consists of revenue from the sale of gold, realised gains or losses of the hedge-accounted gold derivatives and, for Mine Waste Solutions, the non-cash consideration of the streaming arrangement.*
[2] *The Bambanani operation closed during June 2022. The transactions in the prior year relate to the inventory at 30 June 2022.*

40 Reconciliation of segment information to consolidated income statement and balance sheet

	SA Rand		
Figures in million	**2024**	2023	2022
Reconciliation of production profit to consolidated profit/(loss) before taxation			
Revenue per segment report	**58 270**	47 520	41 742
Revenue per income statement	**61 379**	49 275	42 645
Other metal sales treated as by-product credits in the segment report	**(2 533)**	(1 325)	(903)
Toll treatment services	**(576)**	(430)	—
Production costs per segment report	**(36 390)**	(33 541)	(32 196)
Production costs per income statement	**(38 923)**	(34 866)	(33 099)
Other metal sales treated as by-product credits in the segment report	**2 533**	1 325	903
Production profit per segment report	**21 880**	13 979	9 546
Revenue not included in segments	**576**	430	—
Cost of sales items other than production costs	**(8 310)**	(4 669)	(8 828)
Amortisation and depreciation of mining assets	**(4 546)**	(3 355)	(3 622)
Amortisation and depreciation of assets other than mining assets	**(96)**	(99)	(61)
Rehabilitation expenditure	**(3)**	(32)	(136)
Care and maintenance cost of restructured shafts	**(246)**	(227)	(273)
Employment termination and restructuring costs	**(86)**	(597)	(218)
Share-based payments	**(171)**	(51)	(143)
Impairment of assets	**(2 793)**	—	(4 433)
Toll treatment costs	**(420)**	(323)	—
Other	**51**	15	58
Gross profit	**14 146**	9 740	718
Corporate, administration and other expenditure	**(1 294)**	(1 044)	(984)
Exploration expenditure	**(1 047)**	(506)	(214)
Gains/(losses) on derivatives	**453**	(194)	53
Foreign exchange translation gain/(loss)	**97**	(634)	(327)
Other operating expenses	**(679)**	(268)	(1)
Operating profit/(loss)	**11 676**	7 094	(755)
Acquisition-related costs	**—**	(214)	—
Share of profit from associate	**81**	57	63
Investment income	**809**	663	352
Finance costs	**(796)**	(994)	(718)
Profit/(loss) before taxation	**11 770**	6 606	(1 058)

40 Reconciliation of segment information to consolidated income statement and balance sheet continued

	SA Rand		
Figures in million	**2024**	2023	2022
Reconciliation of total segment assets to consolidated assets includes the following:			
Non-current assets			
Property, plant and equipment not allocated to a segment	**8 047**	11 098	7 280
Mining assets (a)	**1 064**	1 080	943
Undeveloped property (b)	**4 475**	7 384	4 004
Other non-mining assets	**567**	516	510
Assets under construction (c)	**1 941**	2 118	1 823
Intangible assets	**19**	33	48
Restricted cash and investments	**6 494**	6 121	5 555
Investments in associates	**165**	111	125
Deferred tax assets	**140**	189	203
Other non-current assets	**344**	332	374
Derivative financial assets	**453**	269	137
Current assets			
Inventories	**3 603**	3 265	2 818
Restricted cash and investments	**39**	41	27
Trade and other receivables	**2 604**	2 395	1 682
Derivative financial assets	**558**	110	519
Cash and cash equivalents	**4 693**	2 867	2 448
Total	**27 159**	26 831	21 216

(a) These balances relate to Wafi-Golpu assets and assets that provide services to several CGUs, such as Harmony One Plant.

(b) Undeveloped properties comprise the Target North property, Eva Copper (refer to note 14) and Wafi-Golpu's undeveloped properties. Refer to note 6 for details on the impairment of Target North.

(c) Assets under construction consist of the Wafi-Golpu assets.

COMPANY INCOME STATEMENT

For the year ended 30 June 2024

		SA Rand	
Figures in million	Notes	**2024**	2023
Revenue	2	**3 683**	3 607
Cost of sales	3	**(2 962)**	(2 992)
Production costs		**(2 709)**	(2 759)
Amortisation and depreciation		**(182)**	(162)
Other items		**(71)**	(71)
Gross profit		**721**	615
Corporate, administration and other expenditure		**(27)**	(35)
Exploration expenditure		**(23)**	(17)
Losses on derivatives	12	**(30)**	(149)
Foreign exchange translation gain/(loss)	4	**121**	(688)
Other income/(expenses)	5	**156**	132
Impairment of investments in subsidiaries	14	**(2 530)**	(919)
Investment income	6	**560**	373
Finance costs	7	**(524)**	(585)
Loss before taxation		**(1 576)**	(1 273)
Taxation	8	**(291)**	11
Loss for the year		**(1 867)**	(1 262)

These are the separate financial statements of Harmony Gold Mining Company Limited. For the group financial statements, refer to page 24 to 107.

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

		SA Rand	
Figures in million	Notes	**2024**	2023
Net loss for the year		**(1 867)**	(1 262)
Other comprehensive income for the year, net of income tax		**4**	1
Items that will not be reclassified to profit or loss		**4**	1
Total comprehensive income for the year		**(1 863)**	(1 261)

The accompanying notes are an integral part of these financial statements.

COMPANY BALANCE SHEET

As at 30 June 2024

		SA Rand	
Figures in million	Notes	**At 30 June 2024**	At 30 June 2023
Assets			
Non-current assets			
Property, plant and equipment	9	**814**	790
Intangible assets		**19**	33
Restricted cash and investments	10	**923**	884
Investments in subsidiaries	14	**22 304**	25 879
Loans to subsidiaries	14	**1 000**	1 018
Deferred tax assets	8	**140**	190
Other non-current assets	13	**159**	181
Derivative financial instruments	12	**1 031**	701
Total non-current assets		**26 390**	29 676
Current assets			
Inventories	17	**256**	240
Loans to subsidiaries	14	**3 704**	3 673
Trade and other receivables	11	**1 184**	1 177
Derivative financial instruments	12	**1 978**	1 086
Cash and cash equivalents	25	**3 211**	1 894
Total current assets		**10 333**	8 070
Total assets		**36 723**	37 746
Equity and liabilities			
Share capital and reserves			
Share capital and premium	18	**32 934**	32 934
Other reserves	19	**3 738**	3 194
Accumulated loss		**(18 968)**	(15 707)
Total equity		**17 704**	20 421
Non-current liabilities			
Provision for environmental rehabilitation	20	**709**	690
Other provisions	21	**223**	319
Borrowings	23	**1 785**	5 592
Other non-current liabilities	22	**53**	34
Derivative financial instruments	12	**1 037**	721
Total non-current liabilities		**3 807**	7 356
Current liabilities			
Other provisions	21	**15**	141
Borrowings	23	**9**	103
Loans from subsidiaries	14	**11 999**	7 573
Trade and other payables	24	**1 165**	985
Derivative financial instruments	12	**2 024**	1 167
Total current liabilities		**15 212**	9 969
Total equity and liabilities		**36 723**	37 746

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 30 June 2024

	Number of ordinary shares issued	Share capital and premium	Accumulated loss	Other reserves	Total
Notes	18	18		19	
Figures in million (SA Rand)					
Balance – 30 June 2022	616 525 702	32 934	(14 309)	3 080	21 705
Issue of shares					
– Exercise of employee share options	1 546 270	—	—	—	—
Share-based payments	—	—	—	113	113
Net loss for the year	—	—	(1 262)	—	(1 262)
Dividends paid[1]	—	—	(136)	—	(136)
Other comprehensive income for the year	—	—	—	1	1
Balance – 30 June 2023	618 071 972	32 934	(15 707)	3 194	20 421
Issue of shares					
– Exercise of employee share options	**1 910 916**	**—**	**—**	**—**	**—**
– Harmony ESOP Trust	**12 651 525**	**—**	**—**	**—**	**—**
Share-based payments	**—**	**—**	**—**	**540**	**540**
Net loss for the year	**—**	**—**	**(1 867)**	**—**	**(1 867)**
Dividends paid[1]	**—**	**—**	**(1 394)**	**—**	**(1 394)**
Other comprehensive income for the year	**—**	**—**	**—**	**4**	**4**
Balance – 30 June 2024	**632 634 413**	**32 934**	**(18 968)**	**3 738**	**17 704**

[1] *Dividend per share is disclosed under the earnings per share note. Refer to note 12 of the group financial statements.*

The accompanying notes are an integral part of these financial statements.

COMPANY CASH FLOW STATEMENT

For the year ended 30 June 2024

		SA Rand	
Figures in million	Notes	**2024**	2023 Restated[1]
Cash flow from operating activities			
Cash generated by operations	25	**1 086**	143
Interest received	25	**282**	157
Dividends received		**153**	131
Interest paid	25	**(479)**	(340)
Income and mining taxes (paid)/refunded		**(177)**	15
Loan repayments from Avgold[1]	25	**3 742**	2 276
Loan advances to Avgold[1]	25	**(4 156)**	(3 526)
Loan repayments from other subsidiaries[1]	14	**4 896**	3 709
Cash generated by operating activities		**5 347**	2 565
Cash flow from investing activities			
Increase in restricted cash and investments	25	**(20)**	(130)
Decrease in amounts invested in restricted cash and investments	10	**32**	48
(Increase)/decrease in investments in subsidiaries	14	**417**	(3 345)
Capital contribution received from subsidiaries for share based payments scheme	14	**866**	—
Purchase of additional interest in subsidiary		**(5)**	—
ARM BBEE Trust loan repayment	13	**42**	74
Additions to property, plant and equipment	25	**(217)**	(226)
Cash generated/(utilised) by investing activities		**1 115**	(3 579)
Cash flow from financing activities			
Borrowings raised	23	**300**	3 619
Borrowings paid	23	**(4 047)**	(2 045)
Dividends paid		**(1 394)**	(136)
Lease payments	22	**(4)**	(4)
Cash generated/(utilised) by financing activities		**(5 145)**	1 434
Increase in cash and cash equivalents		**1 317**	420
Cash and cash equivalents – beginning of year		**1 894**	1 474
Cash and cash equivalents – end of year	25	**3 211**	1 894

1 Refer to note 31 for further detail on restatement.

The accompanying notes are an integral part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 30 June 2024

1 Accounting policies

The accounting policies applied in the company financial statements are consistent with the group accounting policies. Refer to note 2 of the group financial statements as well as the relevant corresponding notes for the detailed discussions.

New standards, amendments to standards and interpretations to existing standards adopted by the company

The new standards, amendments to standards and interpretations to existing standards that were adopted by the company, and the impact thereof, is consistent with those described in note 2 of the group financial statements.

New standards, amendments to standards and interpretations to existing standards that are not yet effective and have not been early adopted by the company

The new standards, amendments to standards and interpretations to existing standards that are not yet effective and which have not been early adopted by the company, and the impact thereof, is consistent with those described in note 2 of the group financial statements.

2 Revenue

Revenue from contracts with customers is made up of the sale of gold and is recognised when gold is delivered and a certificate of sale is issued.

The increase in gold revenue during the 2024 financial year is due to the average gold spot price increasing by 16.2%, from R1 116 445/kg in 2023 to R1 297 603/kg in 2024. The change in the US$/oz gold price combined with the weakening of the Rand/US$ exchange rate from an average of R17.76/US$ to R18.70/US$ resulted in a 5.3% increase in revenue.

3 Cost of sales

	SA Rand	
Figures in million	**2024**	2023
Production costs (a)	**2 709**	2 759
Depreciation of mining assets	**97**	88
Amortisation and depreciation of assets other than mining assets (b)	**85**	74
Rehabilitation expenditure (c)	**(1)**	(17)
Care and maintenance costs of restructured shafts	**59**	55
Employment termination and restructuring costs	**6**	42
Share-based payments (d)	**10**	2
Other	**(3)**	(11)
Total cost of sales	**2 962**	2 992

(a) Production costs include mine production and transport and refinery costs, applicable general administrative costs, movement in inventories and ore stockpiles and ongoing environmental rehabilitation costs. Employee termination costs are included, except for employee termination costs associated with major restructuring and shaft closures, which are separately disclosed to the extent applicable.

Production costs, analysed by nature, consist of the following:

	SA Rand	
Figures in million	**2024**	2023
Labour costs, including contractors	**1 525**	1 482
Consumables	**575**	581
Water and electricity	**408**	341
Transportation	**34**	43
Change in inventory	**(36)**	14
Capitalisation of mine development costs	**(54)**	(47)
Royalty expense	**76**	65
Other	**181**	280
Total production costs	**2 709**	2 759

(b) Amortisation and depreciation of assets other than mining assets includes the amortisation of intangible assets.

3 Cost of sales continued

(c) For the assumptions used to calculate the rehabilitation costs, refer to note 24 of the group financial statements. This expense includes the change in estimate for the rehabilitation provision where an asset no longer exists as well as rehabilitation costs incurred. During 2024, rehabilitation costs incurred amounted to R20 million (2023: R16 million). Refer to note 20.

(d) Refer to note 27 for details on the share-based payment schemes implemented by the company.

(e) There was no impairment of assets or reversal of impairment of assets recognised for the 2024 or 2023 financial years. Please see note 5 of the group financial statements for management's assessment of indicators of impairment and impairment tests performed.

4 Foreign exchange translation gain/(loss)

	SA Rand	
Figures in million	**2024**	2023
Borrowings (a)	**83**	(819)
Other items (b)	**38**	131
Total foreign exchange translation loss	**121**	(688)

(a) The gain in 2024 was predominantly caused by favourable translations on US dollar loan balances. The favourable translations on US dollar loans are attributable to the Rand strengthening against the US dollar, evidenced by a closing exchange rate of R18.19/US$1 (2023: R18.83/US$1). The loss in 2023 is predominantly caused by unfavourable translations on US dollar loan balances. The unfavourable translations on US dollar loans are attributable to the Rand weakening against the US dollar from R16.27/US$ in 2022. Also contributing to the loss for 2023 was the draw down of US$170 million (R2 919 million) during the year for the acquisition of the Eva Copper Project and other assets. Refer to note 30 and note 14 of the group financial statements respectively for details.

(b) This relates mainly to the translation of metal trade receivables and cash denominated in a foreign currency to the functional currencies of the operating entities.

5 Other income/(expenses)

	SA Rand	
Figures in million	**2024**	2023
Loss allowance (a)	**(12)**	(29)
Social investment expenditure	**(52)**	(33)
Harmony Gold Community Trust (b)	**(318)**	—
Loss on scrapping of property, plant and equipment	**(5)**	(1)
Silicosis settlement provision (c)	**136**	143
Capital contribution received for share based payments scheme (d)	**326**	—
Other (income)/expenses – net	**81**	52
Total other income	**156**	132

(a) The decrease in loss allowance is mainly attributable to a decrease in the expected credit losses on trade and other receivables. Refer to note 11 for details.

