

# NORTHAM

PLATINUM HOLDINGS LIMITED

## **NORTHAM PLATINUM HOLDINGS LIMITED**

Incorporated in the Republic of South Africa

(Registration number 2020/905346/06)

Share code: NPH ISIN: ZAE000298253

(**“Northam Holdings”** or the **“company”** or the **“group”**)

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PLATINUM LIMITED

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Incorporated in the Republic of South Africa

(Registration number 1977/003282/06)

Debt issuer code: NHMI

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”**)

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## **AUDITED GROUP ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2021 AND NOTICE OF ANNUAL GENERAL MEETING**

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*Unless otherwise defined herein, capitalised words and terms contained in this announcement shall bear the same meanings ascribed thereto in the combined circular to shareholders of Northam accompanied by the prospectus in respect of Northam Holdings, dated Monday, 31 May 2021.*

### **Key features:**

- Revenue of R32.6 billion.
- Operating profit of R16.1 billion.
- EBITDA of R16.7 billion.
- Normalised headline earnings of R10.9 billion equating to R21.32 per share, up by 215.2%.
- Profit after tax of R9.4 billion.
- Earnings per share of R26.82 and headline earnings per share of R26.88.
- Reduction of 28.9% in the total issued share capital compared to prior to implementation of the Transaction, which will positively impact future earnings calculations.
- Net debt of R3.7 billion.

### **Financial results**

A key feature of the financial year (F2021) has been the positive response from the group's operations to the ongoing challenges presented by COVID-19. Despite the tragic loss of two employees at Zondereinde in separate incidents during March 2021, the group has improved the health and safety of its employees and has achieved solid performances from all of the operations. This has led to the group producing equivalent refined metal in-line with the pre-COVID-19 growth profile and at levels higher than last year.

The group's equivalent refined metal from own operations grew by 34.1% to 690 867 oz 4E (F2020: 515 370 oz 4E). This was despite the ongoing phased restart of operations, particularly impacting the conventional Zondereinde mine, where all mining crews had only fully returned to work by the end of March 2021. Group

chrome concentrate production also increased, breaching one million tonnes for the first time. This comes off the back of higher concentrator throughput and improved yields at the Booyssendal and Zondereinde mines.

Group unit cash costs per equivalent refined platinum ounce improved by 2.1% to R28 662/Pt oz (F2020: R29 281/Pt oz). Zondereinde mine's unit cash costs improved by 5.7% to R30 350/Pt oz, with a corresponding improvement of 2.9% at Booyssendal mine to R20 780/Pt oz, whilst unit cash costs at Eland mine increased by 46.0% to R42 928/Pt oz. Eland mine's PGM production is currently derived from surface sources, and purchased at prevailing market prices, which led to this increase in unit cash costs.

Capital expenditure increased to R3.3 billion (F2020: R2.4 billion). This is the combined result of the restart of capital projects that had been curtailed following the onset of COVID-19, together with capital projects having either been completed, or nearing completion at Booyssendal mine. R1.8 billion (F2020: R2.0 billion) was spent on expansionary capital expenditure and R1.5 billion (F2020: R382.2 million) on sustaining capital expenditure.

## Highlights

		30 June 2021	30 June 2020	% Variance
Sales revenue	R000	32 626 918	17 811 971	83.2
Operating profit	R000	16 107 293	5 300 988	203.9
Operating profit margin	%	49.4	29.8	65.8
Normalised headline earnings	R000	10 867 830	3 447 779	215.2
Earnings per share	cents	2 681.8	620.0	332.5
Headline earnings per share	cents	2 687.9	619.5	333.9
Normalised headline earnings per share	cents	2 131.9	676.3	215.2
EBITDA	R000	16 655 317	6 023 379	176.5
EBITDA margin	%	51.0	33.8	50.9
Capital expenditure	R000	3 332 204	2 367 902	40.7

## Dividends and other means of returning value to shareholders

There are a number of ways that value can be returned to shareholders. This includes cash dividends, but also includes share buy-backs and, previously, the purchase of Zambezi Preference Shares.

The Zambezi Preference Share acquisition strategy enabled the acceleration of the maturity and wind-up of the Zambezi BEE Transaction. The objective of accelerating the maturity and wind-up of the Zambezi BEE Transaction was to permanently secure, unlock and transfer unencumbered value created within Zambezi and in so doing, remove maturation risk for both Northam and Zambezi Shareholders.

