

IMPALA PLATINUM HOLDINGS LIMITED  
(Incorporated in the Republic of South Africa) (Registration number 1957/001979/06)  
JSE Share  
code: IMP ISIN: ZAE000083648  
ADR code: IMPUY  
JSE 2022 Convertible Bond ISIN: ZAE000247458  
JSE 2022 Convertible Bond Code: IMCB22  
("Implats" or the "Company")



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**RESULTS OF INVITATION TO HOLDERS TO OFFER TO SELL UP TO ZAR 1.625 BN OF OUTSTANDING ZAR 3,250,000,000 6.375 PER CENT CONVERTIBLE BONDS DUE 2022 ISSUED BY THE COMPANY**

## **Introduction**

Further to its SENS announcements made on 7 December 2020 and 8 December 2020, Implats announces the final results of its invitation to the holders ("**Bondholders**") of its ZAR 3,250,000,000 6.375 per cent. convertible bonds due 2022 (the "**Bonds**") to offer to sell their Bonds to the Company up to ZAR 1,625,000,000 in aggregate principal amount of the Bonds (the "**Invitation**").

The Invitation was made on the terms and subject to the conditions set out in the invitation term sheet prepared by the Company in connection with the Invitation dated 7 December 2020 (the "**Invitation Term Sheet**"). Capitalised terms used but not otherwise defined in this announcement have the meaning ascribed to them in the Invitation Term Sheet.

## **Results of the Invitation**

Following the expiration of the Invitation at 5.00 p.m. (South African time) on 9 December 2020, Implats has decided to accept for purchase Bonds validly offered for sale in an aggregate principal amount of ZAR 241,460,000 (the "**Final Acceptance Amount**") (which represents approximately 7.4 per cent. of the Outstanding Principal Amount).

The Final Purchase Price per ZAR 10,000 principal amount for the Bonds validly offered for sale and accepted for purchase by the Company is ZAR 38,848.78, adjusted based on the average of the daily volume-weighted average prices of the Ordinary Shares of the Company on the Johannesburg Stock Exchange on 7, 8 and 9 December 2020, the final average of which was subject to a cap of ZAR 186.65 (the "**Pricing Cap**"), as further set out in the Invitation Termsheet. In addition, the Company will pay, in respect of Bonds accepted for purchase, accrued interest on the Bonds from and including the immediately preceding interest payment date to but excluding the Settlement Date of the Invitation, which amounts to ZAR 26.20 per ZAR 10,000 in principal amount of the Bonds.

The Invitation announced on 7 December 2020 was a proactive approach to partially settle a material existing debt liability and simultaneously reduce the potential future dilution associated with the conversion of the Bonds on existing Implats shareholders, in a prudent and cost effective manner. Through the Invitation the Company has bought back 7.4 per cent of the Outstanding Principal Amount of the Bonds at a Final Purchase Price (plus an Accrued Interest Payment) that was attractive to Implats, based on the Pricing Cap put in place as part of the Invitation.

During the course of the Invitation Period the share price increased over a short period of time to breach the Pricing Cap. This movement was due to a number of factors, including general positive market sentiment and the strong liquidity of the Implats' shares. Despite the interest expressed by a number of Bondholders to participate in the Invitation, the share price appreciation limited their ability to cover their short positions which they had in place over the Ordinary Shares in order to hedge their equity exposure under the Bonds. Consequently, many of these Bondholders elected not to participate in the Invitation.

The Company will continue to pursue its goal of proactive balance sheet management within its approved capital allocation framework in a prudent and responsible manner, and will explore various options, including potential bond and share repurchases, in the context of evolving market sentiment and trading conditions.

Settlement is expected to take place on or around 22 December 2020. The Bonds repurchased by the Company will be cancelled in accordance with their terms and conditions. Following the cancellation of the repurchased Bonds, Bonds with an aggregate principal amount of ZAR 3,008,530,000 will be outstanding.

Morgan Stanley & Co. International plc acted as sole Dealer Manager in relation to the Invitation.

**Further Information:**

Requests for information in relation to the terms of the Invitation should be directed to the Dealer Manager as follows:

**Morgan Stanley & Co. International plc**  
25 Cabot Square Canary Wharf London, E14 4QA United  
Kingdom

Attention: Daniele Bonomo

Email: [Daniele.bonomo@morganstanley.com](mailto:Daniele.bonomo@morganstanley.com)

Telephone: +44 20 7677-9487

## IMPORTANT NOTICE IN RELATION TO THE INVITATION

This announcement does not constitute an invitation to participate in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required by each of the Company and the Dealer Manager to inform themselves about, and to observe, any such restrictions.