(b) On 21 February 2024, Harmony issued 2 466 103 convertible preference shares to the Harmony Gold Community Trust (HC Trust). A once-off charge of R290 million was recognised on this date. The preference shares also carry a minimum preference dividend which was provided for on the issue date. The provision totalled R28 million. Refer to note 18 and 27 for details.

(c) Refer to note 21 for details on the movement in the silicosis settlement provision.

(d) Harmony issued shares to the Katleho ya Moruo Employee Share Ownership Plan (ESOP) in April 2024. Refer to note 14 for further details.

6 Investment income

	SA Rand	
Figures in million	**2024**	2023
Interest income from financial assets at amortised cost (a)	**325**	203
Dividend income (b)	**217**	131
Net gain on financial instruments (c)	**18**	39
Total investment income	**560**	373

(a) For the 2024 financial year, interest on favourable bank balances increased by R133 million due to the higher interest rates and bank balances. Interest income also includes an amount of R8 million (2023: R21 million) which relates to interest on-charged to Harmony's subsidiaries at the relevant interest rate plus an additional margin of 0.5%.

(b) Dividend income consists of the following:
- No dividend income was received in the current year (2023: R6 million) from Rand Mutual Assurance
- R27 million (2023: R71 million) received from Rand Refinery
- R126 million (2023: R54 million) received from TBO
- R64 million dividend in specie was received in the current year from Kalahari Goldridge Mining Company Limited.

(c) Includes a fair value gain of R9 million (2023: R27 million) on the ARM BBEE Trust loan (refer to note 13) and R9 million (2023: R7 million) on equity-linked deposits (refer to note 10).

7 Finance costs

	SA Rand	
Figures in million	**2024**	2023
Financial liabilities		
Borrowings (a)	**426**	464
Other creditors and liabilities	**8**	6
Total finance costs from financial liabilities	**434**	470
Non-financial liabilities		
Time value of money and inflation component of rehabilitation costs (b)	**60**	59
Time value of money for other provisions (c)	**30**	56
Total finance costs from non-financial liabilities	**90**	115
Total finance costs	**524**	585

(a) The decrease in finance costs on borrowings in 2024 is as a result of repayments of borrowings during the 2024 financial year, which resulted in lower balances. The increase in 2023 was due to US$ drawdowns made and higher interest rates. Refer to note 23 for further detail.

(b) Refer to note 20 for further detail.

(c) The decrease in finance costs on time value of money for other provisions in 2024 is mainly due to a lower discount rate for the provision for silicosis settlement. Refer to note 21 for further detail.

8 Taxation

	SA Rand	
Figures in million	**2024**	2023
Mining tax (a)	**(144)**	—
– current year	**(144)**	—
Non-mining tax (b)	**(97)**	—
– current year	**(97)**	—
Deferred tax (c)	**(50)**	11
– current year	**(50)**	11
Total taxation (expense)/credit	**(291)**	11

(a) Refer to note 11 of the group financial statements for details on mining tax legislation. The increase in the mining tax expense during the 2024 year was as a result of increased gold price realised which resulted in a significant increase in profitability.

8 Taxation continued

(b) Refer to note 11 of the group financial statements for details on non-mining tax legislation. The expense for the 2024 financial year relates mainly to non-mining tax on interest income received.

(c) The deferred tax rate used to calculate deferred tax is based on the current estimate of future profitability when temporary differences will reverse based on tax rates and tax laws that have been enacted at the balance sheet date. Depending on the profitability of the operations, the deferred tax rate can consequently be significantly different from year to year.

Following the completion of the annual life-of-mine plans, management revised the weighted average deferred tax rates for all the South African operations. The higher gold price assumptions used resulted in an increase in the estimated profitability and consequently a higher deferred tax rate than in the prior year. Refer to note 14 of the group financial statements for the assumptions used. These changes, together with changes in the temporary differences, had the following impacts:

- The increase in deductible temporary differences arising from wear and tear allowances resulted in a R33 million (2023: Rnil) credit to deferred tax expense and a corresponding increase to the deferred tax asset
- The unwinding of temporary differences related to provisions resulted in a increase in deferred tax expense of R57 million (2023: R43 million) and corresponding decrease to the deferred tax asset
- The decrease in deductible temporary differences arising from the utilisation of non-mining assessed losses resulted in a R24 million increase (2023: R21 million decrease) in deferred tax expense and a corresponding decrease to the deferred tax asset.

Income and mining tax rates

The tax rate for the 2024 year is 33% and 2023 was 33%. Major items causing the income statement provision to differ from the mining statutory tax rate were:

	SA Rand	
Figures in million	**2024**	2023
Tax credit on net loss at the mining statutory tax rate	**520**	420
Non-allowable deductions and non-taxable income		
Donations	**(10)**	(5)
Dividends	**63**	43
Finance costs	**(138)**	(145)
Share-based payments[1]	**(110)**	(4)
Capital contribution received from subsidiaries[2]	**107**	—
Loss allowance on loans to subsidiaries	**—**	(22)
Impairment of investments in subsidiaries	**(835)**	(303)
Other	**(27)**	10
Movements in temporary differences related to other assets and liabilities	**51**	16
Effect on temporary differences due to changes in effective tax rate[3]	**—**	10
Difference between non-mining tax rate and statutory mining rate on non-mining income	**22**	—
Difference between effective mining tax rate and statutory mining rate on mining income	**63**	—
Other	**3**	(9)
Income and mining taxation (expense)/credit	**(291)**	11
Effective income and mining tax rate (%)	**18**	(1)

[1] Mainly relates to the IFRS 2 charge for the issue of convertible preference shares to the Harmony Gold Community Trust. Refer to note 18 and 27 for additional information.
[2] Relates to the capital contribution received from Harmony's subsidiaries for the Katleho ya Moruo ESOP. Refer to note 5 and 27 for additional information.
[3] The deferred tax rate used in 2024 and 2023 financial years was 26.4%.

Deferred tax

The analysis of deferred tax assets and liabilities is as follows:

	SA Rand	
Figures in million	**2024**	2023
Deferred tax liabilities	**(129)**	(123)
Deferred tax liability to be recovered after more than 12 months	**(112)**	(113)
Deferred tax liability to be recovered within 12 months	**(17)**	(10)
Deferred tax assets	**269**	313
Deferred tax asset to be recovered after more than 12 months	**242**	255
Deferred tax asset to be recovered within 12 months	**27**	58
Net deferred tax asset	**140**	190

8 Taxation continued

Deferred tax continued

The net deferred tax asset on the balance sheet at 30 June 2024 and 30 June 2023 relate to the following:

	SA Rand	
Figures in million	**2024**	2023
Gross deferred tax liabilities	**(129)**	(123)
Amortisation and depreciation	**(119)**	(118)
Derivative financial instruments	**(5)**	(1)
Other	**(5)**	(4)
Gross deferred tax assets	**269**	313
Unredeemed capital expenditure	**36**	3
Provisions, including non-current provisions	**201**	258
Derivative assets	**30**	28
Lease liability	**2**	3
Assessed losses	**—**	21
Net deferred tax asset	**140**	190

A deferred tax asset continues to be recognised at 30 June 2024 as it is considered probable that sufficient future taxable profits will be available against which the remaining deductible temporary differences existing at the reporting date can be utilised.

Movement in the net deferred tax asset recognised in the balance sheet is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**190**	179
Total (debit)/credit per income statement	**(50)**	11
Balance at end of year	**140**	190

As at 30 June 2024, the company has no non-mining tax losses (2023: R81 million), available for utilisation against future non-mining taxable income.

As at 30 June 2024 and 2023, the company has no mining tax losses, available for utilisation against future taxable income.

As at 30 June 2024, the company has a capital gains tax (CGT) loss of R231 million (2023: R231 million) available for utilisation against future capital gains.

The recognised deferred tax asset arises from deductible temporary differences for which future taxable profits are considered probable. Refer to the discussion above for further detail.

Dividend tax (DT)

The withholding tax on dividends remains unchanged at 20% in 2023 and 2024.

9 Property, plant and equipment

	SA Rand	
Figures in million	**2024**	2023
Mining assets	**711**	682
Other non-mining assets	**103**	108
Total property, plant and equipment	**814**	790

Mining assets

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**4 209**	4 141
Fully depreciated assets no longer in use derecognised[1]	**—**	(86)
Additions[2]	**151**	162
Adjustment to rehabilitation asset	**(20)**	(2)
Scrapping of assets[3]	**(11)**	(6)
Balance at end of year	**4 329**	4 209
Accumulated depreciation and impairment		
Balance at beginning of year	**3 527**	3 531
Fully depreciated assets no longer in use derecognised[1]	**—**	(86)
Scrapping of assets[3]	**(6)**	(5)
Depreciation[4]	**97**	87
Balance at end of year	**3 618**	3 527
Net carrying value	**711**	682

[1] Relates to the derecognition of fully depreciated assets no longer in use.
[2] Includes R54 million (2023: R47 million) attributable to Doornkop joint venture.
[3] Relates to the abandonment of assets that were no longer core to the business or in use as well as unprofitable areas, resulting in derecognition of property, plant and equipment as no future economic benefits were expected from their use or disposal.
[4] Includes R27 million (2023: R26 million) attributable to Doornkop joint venture. Refer to note 16.

Other non-mining assets

	SA Rand	
Figures in million	**2024**	2023
Cost		
Balance at beginning of year	**348**	280
Additions	**66**	68
Balance at end of year	**414**	348
Accumulated depreciation and impairment		
Balance at beginning of year	**240**	180
Depreciation	**71**	60
Balance at end of year	**311**	240
Net carrying value	**103**	108

10 Restricted cash and investments

	SA Rand	
Figures in million	**2024**	2023
Restricted cash	**444**	428
Restricted investments	**479**	456
Total restricted cash and investments	**923**	884

Restricted cash

	SA Rand	
Figures in million	**2024**	2023
Environmental guarantees[1]	**217**	181
Guarantee – Tshiamiso Trust[2]	**205**	225
Other	**22**	22
Total restricted cash	**444**	428

[1] *The amount primarily relates to funds set aside to serve as collateral against guarantees made to the Department of Mineral Resources and Energy (DMRE) in South Africa for environmental and rehabilitation obligations. Refer to note 20.*
[2] *Relates to the silicosis settlement. Refer to note 21.*

The funds are invested in short-term money market funds and call accounts, which require third-party approval for release.

Restricted investments

	SA Rand	
Figures in million	**2024**	2023
Investments held by environmental trust fund	**465**	442
Fixed deposits	**319**	318
Cash equivalents	**17**	3
Equity-linked deposits	**129**	121
Investments held by the Social Trust Fund	**14**	14
Total restricted investments	**479**	456

Environmental trust fund

The environmental trust fund is an irrevocable trust under the company's control and is accounted for in accordance with IFRS 9. Refer to the group accounting policy for financial assets. Contributions to the trust are invested in interest-bearing short-term and medium-term cash investments and medium-term equity-linked notes issued by commercial banks that provide guaranteed interest and additional interest or growth linked to the growth of the Top 40 index of the JSE. These investments provide for the estimated cost of rehabilitation at the end of the life of the company's mines. Income earned on the investments is retained in the funds and reinvested.

Reconciliation of the movement in the investments held by environmental trust fund:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**442**	442
Interest income	**26**	22
Fair value gain	**9**	11
Equity-linked deposits acquired/(matured)	**(1)**	5
(Maturity)/acquisition of fixed deposits	**(25)**	14
Net transfer of cash equivalents	**26**	(18)
Withdrawal of funds	**(12)**	(34)
Balance at end of year	**465**	442

Social trust fund

The Social Trust Fund is an irrevocable trust under the company's control. The purpose of the trust is to fund the social plan to reduce the negative effects of restructuring on the group's workforce, to put measures in place to ensure that the technical and life skills of the group's workforce are developed and to develop the group's workforce in such a manner as to avoid or minimise the effect of job losses and a decline in employment through turnaround or redeployment strategies.

The Social Trust Fund investment comprises a unit trust portfolio that is exposed to the fair value changes in the equity market and is classified as a fair value through profit or loss investment.

11 Trade and other receivables

	SA Rand	
Figures in million	**2024**	2023
Financial assets		
Trade receivables (metals)	**1 060**	1 014
Other trade receivables	**94**	116
Loss allowance	**(70)**	(57)
Trade receivables – net	**1 084**	1 073
Interest and other receivables	**55**	34
Employee receivables	**10**	12
Non-financial assets		
Prepayments	**35**	38
Income and mining taxes	**—**	20
Total trade and other receivables	**1 184**	1 177

The movement in the loss allowance for trade and other receivables during the year is as follows (refer to note 30 for details):

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**57**	43
Increase in loss allowance recognised during the year	**41**	61
Reversal of loss allowance during the year	**(28)**	(47)
Balance at end of year	**70**	57

The loss allowance for trade and other receivables stratified according to ageing profile at the reporting date is as follows:

	SA Rand	
Figures in million	**Gross**	**Loss allowance**
30 June 2024		
Not past due	**1 067**	**—**
Past due by 1 to 30 days	**2**	**—**
Past due by 31 to 60 days	**3**	**—**
Past due by 61 to 90 days	**1**	**—**
Past due by more than 90 days	**14**	**12**
Past due by more than 361 days	**67**	**58**
Total	**1 154**	**70**
30 June 2023		
Not past due	1 030	—
Past due by 1 to 30 days	4	—
Past due by 31 to 60 days	4	—
Past due by 61 to 90 days	29	—
Past due by more than 90 days	13	12
Past due by more than 361 days	50	45
Total	1 130	57

Refer to note 37 of the group financial statements for details on how the provision was calculated.

During the 2024 and 2023 years there was no renegotiation of the terms of any receivable. The company does not hold any collateral in respect of these receivables.