This has led to a meaningful return of value to shareholders, in a planned and responsible manner, through a reduction of 28.9% of the total issued share capital compared to prior to implementation of the Transaction.

Production growth across the group and favourable rand denominated PGM prices are expected to positively impact free cash flow generation in the short to medium-term, which the group is committed to return to shareholders in the future.

The group's strategy is unchanged. We remain single-minded in our commitment to creating sustainable value for all of the group's stakeholders and will continue to be bold, proactive and transparent in pursuing this.

In light of the substantial share repurchase, the board has resolved not to declare a final dividend for the year ended 30 June 2021 (F2020: R Nil per share).

## ANNUAL GENERAL MEETING

The annual general meeting of shareholders ("**AGM**") will be held on Friday, 29 October 2021 at 10:00 to transact the business as stated in the Notice of Annual General Meeting 2021 ("**notice of AGM 2021**").

The AGM will be held entirely by way of electronic participation. Shareholders are encouraged to read the notice of AGM 2021 for information on how to attend electronically, participate in and vote at the AGM.

Shareholders are advised that the notice of AGM 2021, containing the summarised audited annual financial statements for the year ended 30 June 2021, will be distributed to shareholders today, 30 September 2021.

The annual integrated report 2021, the complete consolidated audited annual financial statements which incorporates the external auditor's report in which Ernst & Young Inc. expressed an unmodified audit opinion and the notice of AGM 2021 are available on the company's website at <https://www.northam.co.za/investors-and-media/publications/annual-reports> or can be obtained from the company's registered office on request.

The salient dates for the AGM are as follows:

	2021
Record date to determine which shareholders are entitled to receive the notice of AGM 2021, on	Thursday, 23 September
Distribution of the notice of AGM 2021 to shareholders, on	Thursday, 30 September
Last date to trade in order to be recorded in the register to be able to electronically attend, participate in and vote at the AGM, on	Tuesday, 12 October
Record date to determine which shareholders are entitled to electronically attend, participate in and vote at the AGM, on	Friday, 15 October
For administration purposes, forms of proxy to be lodged by 10:00 (SA time), on *	Wednesday, 27 October
AGM to be held at 10:00 (SA time), on	Friday, 29 October
Results of AGM expected to be published on SENS, on	Friday, 29 October

*\* Any forms of proxy not lodged by this date and time must be submitted to the chairman of the AGM before the start of the AGM, electronically, as set out in the notice of AGM 2021, before the appointed proxy may exercise any rights of the shareholder at the AGM.*

This short-form announcement is the responsibility of the directors and is only a summary of the information contained in the full results announcement and does not contain full or complete details.

Any investment decision should be based on the full results announcement accessible via the JSE link at [https://senspdf.jse.co.za/documents/2021/JSE/ISSE/NPHE/AFS\\_2021.pdf](https://senspdf.jse.co.za/documents/2021/JSE/ISSE/NPHE/AFS_2021.pdf) and available on Northam Holdings' website at <https://www.northam.co.za/investors-and-media/publications/annual-reports>.

The consolidated audited annual financial statements, from which the full results announcement has been extracted, have been audited by Ernst & Young Inc. who expressed an unmodified audit opinion thereon. The key audit matters contained in the auditor's report are addressed on page 16 of the consolidated audited annual financial statements, which are available on Northam Holdings' website at <https://www.northam.co.za/investors-and-media/publications/annual-reports>.

The full results announcement and the consolidated audited annual financial statements, incorporating the auditor's report, are also available at our registered office and at the offices of our sponsor for inspection, at no charge, during office hours.

On behalf of the board at Johannesburg on 30 September 2021.

DH Brown  
Independent non-executive chairman

PA Dunne  
Chief executive officer

#### Directors

DH Brown	(independent non-executive chairman)
TI Mvusi	(lead independent non-executive director)
PA Dunne *	(chief executive officer)
AH Coetzee	(chief financial officer)
GT Lewis *	(independent non-executive director)
HH Hickey	(independent non-executive director)
NY Jekwa	(independent non-executive director)
MH Jonas	(independent non-executive director)
TE Kgosi	(non-executive director)
JJ Nel	(independent non-executive director)
JG Smithies *	(independent non-executive director)

\* *British*

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Johannesburg  
30 September 2021