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This announcement is not for publication or distribution, directly or indirectly, in or into the United States. This announcement is not an offer to sell securities in the United States. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or pursuant to an exemption from registration.

This announcement is not being made and will not be made directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the Internet and other forms of electronic communication. Accordingly, copies of this announcement and any other documents or materials relating to the Invitation are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States, to U.S. persons or to persons located or resident in the United States and Bonds cannot be offered for purchase in the Invitation by any such use, means, instruments or facilities or from within the United States or by persons located or resident in the United States, as defined in Regulation S of the US Securities Act of 1933, as amended (the "**Securities Act**"). Persons into whose possession this announcement, the Invitation or any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Failure to comply with these restrictions may result in a violation of applicable laws and any purported offer of Bonds for purchase resulting directly or indirectly from a violation of these restrictions will be invalid and offers of Bonds for purchase made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a nominee giving instructions from within the United States or a U.S. person will be invalid and will not be accepted.

This announcement is not an offer of securities for sale or an invitation to offer or sell securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. The purpose of this announcement is limited to the Invitation and this announcement may not be sent or given to a person in the United States. Each holder of Bonds participating in the Invitation will represent that it is not located in the United States and is not participating in the Invitation from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Invitation from the United States.

For the purposes of this and the above two paragraphs, "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

### United Kingdom

The communication of this announcement by the Company and any other documents or materials relating to the Invitation is not being made, and this announcement and any such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, this announcement and any such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may only be communicated to (1) persons in the United Kingdom who have professional experience in matters relating to investments, being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**"); (2) persons who fall within Article 43(2) of the FPO; or (3) any other persons to whom these documents and/or materials may otherwise lawfully be communicated. Any investment or investment activity to which this announcement relates is available only to such persons or will be engaged in only with such persons and other persons should not rely on it.

### France

This announcement and any other offering material relating to an Invitation may be distributed in France only to qualified investors (*investisseurs qualifiés*) as defined in Article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Neither this announcement, nor any other such materials relating to the Invitation has been nor will be submitted for clearance to, nor approved by the Autorité des Marchés Financiers.

### Italy

None of the Invitation, this announcement, the Invitation Term Sheet or any other documents or materials relating to the Invitation have been or will be submitted to the clearance procedures of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian laws and regulations. The Invitation is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the Financial Services Act) and article 35-bis, paragraph 3 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**Issuers' regulation**").

Accordingly, the Invitation is only addressed to holders of Bonds located in the Republic of Italy who are "qualified investors" (*investitori qualificati*) as defined pursuant to and within the meaning of Article 100 of the Financial Services Act and article 34-ter, paragraph 1,

letter b) of the Issuers' Regulation.

Holders or beneficial owners of the Bonds that are resident or located in Italy may offer their Bonds for purchase in the Invitation through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB, the Bank of Italy or any other Italian authority. Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Bonds or the Invitation.

#### **South Africa**

The communication of this announcement by the Company and any other documents or materials relating to the Invitation should not be construed as constituting any form of investment advice or recommendation, guidance or proposal of a financial nature under the South African Financial Advisory and Intermediary Services Act, 37 of 2002 (as amended or re-enacted). The Invitation is not being made to and does not constitute an "offer to the public" (as such term is defined in the South African Companies Act, 71 of 2008 (the "**SA Companies Act**") and is not, nor is it intended to constitute, a "registered prospectus" (as such term is defined in the SA Companies Act) prepared and registered under the SA Companies Act.

#### **General**

This announcement does not constitute an offer to sell or buy or a solicitation of an offer to sell or buy the Bonds, as applicable (and offers of Bonds for purchase in the Invitation will not be accepted from Bondholders), in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Invitation to be made by a licensed broker or dealer and the Dealer Manager or its affiliates is such a licensed broker or dealer in such jurisdictions, the Invitation shall be deemed to be made by the Dealer Manager or such affiliate (as the case may be) on behalf of the Company in such jurisdictions.

10 December 2020

#### **Dealer Manager**

Morgan Stanley & Co. International plc

#### **Sponsor**

Nedbank Corporate & Investment Banking