12 Derivative financial instruments

Figures in million (SA Rand)	Hedging contracts: Rand gold forwards (a)	Hedging contracts: US$ gold forwards (b)	Hedging contracts: Rand gold collars (a)	Hedging contracts: US$ gold collars (b)	US$ silver contracts (b)	Foreign exchange contracts (c)	Total
As at 30 June 2024							
Derivative financial assets	**1 969**	**266**	**163**	**21**	**67**	**523**	**3 009**
Non-current	**651**	**104**	**135**	**19**	**24**	**98**	**1 031**
Current	**1 318**	**162**	**28**	**2**	**43**	**425**	**1 978**
Derivative financial liabilities	**(2 064)**	**(266)**	**(153)**	**(21)**	**(67)**	**(490)**	**(3 061)**
Non-current	**(672)**	**(104)**	**(126)**	**(19)**	**(24)**	**(92)**	**(1 037)**
Current	**(1 392)**	**(162)**	**(27)**	**(2)**	**(43)**	**(398)**	**(2 024)**
Net derivative financial instruments	**(95)**	**—**	**10**	**—**	**—**	**33**	**(52)**
Movement for the year ended 30 June 2024							
Gains/(losses) on derivatives	**(74)**	**—**	**9**	**—**	**—**	**44**	**(21)**
Day one loss amortisation	**(9)**	**—**	**—**	**—**	**—**	**—**	**(9)**
Total gains/(losses) on derivatives	**(83)**	**—**	**9**	**—**	**—**	**44**	**(30)**
As at 30 June 2023							
Derivative financial assets	1 365	86	—	—	44	292	1 787
Non-current	504	33	—	—	16	148	701
Current	861	53	—	—	28	144	1 086
Derivative financial liabilities	(1 455)	(86)	—	—	(44)	(303)	(1 888)
Non-current	(525)	(33)	—	—	(16)	(147)	(721)
Current	(930)	(53)	—	—	(28)	(156)	(1 167)
Net derivative financial instruments	(90)	—	—	—	—	(11)	(101)
Movement for the year ended 30 June 2023							
Losses on derivatives	(133)	—	—	—	—	(11)	(144)
Day one loss amortisation	(5)	—	—	—	—	—	(5)
Total losses on derivatives	(138)	—	—	—	—	(11)	(149)

Harmony enters into derivative contracts with various financial institutions on behalf of its operations as well as those of its subsidiaries. Harmony introduced gold zero cost collar hedging contracts to its derivative programme during April 2024 to hedge the risk of lower gold prices. The tables above show the gross position for Harmony as the counterparty with the financial institutions as well as its subsidiaries as at the reporting dates. Due to the position for the subsidiaries being the opposite to Harmony's position with the financial institutions, the net position shown relates to Harmony's own operations. As the movements through the income statement for the derivative contracts with the subsidiaries would be opposite to those for Harmony's derivative contracts with the financial institutions, the impact on gains/(losses) for derivatives is the net movement for Harmony's own operations. As hedge accounting is not applied to these contracts, the resulting gains and losses have been recorded in the income statement.

A new limit for gold hedging was approved by the Board in April 2024 as 30%, 20% and 10% of production in a 12-, 24- and 36-month period, respectively, for contracts going forward. Refer to note 37 for further details.

Refer to note 30 for a summary of the risk management strategy applied and details of the fair value measurements as at reporting date. Refer to note 17 of the group financial statements for all open positions held.

12 Derivative financial instruments continued

(a) Rand gold contracts

Harmony has entered into Rand gold forward sale derivative contracts and gold zero cost collars to manage the risk of lower gold prices. The following table shows the open position of Rand gold forward contracts at the reporting date relating to Harmony:

	Nominal value	Average forward sale price	Bi-annually tranche average spread
Harmony's Rand gold forward contracts	1 254kg (40 318oz)	R1 373 000/kg	3 years

	Nominal value	Average floor/ cap price	Bi-annually tranche average spread
Harmony's Rand zero cost collar gold contracts	334kg (10 743oz)	R1 524 000/kg/ R1 722 000/kg	3 years

(b) US$ commodity contracts

Harmony maintains a derivative programme for Hidden Valley by entering into commodity derivative contracts. The contracts comprise US$ gold forward sale contracts, US$ gold zero cost collars as well as silver zero cost collars which establish a minimum (floor) and maximum (cap) silver sales price.

(c) Foreign exchange contracts

Included in the foreign exchange derivative contracts (forex derivative contracts) are zero cost collars and forward exchange contracts (FECs). The zero cost collars establish a floor and cap Rand/US$ exchange rate at which to convert US dollars to Rands. The nominal value of the open zero cost collars in Harmony at 30 June 2024 is US$25 million (2023: US$45 million). The weighted average prices for the zero cost collars are as follows: cap R20.93/US$1 and floor R18.93/US$1. The nominal value of open FEC's at 30 June 2024 is US$12 million (2023: US$20 million) and the weighted average exchange rate is R19.79/US$1.

13 Other non-current assets

	SA Rand	
Figures in million	**2024**	2023
Non-current assets		
Debt instruments	**77**	108
Loans to associates (a)	**116**	116
Loan to ARM BBEE Trust (b)	**68**	101
Other loans receivable	**9**	7
Loss allowance (a)	**(116)**	(116)
Equity instruments	**82**	73
Rand Mutual Assurance (c)	**78**	69
Other	**4**	4
Total other non-current assets	**159**	181

(a) The balance relates to a loan of R116 million (2023: R116 million) owed by Pamodzi. Pamodzi was placed into liquidation during 2009 and the loan was provided for in full. The company is a concurrent creditor in the Pamodzi Orkney liquidation.

(b) At 30 June 2024 the loan was remeasured to its fair value of R68 million (2023: R101 million). Repayments of R42 million were received during the year and a fair value gain of R9 million was included in investment income (refer to note 6). Refer to note 16 in the group financial statements for further details on the loan to the ARM BBEE Trust.

(c) Refer to note 16 in the group financial statements.

14 Investments in subsidiaries and loans to/from subsidiaries

Accounting policy

Investments in company subsidiaries are accounted for at cost less impairment, while investments in trust subsidiaries are accounted for in accordance with IFRS 9. Harmony charges its subsidiaries for the employee share incentive plans granted to the subsidiaries' employees. The movement in equity in the company's financial statements relating to the recharge of the share-based payments of subsidiaries is accounted for against investments in subsidiaries. Harmony accounts for capital contributions received from subsidiaries as a reduction to the investment of the relevant subsidiaries. Any amount by which the capital contributions received exceeds the investment in subsidiary is accounted for as other income for Harmony.

Investments in subsidiaries are tested annually for impairment or when there is an indication of impairment and an impairment loss is recognised for the amount by which the carrying amount of the investment in a subsidiary exceeds its recoverable amount. The recoverable amount of investments in subsidiaries are generally determined with reference to future cash generated by the subsidiaries. For further detail, see critical accounting estimates and judgements below. Any impairment losses are included in impairment of investments in subsidiaries in the income statement.

Loans to/from subsidiaries are measured initially at fair value. Loans to subsidiaries held within a business model with the objective to hold assets to collect contractual cash flows and with contractual terms giving rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost. All other loans to subsidiaries are measured subsequently at fair value. The company currently has no such loans. Loans from subsidiaries are subsequently measured at amortised cost. The loans to subsidiaries are subject to the expected credit loss model.

Cash receipts and payments from loans to/from subsidiaries are shown on a net basis as part of operating activities in the cash flow statement if the net presentation requirements of IAS 7, ***Statement of Cash Flows***, are met. Those receipts and payments not meeting these net presentation requirements are shown separately as part of operating activities in the cash flow statement.

The recoverability of loans to subsidiaries are assessed at each reporting period using a forward-looking expected credit loss (ECL) approach. The ECL is measured as the probability-weighted estimate of credit losses, which is the present value of all cash shortfalls (ie the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive). Cash shortfalls on loans to subsidiaries would indicate a significant increase in credit risk since initial recognition of the relevant loan.

This was measured using the probability of default (PD), loss given default (LGD), exposure at default (EAD) methodology. The LGD depends on the expected cash flows generated by each operating subsidiary with reference to the approved life-of-mine plans of each operation. The estimations of future cash generated by subsidiaries takes into account forward-looking information as described under critical accounting estimates and judgements below. Any impairment losses are included in other expenses in the income statement.

Fully performing loans (Stage 1) are those that have not had a significant increase in credit risk since initial recognition. For these loans, 12-months ECLs are recognised which considers any default events which are possible within 12 months after year-end. Underperforming loans (Stage 2) are those which have had a significant increase in credit risk since initial recognition but do not have objective evidence of impairment. For these loans, lifetime ECLs are recognised which considers all possible default events over the expected term of the loans. Credit impaired loans (Stage 3) are loans that have objective evidence of impairment at year-end, lifetime ECLs are recognised for these loans.

Investments in and loans to dormant subsidiaries with no significant assets are written off as the carrying amount cannot be recovered and the counterparties do not have the capacity to meet their contractual obligations.

Critical accounting estimates and judgements

The recoverable amount of an investment in a subsidiary is the higher of the investment's fair value less cost to sell and value in use. Fair value less cost to sell is generally determined by using discounted estimated after-tax future cash flows. Future cash flows are estimated based on the assumptions described below.Should actual events differ from estimates and judgements applied, material adjustments to the carrying amount of investments in subsidiaries may be realised in the future.

For loans to subsidiaries, as these loans are repayable on demand, the expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. Given the liquidity situations of most of the operating subsidiaries, the probability that the entities would not be able to repay immediately is almost certain, hence the expected manner of recovery was determined based on the ability to repay the loan over time, taking into account the future cash flows the company expects to receive.

Future cash flows are estimated based on quantities of recoverable minerals, expected gold prices (considering current and historical prices, price trends and related factors), production levels and cash costs of production, all based on life-of-mine (LoM) plans. As part of the determination of these future cash flows, probability weighted outcomes are considered. Future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and risk specific to the subsidiaries' operations. Refer to note 14 of the group financial statements for the detail on the critical accounting estimates and judgements applied in calculating the future cash flows.

14 Investments in subsidiaries and loans to/from subsidiaries continued

Critical accounting estimates and judgements continued

In addition to these estimates, a resource multiple valuation was used to determine the recoverable amount of Avgold Limited's (Avgold) Target North. The gold resource multiple for inferred resources stayed unchanged at US$3.60/oz for the year ended 30 June 2024.

Cash flows are allocated to recover, firstly, any loans to subsidiaries and thereafter the investments in subsidiaries.

	SA Rand	
Figures in million	**2024**	2023
Shares at cost less accumulated impairment (a) and (c)	**22 304**	25 879
Shares at cost	**33 000**	34 045
Accumulated impairment	**(10 696)**	(8 166)
Loans to subsidiaries – Non-current[1,2]	**1 000**	1 018
Loans to subsidiaries – Current[2]	**3 704**	3 673
Gross current loans to subsidiary companies (b)	**5 716**	5 685
Provision for expected credit losses	**(2 012)**	(2 012)
Loans from subsidiaries[2]	**(11 999)**	(7 573)
Total investments in subsidiaries	**15 009**	22 997

[1] *Relates to the non-current portion of the loan to Avgold.*
[2] *Loans to/from subsidiaries will be settled through day-to-day activities.*

The movement in the provision for credit losses on loans to subsidiaries during the year was as follows:

	SA Rand	
Figures in million	**2023**	2023
Balance at beginning of year	**2 012**	1 995
Increase in expected credit losses recognised during the year	**5**	19
Reversal of expected credit losses during the year	**(5)**	(2)
Balance at end of year	**2 012**	2 012

The loss allowance for loans to subsidiaries stratified according to credit performance at the reporting date is as follows:

	SA Rand	
Figures in million	**Gross**	**Loss allowance**
30 June 2024		
Fully performing (Stage 1)	**4 704**	**—**
Underperforming (Stage 2)	**66**	**66**
Credit impaired (Stage 3)	**1 946**	**1 946**
Total	**6 716**	**2 012**
30 June 2023		
Fully performing (Stage 1)	4 691	—
Underperforming (Stage 2)	66	66
Credit impaired (Stage 3)	1 946	1 946
Total	6 703	2 012

(a) Includes amounts relating to the share-based payment expense for the subsidiary companies' employees.

The investments in subsidiaries decreased by R866 million due to the subscription agreement between Harmony, relevant subsidiaries and the Katleho ya Moruo Employee Share Ownership Plan (Katleho ya Moruo ESOP). The Katleho ya Moruo ESOP, which was approved by Harmony' shareholders in January 2024, is an equity-settled share based payment scheme. The Trust received funding for the subscription of the shares from Harmony and the subsidiaries in the Harmony group who will receive the promised services from the eligible employees. The contributions were treated as upfront payments on Harmony's future capital contributions to each subsidiary and thus reduced the carrying amount of Harmony's investment in each subsidiary.

14 Investments in subsidiaries and loans to/from subsidiaries continued

(a) Shares at cost less accumulated impairment **continued**

The investments were reduced in Avgold Limited (R65 million), Randfontein Estates Limited (R291 million), Kalahari Goldridge Mining Company Limited (R11 million), Freegold (Harmony) Proprietary Limited (R348 million), Tswelopele Beneficiation Operation Proprietary Limited (R3 million), Golden Core Trade and Invest Proprietary Limited (R38 million), Chemwes Proprietary Limited (R13 million) and Harmony Moab Khotsong Operations Proprietary Limited (R97 million). As the payments exceeded the carrying amount of the investment in subsidiary for Golden Core Trade and Invest Proprietary Limited (R168 million), Harmony Moab Khotsong Proprietary Limited (R148 million), Chemwes Proprietary Limited (R9 million) and Nuclear Fuels Corporation of South Africa (Proprietary) Limited (R1 million), the excess was recognised to the income statement. Refer to note 34 of the group financial statements for further information relating to the Katleho ya Moruo ESOP.

During 2024, Harmony bought back shares from Harmony Copper for a consideration of R417 million, which was used to settle the inter-company loan. During 2023, R3 345 million was transferred to Harmony Gold (Australia) from Harmony via Harmony Copper. These funds were utilised for the purchase of Eva Copper. Refer to note 13 of the group financial statements. This loan was capitalised to the investment in Harmony and Harmony Copper.

(b) All loans are unsecured and carry no interest unless otherwise indicated.

(c) An assessment for indicators of impairment of investments as well as reversal of previously recognised impairment losses on investments was performed as at 30 June 2024. An indication of impairment was identified for the investment in Avgold, attributable to the significant decrease in expected cash flows available after deducting the cash flows required to settle the outstanding intercompany loan as per the ECL assessment, which is performed first. The year-on-year increase in the loan of R413 million (refer to Annexure A) resulted in a reduction in the recoverable amount of the investment and therefore an impairment of R2 530 million (2023: R919 million) was recognised against the investment in Avgold during 2024. The investment has a recoverable amount of R4 965 million as at 30 June 2024 (2023: R3 382 million). These are fair value measurements classified as level 3 of the fair value hierarchy.

One of the most significant assumptions that influence the life-of-mine plans, and therefore the impairment assessment of the investment in Avgold, is the expected commodity prices. Management determined a reasonably possible change of 11.9% in gold prices based on the standard deviation of market analysts' forecasted long-term gold price assumptions. A 11.9% decrease in the gold price assumptions (with all other variables held constant) would have resulted in a R3 332 million impairment being recorded as at 30 June 2024. A 11.9% increase in the gold price assumptions (with all other variables held constant) would have resulted in no impairment of investment being recognised as at 30 June 2024.

Refer to Annexure A for a detailed listing of the company's investments in subsidiaries and the loans to and from these companies.

15 Investments in associates

Refer to note 19 of the group financial statements for a discussion on the investments in associates.

16 Investment in joint operations

Doornkop South Reef agreement

During the 2010 financial year, Harmony and Randfontein Estates Limited, a subsidiary of Harmony, entered into a joint arrangement for the operation of the Doornkop mine following Harmony's purchase of a 26% interest in the Doornkop mining right from African Vanguard Resources (Proprietary) Limited (AVRD) for a purchase consideration of R398 million. Harmony recognised the cost of the mineral rights as part of property, plant and equipment. The agreement entitles the company to a 16% share of the production profit or loss of the Doornkop mine. Harmony recognises its interests in the Doornkop mine in accordance with the requirements of IFRS 11 ***Joint Arrangements*** for joint operations.

