



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
("Implats" or "the Group")

PRODUCTION UPDATE AND TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

Implats will release its results for the year ended 30 June 2021 (the period) on or about 2 September 2021.

PRODUCTION UPDATE

Implats delivered strong operating results in the period, despite the complexity of managing the ongoing impact of Covid-19. The Group recorded a 15.6% increase in gross concentrate volumes to 3.29 million 6E ounces. This includes a 17.9% increase in concentrate production to 2.37 million 6E ounces from managed operations and a 10.3% increase in concentrate production to 561 000 6E ounces from joint ventures.

The expected destocking of in-process inventory was adversely impacted by increased load shedding by power utility Eskom and the timing of scheduled maintenance at Group processing facilities in the second half of the period due to Covid-19-related delays. The benefit of higher contributions of saleable production from Impala Canada resulted in a 16.3% increase in gross refined volumes to 3.27 million 6E ounces.

Sales volumes of 3.27 million 6E ounces benefitted from some destocking of ruthenium as demand and pricing strengthened during the period. Revenue per 6E ounce sold is expected to increase by 58.8% to R39 478 per ounce, reflecting record palladium and rhodium pricing in the period and the benefit of increased sales volumes of minor PGMs on the pricing mix.

Group capital expenditure is expected to increase to circa R6.5 billion from R4.5 billion in the comparative period. Capital expenditure in the comparative period was impacted by Covid-19 restrictions. The increased spend for the period was due to the higher operating rates achieved, the inclusion of Impala Canada for a full reporting period and the acceleration of spend at Zimplats following approval of the Mupani and Bimha expansion projects.

Group unit costs per 6E ounce are expected to increase to circa R14 800 on a stock-adjusted basis. Inflationary pressures were compounded by targeted spend on development to improve mining flexibility and asset integrity at Impala Rustenburg, as well as Covid-19-related costs.

		Unaudited 12 months June 2021	Unaudited 12 months June 2020	%
6E Concentrate production	000oz	3 292	2 849	15.5
Managed operations		2 373	2 014	17.8
<i>Impala</i>		1 291	1 109	16.4
<i>Zimplats</i>		590	597	-1.2
<i>Marula</i>		231	210	10.1
<i>Impala Canada</i>		260	97	167.4
JV operations		561	509	10.3
<i>Mimosa</i>		261	248	5.4
<i>Two Rivers</i>		300	261	15.0
Third-party purchased		358	327	9.5
6E Refined production [#]	000oz	3 271	2 813	16.3
6E Sales volumes	000oz	3 274	2 793	17.2
Revenue per 6E ounce sold	R/oz	39 478	24 863	58.8

[#] includes saleable ounces from Impala Canada

TRADING UPDATE

With reference to the Listings Requirements of the JSE Limited, issuers must publish a trading statement on SENS as soon as they become reasonably certain that the financial results for the period to be reported on will differ by at least 20% from those of the previous corresponding reporting period.

A significant increase in the dollar basket price for platinum group metals (PGMs), together with higher 6E sales volumes, resulted in higher revenue and improved profitability for the period. Consequently, Implats is expecting headline earnings and headline earnings per share (HEPS) for the period to increase by at least 20% from the R16 billion and 2 075 cents reported for the year ended 30 June 2020 (the comparative period), respectively. Therefore, headline earnings and HEPS are expected to be at least R19.2 billion and 2 490 cents, respectively. Headline earnings for the period were impacted by the once-off non-cash IFRS2 BEE charge of R1.5 billion (no tax impact) arising on the Marula BEE loan refinancing.

Basic earnings and basic earnings per share (EPS) for the period are also expected to increase by at least 20% from the R16 billion and 2 066 cents reported in the comparative period, respectively. Therefore, basic earnings and EPS are expected to be at least R19.2 billion and 2 480 cents, respectively. Basic earnings for the period were favourably impacted by the reversal of impairment losses of R10.6 billion (post-tax).

Implats will publish a further detailed trading statement providing the specific guidance ranges on its expected results closer to the release of its annual financial results once it has reasonable certainty around the expected results.

The financial information on which this trading statement is based has not been reviewed and reported on by the external auditors of Implats.

Ends

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