



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

("Implats" or "the Group")

## **CUMULATIVE CONVERTIBLE BOND REPURCHASES AND NOTICE OF OPTIONAL REDEMPTION OF OUTSTANDING BONDS**

Further to its SENS announcements on 7 December 2020, 12 and 26 March 2021 and 26 April 2021, Implats is pleased to confirm that it has repurchased in aggregate, a total of 157 905 of its ZAR3 250 000 000 6.375% convertible bonds due in 2022 (the "bonds") (the "bond repurchases").

Balance sheet optimisation - through reduced and restructured debt and increased funding flexibility - is a key pillar of Implats' strategy, which seeks to position the Group as a competitive business with clear capital allocation priorities, delivering meaningful and sustainable shareholder returns through the cycle.

Record rand PGM pricing and robust operational delivery has resulted in strong free cash flow generation and enabled Implats to deliver a strengthened balance sheet through accelerated debt reduction and the successful refinancing of the Group's funding facilities on attractive terms. This was achieved while maintaining a strong net cash position and resuming meaningful dividend payments in line with the Group's disciplined capital allocation framework.

The bond repurchases further demonstrate the Group's commitment to delivering value to shareholders. In aggregate, cumulative bond repurchases have reduced the total potential dilution of the bonds by 33.4 million shares (circa 4% of 796 million shares in issue).

The bond repurchases were achieved through an invitation to holders (26 146 bonds) and on-market purchases (131 759 bonds) for a total consideration of R8.8 billion (circa R55 740 per R10 000 bond) and equates to 49% of the total bond issuance.

The accounting for the total R8.8 billion purchase consideration will result in a reduction of the carrying value of the bond liability of R1.5 billion, a reduction in Group equity of R7.1 billion and a charge of R0.2 billion to earnings for the period.

Further, a total of 68 017 bonds have been tendered for conversion by bondholders, resulting in 14.2 million shares being issued (circa 2% of issued capital) and the outstanding value of debt reducing by R0.6 billion.

Due to the cumulative bond repurchases and bonds tendered for conversion, on 7 June 2021, there were 99 078 outstanding bonds with a par value of R990.8 billion, which at a conversion price of R46.5275 per share, would result in the potential issue of 21.3 million shares (circa 3% of issued capital). Total shares in issue would increase to circa 817.3 million.

On 7 June 2021, Implats issued an optional redemption notice to redeem all outstanding bonds at their principal amount plus accrued interest, pursuant to the terms and conditions of the bonds. Bondholders who do not want their bonds redeemed, may exercise their conversion rights up until 9 July 2021.

Meroonisha Kerber, Implats' Chief Financial Officer said: *"The Group's strong financial performance has allowed us to proactively expedite the strengthening of our balance sheet and increase Implats' funding flexibility. The targeted debt reduction through purchasing a substantial portion of our outstanding convertible bonds has reduced the potential dilution of these bonds on our existing shareholders and resulted in an effective buy-back of our equity at a market discount of circa 13% at current prices.*

*Implats is strongly committed to delivering meaningful shareholder returns - within a prudent and consistent capital allocation framework. Robust equity performance has allowed the Group to exercise our so called 'soft call' option. In so doing, Implats will extinguish the residual bond liability, resulting in a strong pro-forma net cash position, and achieve our ambitions to deleverage our balance sheet."*

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