17 Inventories

	SA Rand	
Figures in million	**2024**	2023
Gold in-process and bullion on hand	**52**	17
Consumables at weighted average cost (net of provision) (a)	**204**	223
Total current inventories	**256**	240

(a) The total provision for slow-moving and redundant stock at 30 June 2024 was R27 million (2023: R36 million).

18 Share capital

Authorised

1 200 000 000 (2023: 1 200 000 000) ordinary shares with no par value.
6 866 103 (2023: 4 400 000) convertible preference shares with no par value.

Issued

632 634 413 (2023: 618 071 972) ordinary shares with no par value. All issued shares are fully paid.
6 866 103 (2023: 4 400 000) convertible preference shares with no par value.

Share issues

Share issues relating to employee share options

An additional 1 910 916 (2023: 1 546 270) shares were issued to settle the exercise of share options by employees relating to Harmony's management share option schemes as well as a new employee share scheme that was introduced in the current year.

During the 2024 financial year, Harmony implemented a new employee share option scheme referred to as the Katleho ya Moruo Employee Share Ownership Plan (Katleho ya Moruo ESOP). On 4 April 2024 a total of 12 651 525 shares were issued to the Harmony ESOP Trust as part of the new scheme. Note 27 sets out the details in respect of the share option schemes.

Convertible preference shares

On 21 February 2024, Harmony issued 2 466 103 convertible preference shares to the Harmony Gold Community Trust. The convertible preference shares carry a minimum annual preference dividend of R2.00 per share and are convertible into ordinary shares on a 1:1 basis after the tenth anniversary of the date on which the shares were issued. The conversion is at the election of Harmony.

Refer to note 12 of the group financial statements for details on dividends declared and paid.

19 Other reserves

	SA Rand	
Figures in million	**2024**	2023
Equity instruments designated at fair value through other comprehensive income (a)	**122**	115
Repurchase of equity interest (b)	**3**	3
Equity component of convertible bond (c)	**277**	277
Share-based payments (d)	**3 334**	2 794
Post-retirement benefit actuarial gain (e)	**2**	5
Total other reserves	**3 738**	3 194

(a) Includes R123 million (2023: R114 million) related to the cumulative fair value movement of Harmony's interest in Rand Mutual Assurance. Refer to note 13.

(b) The sale of 26% of the AVRD mining titles resulted in a R3 million repurchase of a call option (equity interest) by the company. Refer to note 23 of the group financial statements.

(c) Refer to note 23 of the group financial statements.

(d) The reconciliation of the movement in share-based payments is as follows:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**2 794**	2 681
Share-based payments expensed (i)	**305**	7
Subsidiary employees share-based payments (ii)	**235**	106
Balance at end of year	**3 334**	2 794

i. Refer to note 34 in the group financial statements as well as note 27 in the company's financial statements.

ii. Awards offered to employees providing services related to their employment in the group results in an increase in investment in subsidiaries. Refer to note 14.

(e) The actuarial gains or losses related to the post-retirement benefit obligation will not be reclassified to the income statement.

20 Provision for environmental rehabilitation

The company's mining and exploration activities are subject to extensive environmental laws and regulations. The company has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future reclamation costs are based principally on legal and regulatory requirements.

The following is a reconciliation of the total provision for environmental rehabilitation:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**690**	666
Change in estimate – Balance sheet	**(20)**	(2)
Change in estimate – Income statement	**(1)**	(17)
Utilisation of provision	**(20)**	(16)
Time value of money and inflation component of rehabilitation costs	**60**	59
Balance at end of year	**709**	690

Refer to note 24 of the group financial statements for estimations and judgements used in the calculation.

While the ultimate amount of rehabilitation costs to be incurred in the future is uncertain, the company has estimated its undiscounted cost for the operations, based on current environmental and regulatory requirements, as follows:

	SA Rand	
Figures in million	**2024**	2023
Future net undiscounted obligation		
Ultimate estimated rehabilitation cost	**825**	802
Amounts invested in environmental trust funds (refer to note 10)	**(465)**	(442)
Total future net undiscounted obligation	**360**	360

The group's mines are required to comply with the National Environmental Act's (NEMA) financial provision requirements. They are also required to substantively review and align their financial provision in accordance with these regulations during the relevant transitional period, which has now been extended with no firm date given. The company intends to finance the ultimate rehabilitation costs from the money invested with environmental trust funds, as well as the proceeds on sale of assets and gold from plant clean-up at the time of mine closure. The company has guarantees, some cash-backed, in place relating to some of the environmental liabilities. Refer to note 10 and 29.

21 Other provisions

	SA Rand	
Figures in million	**2024**	2023
Provision for silicosis settlement	**199**	429
Retirement benefit obligation	**39**	31
Total other provisions	**238**	460
Current portion of other provisions	**15**	141
Non-current portion of other provisions	**223**	319

21 Other provisions continued

Provision for silicosis settlement

Refer to note 25(a) of the group financial statements for a discussion on the settlement provision. The following is a reconciliation of the company's provision for the silicosis settlement:

	SA Rand	
Figures in million	**2024**	2023
Balance at beginning of year	**429**	641
Change in estimate[1]	**(136)**	(143)
Time value of money and inflation component	**26**	52
Payments[2]	**(120)**	(121)
Balance at end of year	**199**	429
Current portion of silicosis settlement provision[3]	**15**	141
Non-current portion of silicosis settlement provision	**184**	288

[1] *The change in estimate relates mainly to a change in the assumptions due to the availability of actual exit data and an adjustment to the take-up rate, which resulted in a decrease of the estimated obligation as at 30 June 2024.*
[2] *These payments comprise of the administration and benefit contributions to the Tshiamiso Trust.*
[3] *During the second half of FY24, Harmony had surplus funds available in the Tshiamiso Trust therefore no further benefit contributions have been made per instruction of the Tshiamiso Trust.*

The group's obligation has been allocated to the companies within the group that forms part of the court settlement agreement based on the number of employees at an operation over a period of time. As holding company of the group, Harmony is liable for and will be obligated to settle the portion for companies that no longer form a part of the group.

Sensitivity analysis

Management has considered the information available regarding key assumptions, as well as the uncertainties and term of the projections, and determined variances for a reasonable (possible) range to apply to the key assumptions. Information considered included medical data and evidence from the silicosis claim process. Management also considered the guidance provided by the actuarial specialists as to what could be a reasonably possible change for each item.

The impact of these reasonable possible changes on the assumptions would increase or decrease the provision amount by the following:

	SA Rand	
Figures in million	**2024**	2023
Effect of an increase in the assumption:		
Change in benefit take-up rate[1]	**52**	64
Change in silicosis prevalence[2]	**52**	64
Change in disease progression rates[3]	**20**	48
Effect of a decrease in the assumption:		
Change in benefit take-up rate[1]	**(52)**	(64)
Change in silicosis prevalence[2]	**(52)**	(64)
Change in disease progression rates[3]	**(20)**	(48)

[1] *Change in benefit take-up rate: the take-up rate does not significantly affect the administration fees, but a 10% change results in a proportionate change in the base compensation values.*
[2] *Change in silicosis prevalence: the assumptions that will result in a change in the estimated number of cases are either a 10% change in the assumed labour number or a 10% change in the disease risk.*
[3] *Change in disease progression rates: a 10% shorter/longer disease progression period was used, which results in more advanced silicosis cases. This assumption is not applicable to the dependant or TB classes.*

Retirement benefit obligation

Pension and provident funds: Refer to note 25(b) of the group financial statements. Funds contributed by the company for the 2024 year amounted to R148 million (2023: R139 million).

Post-retirement benefits other than pensions: Refer to note 25(b) of the group financial statements for a discussion of the obligation, risks and assumptions used. Subsequent to 30 June 2024, Harmony entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. Refer to note 33 for details.

22 Other non-current liabilities

	SA Rand	
Figures in million	**2024**	2023
Financial liabilities		
Preference share liability (a)	**50**	29
Lease liability – non-current	**3**	5
Total other non-current liabilities	**53**	34

(a) In 2019, Harmony issued 4 400 000 convertible preference shares to the Harmony Gold Community Trust. The shares carry a minimum preference dividend of R2 per share per annum for the duration of a lock-in period of ten years and are convertible into ordinary shares at Harmony's election after the expiry of the lock-in period. The liability represents the non-current portion of the present value of the future preference dividend payments. The current portion is included in trade and other payables. An additional 2 466 103 preference shares was issued in 2024 to Harmony Gold Community Trust. The shares will also participate in a guaranteed annual preference share dividend of R2 per annum for a lock-in period of ten years after which the shares are convertible into ordinary shares at Harmony's election after the expiry of the lock-in period.

23 Borrowings

Summary of facilities' terms

	Commenced	Tenor (years)	Matures	Secured	Security	Interest payment basis	Interest charge	Repayment term	Repaid
Existing									
R2.5 billion revolving credit facility – sustainability linked	May 2022	Five years	May 2027[2]	No	Unsecured	Variable	JIBAR[3] + 2.4%	On maturity	n/a
US$400 million facility – sustainability linked	May 2022	Five years	May 2027[2]	No	Unsecured	Variable		On maturity	n/a
– US$100 million term facility							SOFR + 2.85%		
– US$300 million revolving credit facility							SOFR + 2.70%		
R1.5 billion facility (green term loan)[1]	May 2022	Six years, six months	November 2028	No	Unsecured	Variable	JIBAR[3] + 2.65%	Bi-annual[4]	n/a

[1] *This facility can only be drawn down for qualifying projects after November 2022.*
[2] *During March 2024 a 12-month extension has been granted from May 2026.*
[3] *The interest rates of these facilities is expected to be impacted by the South African IBOR reform, where JIBAR is planned to be discontinued and replaced with the South African Rand Overnight Index Average (ZARONIA). As these facilities' agreements makes provision for the use of replacement benchmarks for determining interest rates, the impact of the IBOR reform is expected to be immaterial.*
[4] *Initially ten equal bi-annual instalments starting from May 2024 with the final instalment on maturity. As no drawdowns have occurred as of 30 June 2024, the first R150 million is no longer available.*

23 Borrowings continued

Debt covenants

The debt covenant tests for both the Rand and US dollar revolving credit facilities are as follows:

- The group's interest cover ratio shall be more than five times (EBITDA[1]/Total interest paid)
- Leverage[2] shall not be more than 2.5 times.

[1] *Earnings before interest, taxes, depreciation and amortisation (EBITDA) as defined in the agreement excludes extraordinary items such as impairment, restructuring cost and gains/losses on disposal of fixed assets.*
[2] *Leverage is defined as total net debt to EBITDA.*

Debt covenants tests were performed for the facilities for the 2024 and 2023 financial years and no breaches were noted. For the 2024 financial year, the group's interest cover ratio was 44.1 times (2023: 26.0 times), while the group's leverage was negative 0.2 (2023: 0.2). Management believes that it is very likely that the covenant requirements will be met in the foreseeable future given the current earnings and interest levels.

Interest-bearing borrowings

	SA Rand	
Figures in million	**2024**	2023
Non-current borrowings		
R2.5 billion facility – sustainability linked	**—**	—
Balance at beginning of year	**—**	—
Draw down	**300**	700
Repayments	**(300)**	(700)
Amortisation of issue costs	**16**	7
Reclassification to prepayments (Trade and other receivables)	**(16)**	(7)
US$400 million facility – sustainability linked	**1 785**	5 592
Balance at beginning of year	**5 592**	3 180
Draw down	**—**	2 919
Repayments	**(3 747)**	(1 345)
Amortisation of issue costs	**23**	19
Translation	**(83)**	819
Total non-current borrowings	**1 785**	**5 592**
Current borrowings		
US$400 million facility – sustainability linked	**9**	103
Balance at beginning of year	**103**	—
Interest accrued	**129**	103
Repayments	**(224)**	—
Translation	**1**	—
Total current borrowings	**9**	103
Total interest-bearing borrowings	**1 794**	5 695

	SA Rand	
Figures in million	**2024**	2023
The maturity of borrowings is as follows:		
Current	**9**	103
Between one to two years	**—**	—
Between two to three years	**1 785**	5 592
Total	**1 794**	5 695
Undrawn committed borrowing facilities:		
Expiring within one year[1]	**1 350**	—
Expiring after one year	**7 958**	5 883
Total	**9 308**	5 883

[1] *The ability to draw down from the green loan ends at the end of November 2024. However repayment of any drawn down amounts prior to this date will be in line with the original payment terms.*

23 Borrowings continued

Interest-bearing borrowings continued

	2024	2023
Effective interest rates (%)		
R2.5 billion RCF – sustainability linked	**10.8**	9.2
US$400 million – sustainability linked	**8.2**	6.8

24 Trade and other payables

	SA Rand	
Figures in million	**2024**	2023
Financial liabilities		
Trade payables	**70**	62
Lease liability – current	**3**	5
Other liabilities	**26**	30
Non-financial liabilities		
Payroll accruals	**591**	475
Leave liability	**116**	110
Shaft-related and other liabilities	**120**	142
Value added tax	**195**	161
Income and mining tax	**44**	—
Total trade and other payables	**1 165**	985

25 Cash generated by operations

	SA Rand	
Figures in million	**2024**	2023
Reconciliation of loss before taxation to cash generated by operations:		
Loss before taxation	**(1 576)**	(1 273)
Adjustments for:		
Amortisation and depreciation	**182**	162
Share-based payments	**305**	7
Net decrease in provision for environmental rehabilitation	**(21)**	(34)
Impairment of investments in subsidiaries	**2 530**	919
Net gain on financial instruments	**(18)**	(39)
Dividends received	**(217)**	(131)
Interest received	**(325)**	(203)
Finance costs	**524**	585
Inventory-related adjustments	**(34)**	11
Silicosis settlement provision – net	**(256)**	(264)
Loss allowance	**12**	29
Foreign exchange translation	**(83)**	819
Non-cash portion of gains on derivatives	**(35)**	143
Preference share dividend liability expense	**28**	—
Other non-cash adjustments	**(24)**	(39)
Effect of changes in operating working capital items		
Increase in Receivables	**(47)**	(522)
Decrease in Inventories	**28**	141
Increase/(decrease) in Payables	**113**	(168)
Cash generated by operations	**1 086**	143

25 Cash generated by operations continued

Additional cash flow information

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits.

Non-cash adjustments

The amounts presented in the cash flow statement exclude transactions that do not represent inflows or outflows of cash and cash equivalents.

(a) The interest received as per note 6 includes interest received from environmental trust funds which is treated as a non-cash adjustment for the determination of interest received in the cash flow statement.
(b) The interest as per note 10 includes interest from environmental trust funds which is treated as a non-cash adjustment for the determination of the cash movement in the cash flow statement.
(c) Finance costs on borrowings includes accrued interest and amortisation of commitment fees, which is treated as non-cash adjustments for the determination of interest paid in the cash flow statement.
(d) The additions as per note 9 include right-of-use assets which are treated as non-cash adjustments for the determination of additions to property, plant and equipment in the cash flow statement.

