



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 “**Company**” or the “**Group**”)

PRODUCTION UPDATE AND TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Implats will release its audited results for the year ended 30 June 2024 (the “**period**” or “**FY2024**”) on or about 29 August 2024.

Royal Bafokeng Platinum Limited (“**RBPlat**”) became a subsidiary of Implats on 30 May 2023. During the period, Implats increased its aggregate holding in RBPlat from 56.41% to 100%, with RBPlat delisted from the JSE Limited (“**JSE**”) on 18 September 2023 and renamed Impala Bafokeng. Implats’ FY2024 results therefore reflect the maiden annual consolidation of Impala Bafokeng’s operational and financial metrics.

SAFETY

For the year under review, Implats’ safety performance was dominated by the tragic event at 11 Shaft on 27 November 2023, in which 13 employees lost their lives and a further 73 employees were injured following an accident involving a personnel conveyance. With deep regret, we report that an additional six employees lost their lives in unrelated incidents at managed operations in FY2024, bringing the Group’s reported fatalities to 19 in the period. As a result, Implats’ fatal-injury frequency rate deteriorated to 0.127 per million man-hours worked (FY2023: 0.040).

The board of directors and management team have extended their heartfelt condolences to the families of our late colleagues and the Group offers ongoing support to their families through its comprehensive We Care programme. Investigations into the 11 Shaft incident are ongoing, while investigations into the remaining incidents were completed and remedial actions implemented.

The lost-time injury frequency rate (LTIFR) improved by 1% to 3.89 per million man hours worked, while the total-injury frequency rate (TIFR) recorded a 10% improvement in FY2024.

Health and safety are a top priority for Implats’ management, teams and individuals. An increased focus on visible leadership and a safe work culture remain key to shifting mindsets, improving leadership and promoting a culture of safety adherence. The goal is to arrest the regrettable increase in fatal injuries and progress toward our zero harm objective.

While the Group’s safety and operational risk strategy compares favourably with other leading miners and addresses all relevant key safety enablers, Implats has critically reviewed its safety procedures and intensified measures to further embed fatal risk prevention in the operating culture at all operations. Among others, the focus areas include improving the methodology and quality of planning, enhanced early entrance examinations, accelerating fatal risk control protocols, capacitating managers and supervisors and addressing the high turnover in these roles. In addition, there is an increased focus on critical safe behaviours for each role, particularly those in high-risk work areas. Visible leadership was increased, as was on-the-job training and frontline coaching. These initiatives were further supported by a Group-wide safety summit held in November 2023, facilitated by independent third parties, and a second summit in May 2024.

Group operational performance		FY2024	FY2023	Var, %
Safety				
LTIFR	pmmhw	3.89	3.92	0.7
TIFR	pmmhw	8.29	9.25	10.3
Fatalities	Count	19	5	
6E Group production				
	000oz	3 654	3 246	12.6
<i>Managed operations</i>	000oz	2 916	2 418	20.6
<i>JV operations</i>	000oz	547	541	1.1
<i>Third-party</i>	000oz	191	287	(33.6)
Gross 6E refined and saleable				
	000oz	3 378	2 959	14.2
<i>Impala 6E refined</i>	000oz	1 214	1 207	0.6
<i>IRS 6E refined</i>	000oz	1 492	1 447	3.1
<i>Impala Bafokeng 6E saleable¹</i>	000oz	410	37	>100
<i>Impala Canada 6E saleable¹</i>	000oz	262	267	(2.0)
Gross platinum refined and saleable	000oz	1 590	1 360	16.9
Gross palladium refined and saleable	000oz	1 158	1 051	10.2
Gross rhodium refined and saleable	000oz	190	169	12.0
Gross nickel refined and saleable	t	16 155	14 970	7.9
6E sales volumes				
	000oz	3 439	2 973	15.7
Managed operations production:				
Tonnes milled	000t	27 887	23 883	16.8
6E grade	g/t	3.73	3.53	5.7
Impala Rustenburg				
Tonnes milled	000t	10 204	10 248	(0.4)
6E grade	g/t	3.99	3.88	2.8
6E stock adjusted ²	000oz	1 284	1 232	4.2
Impala Bafokeng				
Tonnes milled	000t	4 243	403	>100
6E grade	g/t	4.36	4.09	6.6
6E in concentrate ⁴	000oz	483	43	>100
Marula				
Tonnes milled	000t	1 851	1 935	(4.3)
6E grade	g/t	4.28	4.39	(2.5)
6E in concentrate ⁴	000oz	223	241	(7.3)
Zimplats				
Tonnes milled	000t	7 912	7 500	5.5
6E grade	g/t	3.32	3.33	(0.3)
6E in matte (incl. concentrate sold to IRS) ³	000oz	646	611	5.7
Impala Canada				
Tonnes milled	000t	3 676	3 798	(3.2)
6E grade	g/t	2.90	2.93	(0.8)
6E in concentrate ⁴	000oz	281	291	(3.5)
JV operations production:				
Two Rivers				
Tonnes milled	000t	3 568	3 558	0.3
6E grade	g/t	3.12	3.09	1.1
6E in concentrate ⁴	000oz	291	295	(1.4)
Mimosa				
Tonnes milled	000t	2 894	2 735	5.8
6E grade	g/t	3.61	3.77	(4.2)
6E in concentrate ⁴	000oz	255	245	4.2
Impala Refining Services production:				
Gross 6E receipts	000oz	1 606	1 658	(3.1)
<i>Managed operations</i>	000oz	870	839	3.7
<i>JV operations</i>	000oz	545	532	2.5
<i>Third-party</i>	000oz	191	287	(33.6)

