

NORTHAM PLATINUM LIMITED

Incorporated in the Republic of South Africa

(Registration number 1977/003282/06)

Share code: NHM ISIN: ZAE000030912

Debt issuer code: NHMI

Bond code: NHM002	Bond ISIN: ZAG000129024
Bond code: NHM006	Bond ISIN: ZAG000158577
Bond code: NHM007	Bond ISIN: ZAG000158593
Bond code: NHM009	Bond ISIN: ZAG000158866
Bond code: NHM011	Bond ISIN: ZAG000159237
Bond code: NHM012	Bond ISIN: ZAG000160136
Bond code: NHM014	Bond ISIN: ZAG000163650
Bond code: NHM015	Bond ISIN: ZAG000164922
Bond code: NHM016	Bond ISIN: ZAG000167750
Bond code: NHM018	Bond ISIN: ZAG000168097
Bond code: NHM019	Bond ISIN: ZAG000168105
Bond code: NHM020	Bond ISIN: ZAG000172594

("Northam" or the "company" or the "group")

**CONDENSED REVIEWED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED
31 DECEMBER 2020**

Key features

		Reviewed 6 months ended 31 December 2020	Reviewed 6 months ended 31 December 2019	Variance %
Normalised headline earnings	R000	3 270 084	1 883 912	73.6
Normalised headline earnings per share	cents	641.5	369.6	73.6
Sales revenue	R000	11 884 898	7 824 901	51.9
Operating profit	R000	5 191 659	2 959 543	75.4
Operating profit margin	%	43.7	37.8	15.6
Profit for the period	R000	2 099 031	1 147 600	82.9
Total comprehensive income for the period	R000	2 083 307	1 147 636	81.5
Headline earnings per share	cents	599.9	328.3	82.7
Earnings per share	cents	599.9	328.0	82.9
Cash generated from operating activities	R000	3 144 590	2 033 332	54.7
EBITDA	R000	5 411 578	3 192 549	69.5
Capital expenditure	R000	1 298 511	1 352 238	(4.0)

Financial results

Despite the backdrop of the ongoing global COVID-19 pandemic, Northam has delivered a solid performance for the six months ended 31 December 2020 ("**H1 F2021**"), whilst maintaining the health and safety of its employees. In addition, Northam's growth strategy remains on track and the group continues to return significant value to shareholders through the ongoing purchase of Zambezi Platinum (RF) Limited ("**Zambezi**") preference shares, trading under the share code ZPLP.

The financial results achieved were underpinned by satisfactory performance from all operations. Normalised headline earnings is calculated taking into account the headline earnings adjusted for items relating to the 2015 Zambezi broad-based black economic empowerment ("**BEE**") transaction ("**BEE transaction**"); these include the Zambezi preference share dividends associated with the BEE financing structure as well as the loss on derecognition of the Zambezi preference share liability. Stripping out the impact of the BEE transaction resulted in normalised headline earnings increasing to R3.3 billion (31 December 2019 ("**H1 F2020**"): R1.9 billion and 30 June 2020 ("**F2020**"): R3.4 billion), which equates to normalised headline earnings per share, based on the total number of 509 781 212 issued shares, of 641.5 cents (H1 F2020: 369.6 cents and F2020: 676.3 cents). This is an increase of 73.6%.

Sales revenue increased by 51.9% from R7.8 billion in H1 F2020 to R11.9 billion for the period under review. This increase is attributable to a 49.7% increase in the average 4E basket price to USD2 160/oz (H1 F2020: USD1 443/oz), a 9.0% weaker ZAR/USD exchange rate realised and a 4.4% decrease in refined 4E ounces sold.

A 37.6% increase in cost of sales and a corresponding 51.9% increase in revenue, resulted in operating profit increasing from R3.0 billion in H1 F2020 to R5.2 billion for the period under review. This translates to an operating profit margin of 43.7% (H1 F2020: 37.8%).

Production growth across the group and favourable rand denominated Platinum Group Metals prices are expected to positively impact the free cash flow generation in the short to medium-term.

The board of directors of Northam ("**board**") has resolved not to declare an interim dividend for the 2021 financial year (H1 F2020 and F2020: R Nil per share). The board is of the view that at this time the most efficient way to return value to shareholders is to purchase the Zambezi preference shares.

About this announcement

This short-form announcement is the responsibility of the directors of Northam and is only a summary of the information in the group's full condensed reviewed interim financial results for H1 F2021 and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on the full condensed reviewed interim financial results accessible via the JSE link at https://senspdf.jse.co.za/documents/2021/JSE/ISSE/NHM/Interim_21.pdf and on the company's website at <https://www.northam.co.za/downloads/send/150-fy2021/1342-interim-financial-results-for-the-six-months-ended-31-december-2020>. Shareholders can also access the full condensed reviewed interim financial results by logging in/registering on the JSE ShareHub link <http://www.sharehub.co.za/> which is also available on the Northam website at www.northam.co.za.

The full condensed reviewed interim financial results are also available for inspection at no charge at the company's registered office and the offices of its sponsor, One Capital Sponsor Services Proprietary Limited (17 Fricker Road, Illovo), during normal business hours.

Johannesburg
19 March 2021

Sponsor and Debt Sponsor
One Capital