Principal non-cash transactions

(a) Share-based payments (refer to note 27).
(b) Investment in subsidiaries arising from share-based payments (refer to note 14).
(c) Issue of preference shares to the Harmony Gold Community Trust (refer to note 18 and 22).

Undrawn facilities

At 30 June 2024, R9 308 million (2023: R5 883 million) of borrowing facilities had not been drawn down and is therefore available for future operating activities and future capital commitments. Refer to note 23.

Taxation paid

The income and mining taxes paid in the statement of cash flows represents actual cash paid less refunds received.

Loan to Avgold

The loan to Avgold did not meet the net presentation requirements of IAS 7 in the current year and therefore the cash receipts and payments for this loan were presented on a gross basis in the cash flow statement.

26 Employee benefits

	SA Rand	
Figures in million	**2024**	2023
Aggregate earnings		
The aggregate earnings of employees including executive directors were:		
Salaries and wages and other benefits (excluding share-based payments)	**1 926**	1 770
Retirement benefit costs	**148**	139
Medical aid contributions	**59**	55
Total aggregated earnings*	**2 133**	1 964
Number of permanent employees as at 30 June	**3 431**	3 439

** These amounts have been included in cost of sales, corporate expenditure and capital expenditure.*

Remuneration for directors and executive management is fully disclosed in Annexure B of this report.

The increase for the 2024 year is mainly attributable to annual inflationary increases. During the 2024 financial year R19 million (2023: R43 million) was included in the payroll cost for termination costs. Termination costs include the costs relating to the voluntary retrenchment process as well as retrenchments due to shaft closures.

27 Share-based payments

The total cost relating to share-based payments for the company is made up as follows:

	SA Rand	
Figures in million	**2024**	2023
Katleho ya Moruo Employee Share Ownership Plan (Katleho ya Moruo ESOP)	**8**	—
Management Deferred Share Plan (Management DSP)	**7**	7
Harmony Gold Community Trust preference share issue	**290**	—
Total share-based payments	**305**	7

Employee share-based payments

The objective of the group's share-based payment schemes is to recognise the contributions of employees to the group's financial position and performance and to retain key employees.

Options granted under the Management Deferred Share Plan

Refer to note 34 of the group financial statements for the information relating to the Management DSP. The following information relates specifically to the company:

	Number of DS	
Activity on DS granted but not exercised	**2024**	2023
Balance at beginning of year	**3 339 859**	2 832 674
Options granted	**1 201 751**	1 492 725
Options exercised	**(1 083 550)**	(857 309)
Options forfeited and lapsed	**(213 568)**	(128 231)
Balance at end of year	**3 244 492**	3 339 859

List of options granted but not yet exercised (listed by grant date)	**Number of options**	**Remaining life (years)**
As at 30 June 2024		
Deferred shares		
18 September 2019 – 5 years	**63 054**	**0.2**
18 September 2020 – 5 years	**146 859**	**1.2**
20 September 2021 – 3 years	**388 788**	**0.2**
20 September 2021 – 5 years	**512 179**	**2.2**
19 September 2022 – 3 years	**569 780**	**1.2**
19 September 2022 – 5 years	**457 058**	**3.2**
18 September 2023 – 3 years	**722 106**	**2.2**
18 September 2023 – 5 years	**384 668**	**4.2**
Total options granted but not yet exercised	**3 244 492**	

27 Share-based payments continued

Options granted under the Management Deferred Share Plan continued

	2024	2023
18 September 2019 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**—**	5
Weighted average share price at the date of exercise (SA Rand)	**—**	41.00
Remaining life (years)	**—**	—
18 September 2019 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**2**	2
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**0.2**	1.2
18 September 2020 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**13**	6
Weighted average share price at the date of exercise (SA Rand)	**85.87**	40.84
Remaining life (years)	**—**	0.2
18 September 2020 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**3**	2
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**1.2**	2.2
20 September 2021 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**36**	17
Weighted average share price at the date of exercise (SA Rand)	**85.52**	40.19
Remaining life (years)	**0.2**	1.2
20 September 2021 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**8**	3
Weighted average share price at the date of exercise (SA Rand)	**90.60**	47.41
Remaining life (years)	**2.2**	3.2
19 September 2022 – 3 years		
Gain realised by participants on options exercised during the year (R million)	**25**	—
Weighted average share price at the date of exercise (SA Rand)	**82.65**	—
Remaining life (years)	**1.2**	—
19 September 2022 – 5 years		
Gain realised by participants on options exercised during the year (R million)	**6**	—
Weighted average share price at the date of exercise (SA Rand)	**93.65**	—
Remaining life (years)	**3.2**	—

Options granted under the Katleho ya Moruo ESOP

Refer to note 34 of the group financial statements for the information relating to the Katleho ya Moruo ESOP. No participation units have been awarded as at 30 June 2024. Due to this there were no share option movements.

Other share-based payments

Harmony Gold Community Trust preference shares

Harmony issued an additional 2 466 103 convertible preference shares to the HC Trust in February 2024. The purpose of the transaction is to increase the benefits flowing to the communities in which Harmony operates. The preference shares rank pari passu with the ordinary shares of the company except for the following:

- The Trust is prohibited from disposing of the preference shares for a restricted period of ten years
- The preference shares are convertible into ordinary shares after the expiry of the restricted period at the company's election
- During the restricted period, the Trust is entitled to exercise and enjoy the benefit of all voting and dividend and other rights attached to the preference shares
- During the restricted period, the preference shares will be entitled to a minimum dividend of R2 per preference share
- On expiry of the restricted period, the company has the first option to purchase the shares should the Trust intend to dispose of its shareholding.

Measurement

The transaction is an equity-settled share-based payment arrangement and vested on the date of issue of the preference shares. An amount of R290 million is included in the share-based payment reserve relating to the transaction. The amount was determined with reference to the spot share price of R117.40 on the vesting date as there were no vesting conditions attached to the issue.

28 Related parties

Refer to note 35 in the group financial statements for a discussion on related parties. The services rendered to the subsidiary companies relate primarily to general administration and financial functions. All the production of the company is sent to Rand Refinery in which Harmony holds a 10.38% interest. Refer to note 15.

	SA Rand	
Figures in million	**2024**	2023
Sales and services rendered to related parties		
Direct subsidiaries	**43 460**	37 049
Indirect subsidiaries	**5 179**	3 395
Total	**48 639**	40 444
Purchases and services acquired from related parties		
Indirect associates	**2**	2
Total	**2**	2

Annexure A of this report contains a full list of the loans to and from subsidiaries. Refer to note 14 for details of expected credit losses made against these loans. All loans except as stated otherwise are unsecured and interest-free and there are no special terms and conditions that apply.

	SA Rand	
Figures in million	**2024**	2023
Outstanding balances due by related parties		
Direct subsidiaries	**4 271**	4 177
Indirect subsidiaries	**433**	514
Total	**4 704**	4 691
Outstanding balances due to related parties		
Direct subsidiaries	**11 284**	7 070
Indirect subsidiaries	**715**	503
Total	**11 999**	7 573

Details of the derivative financial instruments are included in note 12. The balances and movements below relate to the derivative instruments where Harmony and the subsidiaries are the counterparties.

	SA Rand	
Figures in million	**2024**	2023
Derivative assets		
Direct subsidiaries	**1 527**	1 262
Indirect subsidiaries	**470**	147
Total assets	**1 997**	1 409
Derivative liabilities		
Direct subsidiaries	**810**	222
Indirect subsidiaries	**140**	134
Total liabilities	**950**	356
Gains/(losses) from back-to-back derivatives with related parties		
Direct subsidiaries	**1 835**	1 832
Indirect subsidiaries	**679**	179
Total	**2 514**	2 011

29 Commitments and contingencies

Commitments and guarantees

	SA Rand	
Figures in million	**2024**	2023
Capital expenditure commitments		
Contracts for capital expenditure	**196**	111
Authorised by the directors but not contracted for	**3 111**	35
Total capital commitments	**3 307**	146

The expenditure will be financed from existing resources and where appropriate, borrowings.

	SA Rand	
Figures in million	**2024**	2023
Guarantees		
Guarantees and suretyships	**7**	7
Environmental guarantees	**318**	318
Total guarantees	**325**	325

At 30 June 2024, R217 million (2023: R181 million) has been pledged as collateral for guarantees in favour of certain financial institutions. Refer to note 10.

Contingent liabilities

Refer to note 36 (b), (c) and (d) of the group financial statements for a discussion on contingent liabilities relevant to the company.

30 Financial risk management

The company's financial instruments expose it to a variety of financial risks: market risk (including foreign exchange risk, commodity price risk, other price risk and interest rate risk), credit risk and liquidity risk. The company may use derivative financial instruments to hedge certain risk exposures. The company's financial assets and liabilities are set out below:

	SA Rand				
Figures in million	Debt instruments at amortised cost	Equity instruments designated at fair value through OCI	Derivatives at fair value through profit or loss	Debt instruments at fair value through profit or loss	Financial liabilities at amortised cost
At 30 June 2024					
Financial assets					
Restricted cash and investments	**780**	—	—	**143**	—
Loans to subsidiaries	**4 704**	—	—	—	—
Other non-current assets	**9**	**82**	—	**68**	—
Non-current derivative financial instruments	—	—	**1 031**	—	—
– Rand gold forwards	—	—	**651**	—	—
– US$ gold forwards	—	—	**104**	—	—
– Rand gold collars[1]	—	—	**135**	—	—
– US$ gold collars[1]	—	—	**19**	—	—
– US$ silver contracts	—	—	**24**	—	—
– Foreign exchange contracts	—	—	**98**	—	—
Current derivative financial instruments	—	—	**1 978**	—	—
– Rand gold forwards	—	—	**1 318**	—	—
– US$ gold forwards	—	—	**162**	—	—
– Rand gold collars[1]	—	—	**28**	—	—
– US$ gold collars[1]	—	—	**2**	—	—
– US$ silver contracts	—	—	**43**	—	—
– Foreign exchange contracts	—	—	**425**	—	—
Trade and other receivables	**1 149**	—	—	—	—
Cash and cash equivalents	**3 211**	—	—	—	—
Financial liabilities					
Non-current derivative financial instruments	—	—	**1 037**	—	—
– Rand gold forwards	—	—	**672**	—	—
– US$ gold forwards	—	—	**104**	—	—
– Rand gold collars[1]	—	—	**126**	—	—
– US$ gold collars[1]	—	—	**19**	—	—
– US$ silver contracts	—	—	**24**	—	—
– Foreign exchange contracts	—	—	**92**	—	—
Current derivative financial instruments	—	—	**2 024**	—	—
– Rand gold forwards	—	—	**1 392**	—	—
– US$ gold forwards	—	—	**162**	—	—
– Rand gold collars[1]	—	—	**27**	—	—
– US$ gold collars[1]	—	—	**2**	—	—
– US$ silver contracts	—	—	**43**	—	—
– Foreign exchange contracts	—	—	**398**	—	—
Borrowings	—	—	—	—	**1 794**
Other non-current liabilities	—	—	—	—	**53**
Loans from subsidiaries	—	—	—	—	**11 999**
Trade and other payables	—	—	—	—	**99**

[1] *Harmony introduced gold zero cost collar hedging contracts to its derivative programme during April 2024 to hedge the risk of lower gold prices.*

30 Financial risk management continued

	SA Rand				
Figures in million	Debt instruments at amortised cost	Equity instruments designated at fair value through OCI	Derivatives at fair value through profit or loss	Debt instruments at fair value through profit or loss	Financial liabilities at amortised cost
At 30 June 2023					
Financial assets					
Restricted cash and investments	749	—	—	135	—
Loans to subsidiaries	4 691	—	—	—	—
Other non-current assets	7	73	—	101	—
Non-current derivative financial instruments	—	—	701	—	—
– Rand gold forwards	—	—	504	—	—
– US$ gold forwards	—	—	33	—	—
– US$ silver contracts	—	—	16	—	—
– Foreign exchange contracts	—	—	148	—	—
Current derivative financial instruments	—	—	1 086	—	—
– Rand gold forwards	—	—	861	—	—
– US$ gold forwards	—	—	53	—	—
– US$ silver contracts	—	—	28	—	—
– Foreign exchange contracts	—	—	144	—	—
Trade and other receivables	1 119	—	—	—	—
Cash and cash equivalents	1 894	—	—	—	—
Financial liabilities					
Non-current derivative financial instruments	—	—	721	—	—
– Rand gold forwards	—	—	525	—	—
– US$ gold forwards	—	—	33	—	—
– US$ silver contracts	—	—	16	—	—
– Foreign exchange contracts	—	—	147	—	—
Current derivative financial instruments	—	—	1 167	—	—
– Rand gold forwards	—	—	930	—	—
– US$ gold forwards	—	—	53	—	—
– US$ silver contracts	—	—	28	—	—
– Foreign exchange contracts	—	—	156	—	—
Borrowings	—	—	—	—	5 695
Other non-current liabilities	—	—	—	—	34
Loans from subsidiaries	—	—	—	—	7 573
Trade and other payables	—	—	—	—	97

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges certain selected financial risks in close cooperation with the group's operating units. The audit and risk committee and the board provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, commodity price risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and the investment of excess liquidity.

Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency. There is foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (US$). Harmony's revenues are sensitive to the R/US$ exchange rate as all revenues are generated by gold sales denominated in US$. A weakening of the Rand will increase the reported revenue total; conversely a strengthening will decrease it.

30 Financial risk management continued

Market risk continued

Foreign exchange risk continued

Harmony maintains a foreign currency derivative programme in order to manage the foreign exchange risk. The limit currently set by the board is 25% of the company's foreign exchange risk exposure for a period of 24 months. The audit and risk committee reviews the details of the programme quarterly. Refer to note 12 and the fair value determination for financial assets and liabilities section below for details of the contracts.

The Rand strengthened during the 2024 year from a closing rate of R18.83/US$1 on 30 June 2023 to R18.19/US$1 on 30 June 2024. The strengthening of the Rand resulted in the average locked-in rates being higher than the spot exchange rate at 30 June 2024, which had a positive impact on the contracts that matured during the period as well as those that were outstanding as at 30 June 2024.

The company is exposed to foreign exchange risk arising from borrowings and cash denominated in a currency other than the functional currency of the entity, primarily to the US$. The strengthening of the Rand also had a positive impact on the translation of the US$ debt facilities at 30 June 2024. At 30 June 2023 these exposures impacted negatively on the translation of the US$ debt facilities. Refer to note 23 for further detail.