1. Platinum group metal ("PGM") production adjusted for off-take terms from third parties.

2. PGM production post the precious metals refinery, adjusted for any increase (added), or decrease (deducted) in smelting and refining lock up.

3. PGM production post the smelter ahead of the base metal refinery, unadjusted for further processing recoveries.

4. PGM production post the concentrator ahead of the smelter, unadjusted for further processing recoveries.

PRODUCTION UPDATE

Implats navigated several serious challenges and a constrained operating environment to deliver guided production volumes and commendable cost controls in FY2024. Achieved volumes benefitted from the maiden annual consolidation of Impala Bafokeng. However, notable performances were achieved on a like-for-like basis (excluding Impala Bafokeng's contribution) at the Group's key mining and processing operations. Project delivery progressed to plan and, despite elevated capital expenditure and higher levels of in-process inventory, the Group generated positive free cash flow in H2 FY2024.

Gross Group 6E production increased by 13% to 3.65 million 6E ounces from 3.25 million 6E ounces for the year ended 30 June 2023 (the "**comparative period**" or "**FY2023**"), with a 1% decline in like-for-like production.

Production from managed operations increased by 21% to 2.92 million 6E ounces, with a like-for-like improvement of 2% from the collective production base at Impala Rustenburg, Marula, Zimplats and Impala Canada:

- Impala Rustenburg increased production by 4% to 1.28 million stock-adjusted 6E ounces, with positive operating momentum offsetting the production foregone due to the 11 Shaft tragedy
- A maiden annual contribution of 483 000 6E ounces in concentrate from Impala Bafokeng was recorded in the period
- Marula's performance was impacted by lengthy safety stoppages and constrained mining flexibility and 6E concentrate production declined by 7% to 223 000 ounces
- Zimplats delivered a 6% increase in 6E matte production to 646 000 ounces, benefitting from an increase in annual milling capacity
- 6E production in concentrate delivered by Impala Canada retraced by 4% to 281 000 ounces, in line with the revised operating parameters initiated during the period.

Production from joint ventures ("**JVs**") increased by 1% to 547 000 6E ounces:

- Two Rivers recorded a 1% decrease in 6E in concentrate production to 291 000 ounces, due to continued challenges associated with constrained mining flexibility and geological features
- At Mimosa, 6E in concentrate volumes rose by 4% to 255 000 ounces, benefitting from plant optimisation, which supported milling volumes and recoveries.

Concentrate receipts from third parties declined by 34% to 191 000 6E ounces, due to the conclusion of two contracts in Q3 FY2023.

Refined 6E production, which includes saleable ounces from Impala Bafokeng and Impala Canada, increased by 14% to 3.38 million 6E ounces and was 2% higher on a like-for-like basis. Group processing capacity was limited by the scheduled rebuild of Number 5 furnace at Impala Rustenburg. Maintenance was initiated in December 2023 with the furnace successfully recommissioned as planned in April 2024. Implats ended FY2024 with excess inventory of approximately 390 000 6E ounces (FY2023: 245 000).

Performances benefitted from a notable reduction in the frequency and intensity of load curtailment in South Africa, but heightened electricity supply constraints were experienced in Zimbabwe. As a result, Implats estimates production of circa 21 000 6E ounces was foregone across southern African managed and JV operations during the period, while a further 12 000 6E ounces were deferred (FY2023: 36 000 foregone and 101 000 deferred).

Sales volumes of 3.44 million 6E ounces, including saleable production from Impala Canada and Impala Bafokeng, increased by 16% and were 3% higher on a like-for-like basis. Received US dollar sales revenue per 6E ounce fell 34%, with sharply lower average palladium and rhodium pricing. The achieved rand exchange rate weakened by 5% and Group sales revenue decreased by 30% to R25 257 per 6E ounce sold.