The relevant exchange rates traded in the following ranges:

	Year ended	
	30 June 2024	30 June 2023
R/US$ foreign exchange rate range for the year	**17.54 – 19.51**	16.17 – 19.81
R/A$ foreign exchange rate range for the year	**11.71 – 12.72**	11.19 – 12.94

The company has reviewed its foreign currency exposure on financial assets and financial liabilities and has identified the following sensitivities in the exchange rates that would affect profit and loss before tax:

- Rand/US$ exchange rate – 3% (2023: 5%) based on the standard deviation from a one-year forecast of various financial institution outlooks.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis – borrowings		
Rand against US$		
Balance at 30 June	**1 794**	5 695
Strengthen by 3% (FY23: 5%)	**54**	285
Weaken by 3% (FY23: 5%)	**(54)**	(285)
Closing rate	**18.19**	18.83
Sensitivity analysis – financial instruments		
Rand against US$		
Balance at 30 June	**33**	(11)
Strengthen by 3% (FY23: 5%)	**16**	40
Weaken by 3% (FY23: 5%)	**(15)**	(50)
Closing rate	**18.19**	18.83

Commodity price sensitivity

The profitability of the company's operations, and the cash flows generated by those operations, are affected by changes in the market price of gold. Harmony entered into derivative contracts to manage the variability in cash flows from the company's production to create cash certainty and protect the company against lower commodity prices. A new limit for gold hedging was approved by the Board in April 2024 as 30%, 20% and 10% of production in a 12-, 24- and 36-month period, respectively, for contracts going forward. Prior to April 2024, the limit was 20% for a 24-month period. Management continues to top up these programmes as and when opportunities arise to lock in attractive margins for the business, but are not required to maintain hedging at these levels. The audit and risk committee reviews the details of the programme quarterly.

Harmony enters into derivative contracts with various financial institutions on behalf of its operations and subsidiaries. Harmony then enters into back-to-back contracts with the subsidiaries. Refer to note 12 and the fair value determination for financial assets and liabilities section below for further detail on these contracts.

Gold traded within a range of US$1 820/oz and US$2 425/oz (2023: US$1 622/oz and US$2 051/oz) during the current year. For both the 2023 and 2024 year, an increase in the price of gold in US$ terms resulted in the average locked-in gold forward prices being lower than the gold spot price which had a negative impact on the gold forward hedging contracts that matured during the period as well as those that were outstanding as at 30 June 2023 and 30 June 2024.

30 Financial risk management continued

Market risk continued

Commodity price sensitivity continued

The company has reviewed its exposure to commodity linked instruments and identified a sensitivity of 8% (2023: 7%) based on the standard deviation of a one-year forecast gold price from various financial institution outlooks. The estimated sensitivity would affect profit or loss in the 2024 financial year.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis		
Rand gold derivatives		
Profit or loss before tax		
Increase by 8% (FY23: 7%)	**(173)**	(119)
Decrease by 8% (FY23: 7%)	**154**	106

Other price risk

The company is exposed to the risk of fluctuations in the fair value of the fair value through profit or loss financial assets as a result of changes in market prices (other than changes in interest rates and foreign currencies). Harmony generally does not use any derivative instruments to manage this risk.

Sensitivity analysis

Certain of the restricted investments are linked to the Top 40 Index on the JSE. Management considered a sensitivity of 2% (2023: 6%) as appropriate, based on the average fluctuations within the last year's historical data. These changes in the Top 40 index at the reporting dates, with all other variables held constant, would not have a material impact on the balances.

Interest rate risk

The company's interest rate risk arises mainly from borrowings. The company has variable interest rate borrowings. Variable rate borrowings expose the company to cash flow interest rate risk.

With inflation rates easing and economies recovering, central banks have kept interest rates unchanged during the year ended 30 June 2024. The stable interest rates coupled with a reduction in borrowings has had a positive impact on the company's cost of borrowings. The company has therefore not entered into interest rate swap agreements as the interest rate risk continues to be assessed as low. The audit and risk committee reviews the company's risk exposure quarterly.

Interest rate risk arising from borrowings is offset by cash and restricted cash and investments held at variable rates. As at 30 June 2024, management reasonably expects profit or loss before tax to increase/(decrease) by the following sensitivities:

- A 53 basis points (2023: 15 basis point) finance cost movement based on the average of a one-year forecast US Fed rate from various financial institution outlooks
- A 41 basis points (2023: 50 basis points) sensitivity on interest received based on the average of a one-year forecast of the South African prime interest rate from various financial institution outlooks.

The above analysis assumes that all other variables remain constant.

	SA Rand	
Figures in million	**2024**	2023
Sensitivity analysis – borrowings (finance costs)		
US$-denominated borrowings		
Increase by 53 basis point (FY23: 15 basis point)	**(10)**	(9)
Decrease by 53 basis points (FY23: 15 basis point)	**10**	9
Sensitivity analysis – financial assets (interest received)		
Increase by 41 basis points (FY23: 50 basis points)	**16**	13
Decrease by 41 basis points (FY23: 50 basis points)	**(16)**	(13)

Credit risk

Credit risk is the risk that a counterparty may default or not meet its obligations in a timely manner. Financial instruments that are subject to credit risk are restricted cash and investments, derivative financial instruments, loans to subsidiaries and cash and cash equivalents, as well as trade and other receivables (excluding non-financial instruments).

Assessment of credit risk

In assessing the creditworthiness of local institutions, management uses the national scale long-term ratings. The credit risk arising from cash and cash equivalents, restricted cash and investments and derivative financial assets is managed by ensuring amounts are only invested with financial institutions of good credit quality based on external credit ratings.

30 Financial risk management continued

Credit risk continued

Assessment of credit risk continued

The group has policies that limit the amount of credit exposure to any one financial institution. The audit and risk committee reviews the exposure on a quarterly basis. Exposure to credit risk on trade and other receivables is monitored on a regular basis by management.

The method of assessing the exposure to credit risk for the loans to the company's subsidiaries is detailed in note 14.

Financial institutions' credit rating by exposure (Source: Fitch Ratings and Global Credit Ratings)

	SA Rand	
Figures in million	**2024**	2023
Cash and cash equivalents		
AA+	**3 211**	1 894
Total	**3 211**	1 894
Restricted cash and investments		
AA+	**909**	870
Total	**909**	870
Derivative financial assets (a)		
AA+	**407**	117
AA	**221**	—
AA-	**156**	127
A+	**227**	135
Total	**1 011**	379

(a) The amounts disclosed in accordance with each counterparty’s risk relate to the entire Harmony group. As at 30 June 2024, 6% (2023: 6%) is attributable to the Harmony company, while 94% (2023: 94%) is attributable to the subsidiaries of the group.

The Social Plan Trust fund of R14 million (2023: R14 million) has been invested in unit trusts comprising interest-bearing instruments and shares in listed companies.

The company’s maximum exposure to credit risk is represented by the carrying amount of all financial assets determined to be exposed to credit risk, amounting to R13 073 million as at 30 June 2024 (2023: R10 483 million).

Expected credit loss assessment

The company determines expected credit losses on cash and cash equivalents, restricted cash and investments, and trade and other receivables on the same basis as described in note 37 of the group financial statements. Expected credit losses on loans to subsidiaries are determined as described in note 14. The majority of the loans to subsidiaries are repayable on demand and therefore not past due. The 12-month ECL for all performing loans to subsidiaries was assessed to be immaterial.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions which are rated AA+ (see above). The ECL on cash and cash equivalents has been determined using the simplified approach that allows the group to assume that the credit risk on financial instruments determined to have low credit risk at the reporting date, has not increased significantly since initial recognition of the financial instrument. The ECL was estimated with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. The ECL was determined to be immaterial.

Restricted cash and investments

Restricted cash and investments relate largely to the environmental trust funds. These funds are held with banks and financial institutions that are rated AA+ (see above). Impairment of these investments has been determined using the simplified approach that allows the group to assume that the credit risk on financial instruments determined to have low credit risk at the reporting date, has not increased significantly since initial recognition of the financial instrument. The company considers that its restricted investments and cash have low credit risk based on the external credit ratings of the counterparties with which the funds are deposited. The ECL was estimated with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. Concentration of credit risk on restricted cash and investments is considered minimal due to the company’s investment risk management and counterparty exposure risk management policies. The ECL was determined to be immaterial.

30 Financial risk management continued

Credit risk continued

Expected credit loss assessment continued

Trade and other receivables

The company's exposure to credit risk arising from trade receivables (metals) and other trade receivables is influenced mainly by the individual characteristics of each customer.

Trade receivables result largely from the sale of gold and are fully performing. Exposure to credit risk on receivables from gold sales is limited through payment terms of two to three days after recognition of revenue for gold sales. The majority of other receivables comprise a limited number of individually significant customers. The company determines the ECL on trade receivables and individually significant other receivable balances with reference to a probability of default model using external credit ratings in determining the default risk of counterparties. The external credit ratings used range between A- to AA-. The ECL was determined to be immaterial.

Loss allowances on individually insignificant other trade receivables has been determined using the simplified ECL approach using a provision matrix and reflects the short-term maturities of the exposures and past experienced credit judgement. Refer to note 11 for details on the amount of the loss allowance recognised and the stratification of trade and other receivables for purposes of the assessment.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

In the ordinary course of business, the company receives cash from its operations and is required to fund working capital and capital expenditure requirements. Management prepares cash flow forecasts weekly and ensures that surplus funds are invested in a manner to achieve market-related returns and to provide sufficient liquidity at the minimum risk. The company maintains and refinances committed credit facilities as medium-term forecasts require. The audit and risk committee reviews the updated forecasts quarterly. The company is able to actively source financing at competitive rates. Where necessary, funds will be drawn from its revolving credit facilities (refer to note 23).

The following are the undiscounted contractual maturities of financial liabilities (including principal and interest payments assuming the closing R/US$ exchange rate, closing spot US$ gold price and interest rate at year-end):

	SA Rand			
Figures in million	**2024**		2023	
	Current	**More than 1 year**	Current	More than 1 year
Trade and other payables (excluding non-financial liabilities)[1]	**99**	**—**	97	—
Other non-current liabilities[1]	**—**	**53**	—	34
Derivative financial liabilities (a)[1]				
Due between 0 to six months	**49**	**—**	49	—
Due between six to 12 months	**32**	**—**	51	—
Due between one to two years	**—**	**38**	—	65
Loans from subsidiaries[2]	**11 999**	**—**	7 573	—
Borrowings[1]				
Due between 0 to six months	**75**	**—**	597	—
Due between six to 12 months	**74**	**—**	215	—
Due between one to two years	**—**	**149**	—	431
Due between two to three years[3]	**—**	**1 953**	—	5 660
Total	**12 328**	**2 193**	8 582	6 190

[1] *The company will utilise its cash generated from operations to settle outstanding obligations.*
[2] *Loans from subsidiaries are payable on demand. Refer to note 14 for details.*
[3] *Final repayment of capital amount of R1 819 million in May 2027, taking into account a 12-month extension that was granted in March 2024. This repayment is based on the final outstanding balance of US$100 million and the closing exchange rate of R18.19.*

30 Financial risk management continued

Liquidity risk continued

(a) Derivative financial liabilities are a result of the following:

	SA Rand			
Figures in million	**2024**		2023	
	Current	**More than 1 year**	Current	More than 1 year
Derivative financial liabilities	**81**	**38**	100	65
Attributable to:				
Payable to external counterparties	**1 622**	**766**	1 248	812
Receivable from Harmony subsidiaries	**(1 541)**	**(728)**	(1 148)	(747)
Net	**81**	**38**	100	65

Capital risk management

The primary objective of managing the company's capital is to ensure that there is sufficient capital available to support the funding requirements of the company, in a way that optimises the cost of capital and matches the current strategic business plan.

The company manages and makes adjustments to the capital structure, which consists of debt and equity, as and when borrowings mature or when funding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. In doing so, the company ensures it stays within the debt covenants agreed with lenders. The company may also sell assets to reduce debt or schedule projects to manage the capital structure.

The consideration of R2 996 million for the acquisition of Eva Copper was the main contributor to the company's increased net debt for the year ended 30 June 2023. It remains the company's objective to adhere to a conservative approach to debt and maintain low levels of gearing.

Net cash/(debt) is as follows:

	SA Rand	
Figures in million	**2024**	2023
Cash and cash equivalents	**3 211**	1 894
Borrowings	**(1 794)**	(5 695)
Net cash/(debt)	**1 417**	(3 801)

There were no changes to the company's approach to capital management during the year.

Fair value determination of financial assets and liabilities

The fair value levels of hierarchy are as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from other prices)

Level 3: Inputs for the asset that are not based on observable market data (that is, unobservable inputs).

The following table sets out the company's assets and liabilities measured at fair value by level within the fair value hierarchy:

	SA Rand			
Figures in million	**At 30 June 2024**		At 30 June 2023	
	Level 2	**Level 3**	Level 2	Level 3
Fair value through other comprehensive income				
Other non-current assets (a)	**—**	**82**	—	73
Fair value through profit or loss				
Restricted investments (b)	**143**	**—**	135	—
Derivative financial assets (c)	**3 009**	**—**	1 787	—
Derivative financial liabilities (c)	**(3 061)**	**—**	(1 888)	—
Loan to ARM BBEE Trust (d)	**—**	**68**	—	101

(a) The majority of the balance relates to the equity investment in Rand Mutual Assurance. The fair value of the investment was estimated with reference to an independent valuation. A combination of the "Embedded Valuation" and "Net Asset Value" techniques were applied to revalue the investment at the reporting dates.

30 Financial risk management continued

Fair value determination of financial assets and liabilities continued

(a) Equity investment in Rand Mutual Assurance **continued**
In evaluating the group's share of the business, common practice marketability and minority discounts, as well as additional specific risk discounts, were applied. There are no inputs to the valuation that a reasonably possible change would result in a material change in the fair value of the investment.

(b) The majority of the balance is directly derived from the Top 40 index on the JSE, and is discounted at market interest rate. This relates to equity-linked deposits in the group's environmental rehabilitation trust funds. The remaining balance of the environmental trust funds is carried at amortised cost and therefore not disclosed here.

(c) The mark-to-market remeasurement of the derivative contracts (refer to note 17 of the group financials for further details) was determined as follows:
- Foreign exchange contracts comprise zero cost collars and FECs: The zero cost collars were valued using a Black-Scholes valuation technique derived from spot Rand/US$ exchange rate inputs, implied volatilities on the Rand/US$ exchange rate, Rand/US$ inter-bank interest rates and discounted at market interest rate (zero-coupon interest rate curve). The value of the FECs is derived from the forward Rand/US$ exchange rate and discounted at market interest rate (zero-coupon interest rate curve)
- Rand gold contracts (forward sale contracts): spot Rand/US$ exchange rate, Rand and dollar interest rates (forward points), spot US$ gold price, differential between the US interest rate and gold lease interest rate which is discounted at market interest rate
- US$ gold forward sale contracts: spot US$ gold price, differential between the US interest rate and gold lease interest rate and discounted at a market interest rate
- Silver contracts (zero cost collars): a Black-Scholes valuation technique, derived from the spot US$ silver price, strike price, implied volatilities, time to maturity and interest rates and discounted at a market interest rate
- Rand gold zero cost collar contracts: a Black-Scholes valuation technique, derived from spot Rand/US$ exchange rate, spot US$ gold price, Rand and dollar interest rates (forward points) with discounting at the market interest rate (zero-coupon interest rate curve), US$ gold forward rates, time to maturity and implied volatilities
- US$ gold zero cost collar contracts: a Black-Scholes valuation technique, derived from spot US$ gold price, US$ gold forward rates, US$ interest rates with discounting at the market interest rate (zero-coupon interest rate curve), time to maturity and implied volatilities.

(d) At 30 June 2024, the fair value movement was calculated using a discounted cash flow model, taking into account forecast dividend payments over the estimated repayment period of the loan at a rate of 12.6% (2023: 12.7%). A 73 basis points (2023: 37 basis points) change in the discount rate, which would represent a reasonably possible change based on expected movements in lending rates, would not cause a material change in the fair value of the loan. The loan balance forms part of other non-current assets in the balance sheet. During the 2024 year, repayments to the value of R42 million (2023: R74 million) were received.

The carrying values (less any impairment allowance) of short-term financial instruments are assumed to approximate their fair values. This includes restricted cash and investments and loans with subsidiaries carried at amortised cost. The fair values of borrowings fairly approximates their carrying values since the interest payable on those borrowings is at market-related floating interest rates. The determination of the fair values are level 3 in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

31 Restatements

Presentation of subsidiary loan repayments and advances

During the 2024 financial year, a change in presentation was made to the classification of subsidiary loan repayments and advances, which was previously presented as part of cash flows from investing activities on the cash flow statement. The cash flows from revenue for the group increased during the 2023 year, with a further significant increase during the 2024 year. This resulted in the balances for several subsidiaries changing from a receivable to a payable for Harmony. This was despite the outflows related to the day-to-day expenditure being settled through these accounts. It is a possibility that these balances will fluctuate regularly between asset and liability positions as certain companies undertake major projects over the next few years.

IAS 7, ***Statement of Cash Flows***, sets the expectation that cash flows classified as investing activities result in an asset being recognised. If this is not the case, assuming it is not deemed to be financing activities, the cash flows are expected to be classified as operating activities. The transactions for all the subsidiaries are the same in nature, however the result of an asset or liability position is dependent on the profitability of each individual company. As the balance may fluctuate between receivable or payable each year, which would then require reclassification between investing and operating activities on an annual basis, management considered the default classification of operating activities going forward to be the most practical solution, while keeping the transactions of a similar nature grouped together. Therefore, subsidiary loan repayments and advances have now been presented as part of cash flows from operating activities.

Management has therefore restated the cash flow statement for the 2023 financial year. This restatement had no impact on the income statement, statement of comprehensive income, balance sheet, statement of changes in shareholder's equity and other note disclosures.

The changes to the cash flow statement for the year ended 30 June 2023:

	SA Rand		
Figures in million	2023		
	Reported	Restated	Adjustment
Cash flow from operating activities			
Loan repayments from Avgold	—	2 276	2 276
Loan advances to Avgold	—	(3 526)	(3 526)
Loan repayments from other subsidiaries	—	3 709	3 709
Cash generated by operating activities	106	2 565	2 459
Cash flow from investing activities			
Loan repayments from Avgold	2 276	—	(2 276)
Loan advances to Avgold	(3 526)	—	3 526
Loan repayments from other subsidiaries	3 709	—	(3 709)
Cash generated/(utilised) by investing activities	(1 120)	(3 579)	(2 459)

The restatement did not have any impact on cash flows from financing activities.

32 Going concern

The financial statements are prepared on a going concern basis. Based on the directors analysis of future cash flow requirements and in accordance with the solvency and liquidity test in terms of section 4 of the Companies Act:

- the company's assets, fairly valued, exceeds its liabilities, fairly valued
- the company will be able to pay its debts as they become due in the ordinary course of business for the 12 months following 30 June 2024. The company's current liabilities exceed its current assets, however, the directors believe that the company has sufficient resources and expected cash flows to continue operating as a going concern.

The directors are comfortable that the company will be able to continue as a going concern and therefore support the preparation of the financial statements on a going concern basis.

33 Subsequent events

(a) On 4 September 2024, a final dividend of 94 SA cents was declared, paid on 14 October 2024.

(b) Effective from 1 September 2024, Harmony has entered into an agreement with RMA Life Assurance Company Limited (RMA) to transfer the liability in respect of the medical promise and medical aid subsidy, and the administration thereof, from Harmony to RMA. During September 2024, Harmony transferred a once-off amount of R350 million to RMA as a single premium for the transfer of the on-balance sheet liability of R290 million. Harmony and RMA have fulfilled all the relevant clauses per the contract, and the liability was derecognised.

(c) On 1 October 2024, Dr Urishanie Govender was appointed as Chief Sustainability Officer and will be classified as a prescribed officer going forward.

ANNEXURE A

Statement of group companies at 30 June 2024

Company	Country incorporated in	Issued share capital R 000	Effective group interest 2024 %	Effective group interest 2023 %	Cost of investment by holding company[1] 2024 Rm	Cost of investment by holding company[1] 2023 Rm	Loans from/(to) holding company 2024 Rm	Loans from/(to) holding company 2023 Rm
Direct subsidiaries:								
Dormant								
AGA Security Services (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Coreland Property Management (Proprietary) Limited[2]	(a)	#	**100**	100	**—**	—	**—**	—
First Uranium (Proprietary) Limited	(a)	2	**100**	100	**—**	—	**90**	90
Harmony Engineering (Proprietary) Limited[2]	(a)	#	**100**	100	**2**	2	**(4)**	(4)
Harmony Gold (Management Services) (Proprietary) Limited[2]	(a)	#	**100**	100	**—**	—	**—**	—
Harmony Gold Limited	(b)	#	**100**	100	**—**	—	**—**	—
Harmony Precision Casting (Proprietary) Limited[2]	(a)	358	**100**	100	**—**	—	**—**	—
Masakhisane Investment (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Musuku Beneficiation Systems (Proprietary) Limited[2]	(a)	#	**100**	100	**—**	—	**—**	—
Unisel Gold Mines Limited	(a)	23 136	**100**	100	**89**	89	**(89)**	(89)
Virginia Salvage (Proprietary) Limited[2]	(a)	2	**90**	90	**—**	—	**—**	—
Exploration								
Lydenburg Exploration Limited	(a)	42 792	**100**	100	**103**	103	**(106)**	(106)
Gold mining								
African Rainbow Minerals Gold Limited	(a)	96	**100**	100	**2 432**	2 432	**—**	—
Avgold Limited	(a)	6 827	**100**	100	**802**	3 382	**4 163**	3 750
Freegold (Harmony) (Proprietary) Limited	(a)	20	**100**	100	**601**	893	**(5 117)**	(4 726)
Golden Core Trade and Invest (Proprietary) Limited	(a)	#	**100**	100	**24**	22	**(3 608)**	(1 187)
Harmony Moab Khotsong Operations (Proprietary) Limited	(a)	#	**100**	100	**25**	83	**(1 840)**	(727)
Randfontein Estates Limited	(a)	19 882	**100**	100	**1 581**	1 822	**(180)**	310
Tswelopele Beneficiation Operation (Proprietary) Limited[4]	(a)	5 996	**77**	76	**51**	50	**(288)**	(225)
Investment holding								
Armgold Harmony Joint Investment Company (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Bokamoso Claims Management Systems (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**11**	9
Harmony Gold Community Trust	(a)	#	**100**	100	**—**	—	**(8)**	(6)
Harmony Copper Limited	(a)	15 916 340	**100**	100	**15 916**	16 334	**7**	5
Own Kind Mineral Resources (Proprietary) Limited	(d)	#	**100**	100	**—**	—	**—**	—
West Rand Consolidated Mines Limited	(a)	17 967	**100**	100	**321**	321	**(44)**	13
Property holding and development								
Coreland Property Development Company (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
La Riviera (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Lozitone (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Other								
Harmony Solar (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—

ANNEXURE A continued

Company	Country incorporated in	Issued share capital R 000	Effective group interest 2024 %	Effective group interest 2023 %	Cost of investment by holding company[1] 2024 Rm	Cost of investment by holding company[1] 2023 Rm	Loans from/(to) holding company 2024 Rm	Loans from/(to) holding company 2023 Rm
Indirect subsidiaries:								
Dormant								
Aurora Gold (WA) (Proprietary) Limited	(c)	163 115	**100**	100	**—**	—	**—**	—
Aurora Gold Australia (Proprietary) Limited	(c)	58	**100**	100	**—**	—	**—**	—
Australian Ores & Minerals (Proprietary) Limited	(c)	8 766	**100**	100	**—**	—	**—**	—
Carr Boyd Minerals (Proprietary) Limited	(c)	402 414	**100**	100	**—**	—	**—**	—
Harmony Eva Copper (Cloncurry) (Proprietary) Limited[6]	(c)	#	**100**	100	**—**	—	**—**	—
Harmony Gold Securities (Proprietary) Limited	(c)	#	**100**	100	**—**	—	**—**	—
Harmony Gold WA (Proprietary) Limited	(c)	#	**100**	100	**—**	—	**—**	—
Jeanette Gold Mines (Proprietary) Limited	(a)	#	**87**	87	**—**	—	**—**	—
Loraine Gold Mines Limited	(a)	#	**100**	100	**—**	—	**—**	—
Mine Waste Solutions (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**29**	29
New Hampton Goldfields (Proprietary) Limited[9]	(c)	196 248	**100**	100	**—**	—	**—**	—
Potchefstroom Gold Areas Limited[3]	(a)	—	**—**	100	**—**	—	**—**	—
Potchefstroom Gold Holdings (Proprietary) Limited[3]	(a)	—	**—**	100	**—**	—	**—**	—
Remaining Extent and Portion 15 Wildebeestfontein (Proprietary) Limited[2]	(a)	#	**67**	67	**—**	—	**—**	—
Venda Gold Mining Company (Proprietary) Limited[2]	(a)	#	**100**	100	**—**	—	**—**	—
Exploration								
Eva Copper Mine (Proprietary) Limited[6]	(c)	#	**100**	100	**—**	—	**—**	—
Harmony Gold Exploration (Proprietary) Limited	(a)	10	**100**	100	**—**	—	**(22)**	(3)
Harmony Gold (PNG) Exploration Limited	(e)	#	**100**	100	**—**	—	**—**	—
Morobe Exploration Limited	(e)	#	**100**	100	**—**	—	**—**	—
Roseby Copper (Proprietary) Limited[6]	(c)	69 931	**100**	100	**—**	—	**—**	—
Roseby Copper (South) (Proprietary) Limited[6]	(c)	#	**100**	100	**—**	—	**—**	—
Gold mining								
Chemwes (Proprietary) Limited	(a)	3	**100**	100	**3**	8	**404**	485
Kalahari Goldridge Mining Company Limited	(a)	1 275	**100**	100	**63**	68	**(693)**	(500)
Investment								
Abelle (Proprietary) Limited[9]	(c)	488 062	**100**	100	**—**	—	**—**	—
Aurora Gold Finance (Proprietary) Limited	(c)	#	**100**	100	**—**	—	**—**	—
Aurora Gold (Proprietary) Limited[9]	(c)	685 006	**100**	100	**—**	—	**—**	—
Aurora Gold (Wafi) (Proprietary) Limited	(c)	#	**100**	100	**—**	—	**—**	—
Harmony Eva Copper Services (Proprietary) Limited[6]	(c)	1 182 398	**100**	100	**—**		**—**	—
Harmony Gold (Australia) (Proprietary) Limited[7]	(c)	13 488 155	**100**	100	**291**	270	**—**	—
Harmony Gold Operations (Proprietary) Limited[9]	(c)	405 054	**100**	100	**—**	—	**—**	—
Harmony Minerals (Australia) (Proprietary) Limited[6]	(c)	863 302	**100**	100	**—**	—	**—**	—
Mineral right investment								
Morobe Consolidated Goldfields Limited	(e)	#	**100**	100	**—**	—	**—**	—
Wafi Mining Limited	(e)	#	**100**	100	**—**	—	**—**	—
Property and development								
Quarrytown Limited	(a)	#	**100**	100	**—**	—	**—**	—
Mining-related services								
Harmony Gold (PNG Services) (Proprietary) Limited	(c)	#	**100**	100	**—**	—	**—**	—
Margaret Water Company NPC	(a)	#	**66**	66	**—**	—	**—**	—
Covalent Water Company (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—

ANNEXURE A continued

Company	Country incorporated in	Issued share capital R 000	Effective group interest 2024 %	Effective group interest 2023 %	Cost of investment by holding company[1] 2024 Rm	Cost of investment by holding company[1] 2023 Rm	Loans from/(to) holding company 2024 Rm	Loans from/(to) holding company 2023 Rm
Other								
Harmony BEE SPV (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Harmony Central Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Harmony Chemwes Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Harmony Joel Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Harmony Mponeng Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Harmony One Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Harmony Target Solar PV (Proprietary) Limited[5]	(a)	#	**100**	—	**—**	—	**—**	—
Nuclear Fuels Corporation of South Africa (Proprietary) Limited	(a)	13 223	**100**	100	**—**	—	**—**	—
Middelvlei Development Company (Proprietary) Limited	(a)	#	**100**	100	**—**	—	**—**	—
Total					**22 304**	25 879	**(7 295)**	(2 882)
Total investments							**15 009**	22 997
Joint venture – direct:								
Agent K (Proprietary) Limited[8]	(a)	2	**22**	22	**—**	—	**—**	—
Joint operations – indirect:								
Morobe Exploration Services Limited	(e)	$	**50**	50	**—**	—	**—**	—
Wafi Golpu Services Limited	(e)	$	**50**	50	**—**	—	**—**	—
Wafi Golpu Australia Services (Proprietary) Limited	(c)	$	**50**	50	**—**	—	**—**	—
Associate company – direct:								
Gold mining company								
Pamodzi Gold Limited	(a)	30	**32**	32	**—**	—	**—**	—
Associate company – indirect:								
Gold refining								
Rand Refinery	(a)	786	**10**	10	**—**	—	**—**	—
Exploration								
Jelani Resources (Proprietary) Limited	(a)	#	**35**	35	**—**	—	**—**	—

For its interest in joint operations, the group includes its share of the joint operations' individual income and expenses, assets and liabilities in the relevant components of the financial statements on a line-by-line basis.

Investments in associates are accounted for by using the equity method of accounting. Equity accounting involves recognising in the income statement the group's share of associates' profit or loss for the period. The group's interest in the associate is carried on the balance sheet at an amount that reflects the cost of the investment, the share of post-acquisition earnings and other movement in the reserves.