Group unit costs per 6E ounce for FY2024 are expected to increase by 5.5% to circa R20 925 on a stock-adjusted basis. The benefit of cost containment initiatives and volume gains at managed operations was

partially offset by the inflationary pressures of rand depreciation on the translated dollar cost base of Zimplats and Impala Canada, and the inclusion of Impala Bafokeng unit costs.

Cash capital expenditure of R12.3 billion was incurred in FY2024. A further R1.7 billion of capital payments, primarily associated with Zimplats' growth projects and incurred in the prior period was transferred from prepayments to capital expenditure in the period. As a result, the Group's total capital expenditure in FY2024 is expected to have increased to circa R14.0 billion from R11.5 billion in the comparative period, reflecting the consolidation of capital expenditure from Impala Bafokeng, higher levels of growth capital at Zimplats and the impact of rand depreciation on the translation of foreign subsidiaries' spend.

Labour restructurings were completed at Impala Canada and Zimplats in FY2024, while a S189(3) process was initiated during the fourth quarter across the South African managed operations — Impala Rustenburg, Impala Bafokeng, Marula and the corporate office. Natural attrition, together with re-deployment, reskilling efforts, and the uptake of voluntary separation packages, ensured that no employees were forcibly retrenched. The Group incurred R488 million in costs associated with the restructuring process in FY2024, with cash outflows of R109 million and R375 million in FY2024 and FY2025, respectively.

TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

In terms of the Listings Requirements of the JSE Limited, companies must publish a trading statement 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 that of the comparative reporting period.

Shareholders are advised that the Group expects both basic earnings per share ("EPS") and headline earnings per share ("HEPS") for the period to be lower than those reported for the comparative period.

Earnings for the period decreased primarily due to lower revenue arising from a 34% lower achieved dollar revenue per 6E ounce sold, partially offset by a 5% weaker rand. 6E PGM sales volumes were 16% higher in the period, benefitting from the consolidation of Impala Bafokeng and improved operational momentum at the Group's mining and processing facilities.

Headline earnings for the period were impacted by a once-off, non-cash IFRS 2 (share-based payment) broad-based black economic empowerment (B-BBEE) charge of R1.9 billion or 215 cents per share (no tax), arising on the implementation of the empowerment transaction in June 2024, reflecting the facilitation provided to empowerment parties, including Impala Bafokeng employees, Impala and Impala Bafokeng communities and the strategic broad-based empowerment consortium, Bokamoso.

As a result, Implats' headline earnings for the period are expected to decrease by between 85% and 90% to be between R1.9 billion and R2.8 billion, while HEPS are expected to decrease by between 86% and 90% to be between 212 cents and 312 cents per share. Headline earnings and HEPS for the comparative period were R18.8 billion and 2 211 cents, respectively.

Basic earnings for the period were impacted by impairments totalling R19.8 billion or 2 204 cents per share (post-tax), comprising of the following charges:

- The impairment of goodwill, property, plant and equipment and the prepaid royalty at Impala Rustenburg of R16.5 billion or 1 836 cents per share (post-tax) due to lower prevailing rand PGM pricing;
- The impairment of property, plant and equipment at Impala Canada of R1.6 billion or 182 cents per share (no tax), reflecting the change in planned operating parameters effected during the period at this operation;
- The impairment of property, plant and equipment at the Mimosa joint venture of R686 million or 76 cents per share (Group's attributable share, post-tax) due to the combined valuation impact of lower prevailing rand PGM pricing and the deferral of the North Hill life-of-mine replacement project; and
- The impairment of property, plant and equipment at the Two Rivers joint venture of R987 million or 110 cents per share (Group's attributable share, post-tax) due to the combined valuation impact of lower prevailing rand PGM pricing and elevated near-term capital expenditure from the Merensky Project, currently under construction.

Consequently, Implats expects to report basic earnings and EPS for the period to be a loss of between R16.9 billion and R17.8 billion and between 1 883 cents and 1 984 cents per share, respectively. Basic earnings and EPS for the comparative period were R4.9 billion and 577 cents per share, respectively.

The weighted average number of shares in issue for the period increased to 897.36 million from 850.28 million in the comparative period. The number of shares in issue increased to 904.37 million at period end from 866.40 million at 30 June 2023, after 37.97 million Implats shares were issued as part of the acquisition consideration for Royal Bafokeng Platinum Limited.

The financial information for the year ended 30 June 2024, on which this production update and trading statement is based, has not been reviewed and reported on by Implats' external auditors.

Ends

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Johannesburg

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