[1] *This is the carrying amount of the investment. Refer to note 15 for further detail.*
[2] *Liquidation in process.*
[3] *Liquidation process concluded and company deregistered in the current year.*
[4] *Acquired on 31 March 2024 an additional 1% of Tswelopele Beneficiation Operation (Pty) Ltd shares from Kopano Resources (Pty) Ltd.*
[5] *Newly incorporated in the current year.*
[6] *Acquired on 16 December 2022 as part of the Eva Copper acquisition.*
[7] *The R291 million (2023: R270 million) relates to the share-based payments from Harmony to employees of its indirect subsidiary, shown as an investment.*
[8] *This is a special purpose vehicle incorporated as the agent representing Harmony and the other settling companies' interests for purposes of the silicosis settlement agreement and trust deed. Joint control of this entity is established in accordance with the shareholders agreement. Refer to note 21 for further information on the silicosis settlement.*
[9] *Company name officially changed effective 26 April 2024.*

[$] *Indicates a share in the joint venture's capital assets*
(a) Incorporated in the Republic of South Africa
(c) Incorporated in Australia
(e) Incorporated in Papua New Guinea

[#] *Indicates issued share capital of R1 000 or less*
(b) Incorporated in the Isle of Man
(d) Incorporated in Zimbabwe

ANNEXURE B

Directors' emoluments (R 000)

Name	Directors' fees[1] 2024	Salaries and benefits 2024	Retirement savings & contributions during the year 2024	Bonuses paid[2] 2024	Total 2024	Total 2023
Non-executive						
Dr Patrice Motsepe	**2 152**	—	—	—	**2 152**	2 014
Joaquim Chissano[3]	—	—	—	—	—	368
Modise Motloba[4]	—	—	—	—	—	18
Dr Mavuso Msimang	**1 277**	—	—	—	**1 277**	1 222
Karabo Nondumo	**1 943**	—	—	—	**1 943**	1 878
Bongani Nqwababa	**1 341**	—	—	—	**1 341**	1 471
Vishnu Pillay	**1 442**	—	—	—	**1 442**	1 332
Martin Prinsloo	**1 216**	—	—	—	**1 216**	1 346
Given Sibiya	**1 068**	—	—	—	**1 068**	1 006
Peter Turner	**1 129**	—	—	—	**1 129**	1 181
John Wetton	**1 592**	—	—	—	**1 592**	1 541
Andre Wilkens[3]	—	—	—	—	—	497
Executive						
Boipelo Lekubo	—	**7 466**	**478**	**3 269**	**11 213**	10 225
Dr Harry Mashego	—	**5 530**	**872**	**2 917**	**9 319**	8 021
Peter Steenkamp	—	**10 210**	**1 845**	**5 947**	**18 002**	15 157
Prescribed officers						
Anton Buthelezi	—	**5 616**	**790**	**2 745**	**9 151**	7 206
Melanie Naidoo-Vermaak[5]	—	**5 985**	**425**	**2 738**	**9 148**	7 415
Beyers Nel	—	**6 377**	**1 141**	**7 259**	**14 777**	9 086
Marian van der Walt	—	**5 125**	**844**	**2 745**	**8 714**	7 119
Johannes van Heerden[6]	—	**9 595**	**363**	**3 664**	**13 622**	11 386
Total	**13 160**	**55 904**	**6 758**	**31 284**	**107 106**	89 489

[1] *Directors' remuneration excludes value added tax.*
[2] *Reflects amounts actually paid during the year.*
[3] *Retired as non-executive director effective 29 November 2022.*
[4] *Resigned as non-executive director effective 27 June 2022. This includes fees paid in July 2023.*
[5] *Resigned as prescribed officer effective 31 December 2023. This includes termination related statutory payments.*
[6] *Salary is paid in A$ and the Rand equivalent is influenced by the weakening or strengthening of the Rand/A$ exchange rate.*

Executive directors and management share incentives

As at 30 June 2024

	Executive directors						Prescribed officers								Other			
	Peter Steenkamp		Boipelo Lekubo		Harry Mashego		Anton Buthelezi		Beyers Nel		Marian van der Walt		Johannes Van Heerden		Other management		Total	
Movements on share incentives	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)	Number of awards	Average price (Rand)
Deferred management shares																		
Opening balance at 1 July 2023	454 395	n/a	256 906	n/a	223 950	n/a	108 541	n/a	225 864	n/a	159 278	n/a	275 256	n/a	3 381 330	n/a	5 085 520	n/a
Awards granted	107 359	n/a	59 022	n/a	52 657	n/a	49 559	n/a	66 512	n/a	49 559	n/a	66 151	n/a	1 542 300	n/a	1 993 119	n/a
Awards exercised/vested	(93 892)		(28 166)		(25 290)		(32 837)		(25 514)		(24 599)		(31 758)		(1 503 536)		(1 765 592)	n/a
– Average sales price	—	85.11	—	85.11	—	85.11	—	85.11	—	85.11	—	85.11	—	85.11	—	85.11	—	85.11
– Gain realised on awards exercised and settled (SA Rand)		8 506 615		2 551 840		2 291 274		2 975 032		2 311 568		2 228 669		2 860 754		126 546 573		150 272 325
Awards forfeited and lapsed	—	n/a	—	n/a	—	n/a	—	n/a	—	n/a	—	n/a	—	n/a	(309 810)	n/a	(309 810)	n/a
Closing balance at 30 June 2024	**467 862**	**n/a**	**287 762**	**n/a**	**251 317**	**n/a**	**125 263**	**n/a**	**266 862**	**n/a**	**184 238**	**n/a**	**309 649**	**n/a**	**3 110 284**	**n/a**	**5 003 237**	**n/a**
Gain realised on awards exercised (SA Rand)		8 506 615		2 551 840		2 291 274		2 975 032		2 311 568		2 228 669		2 860 754		126 546 573		150 272 325
Outstanding awards (listed by allocation date)																		
Deferred management shares	**467 862**		**287 762**		**251 317**		**125 263**		**266 862**		**184 238**		**309 649**		**3 110 284**		**5 003 237**	
18 September 2019	23 353	n/a	—	n/a	19 917	n/a	—	n/a	19 784	n/a	—	n/a	36 938	n/a	—	n/a	99 992	n/a
18 September 2020	47 414	n/a	40 245	n/a	29 456	n/a	—	n/a	29 744	n/a	—	n/a	42 928	n/a	—	n/a	189 787	n/a
20 September 2021	155 597	n/a	106 040	n/a	84 591	n/a	19 486	n/a	86 990	n/a	78 961	n/a	92 627	n/a	672 923	n/a	1 297 215	n/a
19 September 2022	134 139	n/a	82 455	n/a	64 696	n/a	56 218	n/a	63 832	n/a	55 718	n/a	71 005	n/a	1 007 583	n/a	1 535 646	n/a
18 September 2023	107 359	n/a	59 022	n/a	52 657	n/a	49 559	n/a	66 512	n/a	49 559	n/a	66 151	n/a	1 429 778	n/a	1 880 597	n/a
Closing balance at 30 June 2024	**467 862**		**287 762**		**251 317**		**125 263**		**266 862**		**184 238**		**309 649**		**3 110 284**		**5 003 237**	

SHAREHOLDER INFORMATION

Stock exchange listings and ticker codes

Harmony's primary listing is on the JSE. It is also quoted in the form of American depositary receipts on the New York Stock Exchange. Harmony's ticker codes on these exchanges are shown below:

JSE	**HAR**
New York Stock Exchange	**HMY**

Share information

Sector	Resources
Sub-sector	Gold
Issued share capital at 30 June 2024	632 634 413

Market capitalisation

at 30 June 2024	R106.3 billion or US$5.8 billion
at 30 June 2023	R49.0 billion or US$2.6 billion

Share price statistics – FY24

JSE	12-month high	R186.42
	12-month low	R65.84
	Closing price as at 30 June 2024	R168.05
New York Stock Exchange	12-month high	US$10.23
	12-month low	US$3.51
	Closing price as at 30 June 2024	US$9.17
Free float		100%
ADR ratio		1:1

Shareholder spread as at 30 June 2024

Shareholder spread	Number of shareholders	% of shareholders	Number of shares	% of issued share capital
1 – 1 000 shares	13 964	88.45	1 295 580	0.20
1 001 – 10 000 shares	980	6.21	3 287 291	0.52
10 001 – 100 000 shares	567	3.59	19 006 834	3.00
100 001 – 1 000 000 shares	224	1.42	70 925 318	11.21
1 000 001 shares and above	52	0.33	538 119 390	85.07
Total	**15 787**	**100**	**632 634 413**	**100**

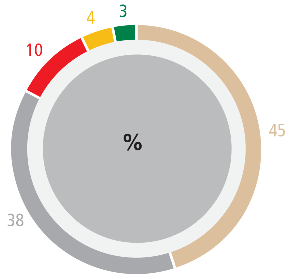
Analysis of ordinary shares as at 30 June 2024

Shareholder type	Number of shareholders	% of shareholders	Number of shares	% of issued share capital
Public shareholders	15 766	99.87	440 241 265	69.59
Non-public shareholders*	21	0.13	192 393 148	30.41
Total	**15 787**	**100.00**	**632 634 413**	**100.00**
** Breakdown of non-public shareholders:*				
Share option schemes	*3*	*0.02*	*12 991 318*	*2.05*
Holdings of more than 10%	*10*	*0.06*	*178 466 835*	*28.21*
Directors[1]	*3*	*0.02*	*720 407*	*0.11*
Prescribed officers[2]	*4*	*0.02*	*214 253*	*0.04*
Subsidiaries	*1*	*0.01*	*335*	*0.00*

[1] Held by Peter Steenkamp, Boipelo Lekubo and Harry Ephraim Mashego.

[2] Held by Anton Buthelezi, Beyers Nel, Marian van der Walt and Johannes van Heerden.

Geographic representation of shareholders



The Public Investment Corporation of South Africa (PIC) is our largest shareholder with a 14.72% stake. Our remaining shareholders are geographically diverse and include some of the largest fund managers globally. The largest shareholder base is in South Africa (45%), followed by the United States (38%).

Ownership summary as at 30 June 2024 – top 10 shareholders (by group)

Rank	Top 10 shareholders	% holding 30 June 2024
1	Public Investment Corporation of South Africa	14.72
2	Van Eck Associates Corporation	11.92
3	African Rainbow Minerals Ltd	11.80
4	BlackRock Inc	4.08
5	Lingotto Investment Management, LLP (UK)	3.83
6	The Vanguard Group Inc	3.56
7	Old Mutual Ltd	3.07
8	Fairtree Asset Management Pty Ltd	2.53
9	Harmony Employee Share Ownership Plan Trust	2.00
10	Dimensional Fund Advisors	1.79

Shareholders' diary

Financial year end	30 June 2024
Integrated report issued	25 October 2024
Form 20-F filed	31 October 2024
Annual general meeting	27 November 2024
Results presentations FY25*	
Interim results	February 2025
Full-year results	August 2025

* *See website for diary updates.*

Contact

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Website: **www.harmony.co.za**

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the safe harbour provided by section 21E of the Exchange Act and section 27A of the Securities Act of 1933, as amended (the Securities Act), with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters.

These forward-looking statements, including, among others, those relating to our future business prospects, revenues, and the potential benefit of acquisitions (including statements regarding growth and cost savings) wherever they may occur in this booklet, are necessarily estimates reflecting the best judgement of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in our integrated report.

Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation:

- Overall economic and business conditions in South Africa, Papua New Guinea, Australia and elsewhere
- The impact from, and measures taken to address, Covid-19 and other contagious diseases, such as HIV and tuberculosis
- High and rising inflation, supply chain issues, volatile commodity costs and other inflationary pressures exacerbated by the geopolitical risks
- Estimates of future earnings, and the sensitivity of earnings to gold and other metals prices
- Estimates of future gold and other metals production and sales
- Estimates of future cash costs
- Estimates of future cash flows, and the sensitivity of cash flows to gold and other metals prices
- Estimates of provision for silicosis settlement
- Increasing regulation of environmental and sustainability matters such as greenhouse gas emission and climate change, and the impact of climate change on our operations
- Estimates of future tax liabilities under the Carbon Tax Act (South Africa)
- Statements regarding future debt repayments
- Estimates of future capital expenditures
- The success of our business strategy, exploration and development activities and other initiatives
- Future financial position, plans, strategies, objectives, capital expenditures, projected costs and anticipated cost savings and financing plans
- Estimates of reserves statements regarding future exploration results and the replacement of reserves
- The ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions, as well as at existing operations
- Fluctuations in the market price of gold and other metals
- The occurrence of hazards associated with underground and surface gold mining
- The occurrence of labour disruptions related to industrial action or health and safety incidents
- Power cost increases as well as power stoppages, fluctuations and usage constraints
- Ageing infrastructure, unplanned breakdowns and stoppages that may delay production
- Increase costs and industrial accidents
- Supply chain shortages and increases in the prices of production imports and the availability, terms and deployment of capital
- Our ability to hire and retain senior management, sufficiently technically-skilled employees, as well as our ability to achieve sufficient representation of historically disadvantaged persons in management positions or sufficient gender diversity in management positions or at board level
- Our ability to comply with requirements that we operate in a sustainable manner and provide benefits to affected communities
- Potential liabilities related to occupational health diseases
- Changes in government regulation and the political environment, particularly tax and royalties, mining rights, health, safety, environmental regulation and business ownership including any interpretation thereof
- Court decisions affecting the mining industry, including, without limitation, regarding the interpretation of mining rights
- Our ability to protect our information technology and communication systems and the personal data we retain
- Risks related to the failure of internal controls
- Our ability to meet our environmental, social and corporate governance targets
- The outcome of pending or future litigation or regulatory proceedings
- Fluctuations in exchange rates and currency devaluations and other macro-economic monetary policies, as well as the impact of South African exchange control regulations
- The adequacy of the group's insurance coverage
- Any further downgrade of South Africa's credit rating
- Socio-economic or political instability in South Africa, Papua New Guinea, Australia and other countries in which we operate
- Changes in technical and economic assumptions underlying our mineral reserves estimates
- Geotechnical challenges due to the ageing of certain mines and a trend toward mining deeper pits and more complex, often deeper underground deposits
- Actual or alleged breach or breaches in governance processes, fraud, bribery or corruption at our operations that leads to censure, penalties or negative reputational impacts.

The foregoing factors and others described in the **Integrated report** under the **Risks and opportunities** section and our **Form 20-F** (accessed via our FY24 reporting landing page here) should not be construed as exhaustive. We undertake no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events, except as required by law. All subsequent written or oral forward-looking statements attributable to Harmony or any person acting on its behalf, are qualified by the cautionary statements herein.

Any forward-looking statements contained in our reports have not been reviewed or reported on by Harmony's external auditors.

ADMINISTRATIVE AND CONTACT DETAILS

Harmony Gold Mining Company Limited
Harmony was incorporated and registered as a public company in South Africa on 25 August 1950
Registration number: 1950/038232/06

Corporate office
Randfontein Office Park
PO Box 2, Randfontein, 1760, South Africa
Corner Main Reef Road and Ward Avenue,
Randfontein, 1759, South Africa

Telephone: +27 11 411 2000
Website: **www.harmony.co.za**

Directors
Dr PT Motsepe* (chairman)
KT Nondumo*^ (deputy chairman)
Dr M Msimang*^ (lead independent director)
PW Steenkamp** (chief executive officer)
BP Lekubo** (financial director)
Dr HE Mashego** (executive director)
B Nqwababa*^
VP Pillay*^
MJ Prinsloo*^
GR Sibiya*^
PL Turner *^
JL Wetton*^

* *Non-executive*
** *Executive*
^ *Independent*

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SS Mohatla
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Trading symbols
JSE: HAR
NYSE: HMY
ISIN: ZAE000015228

Tshepong North

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