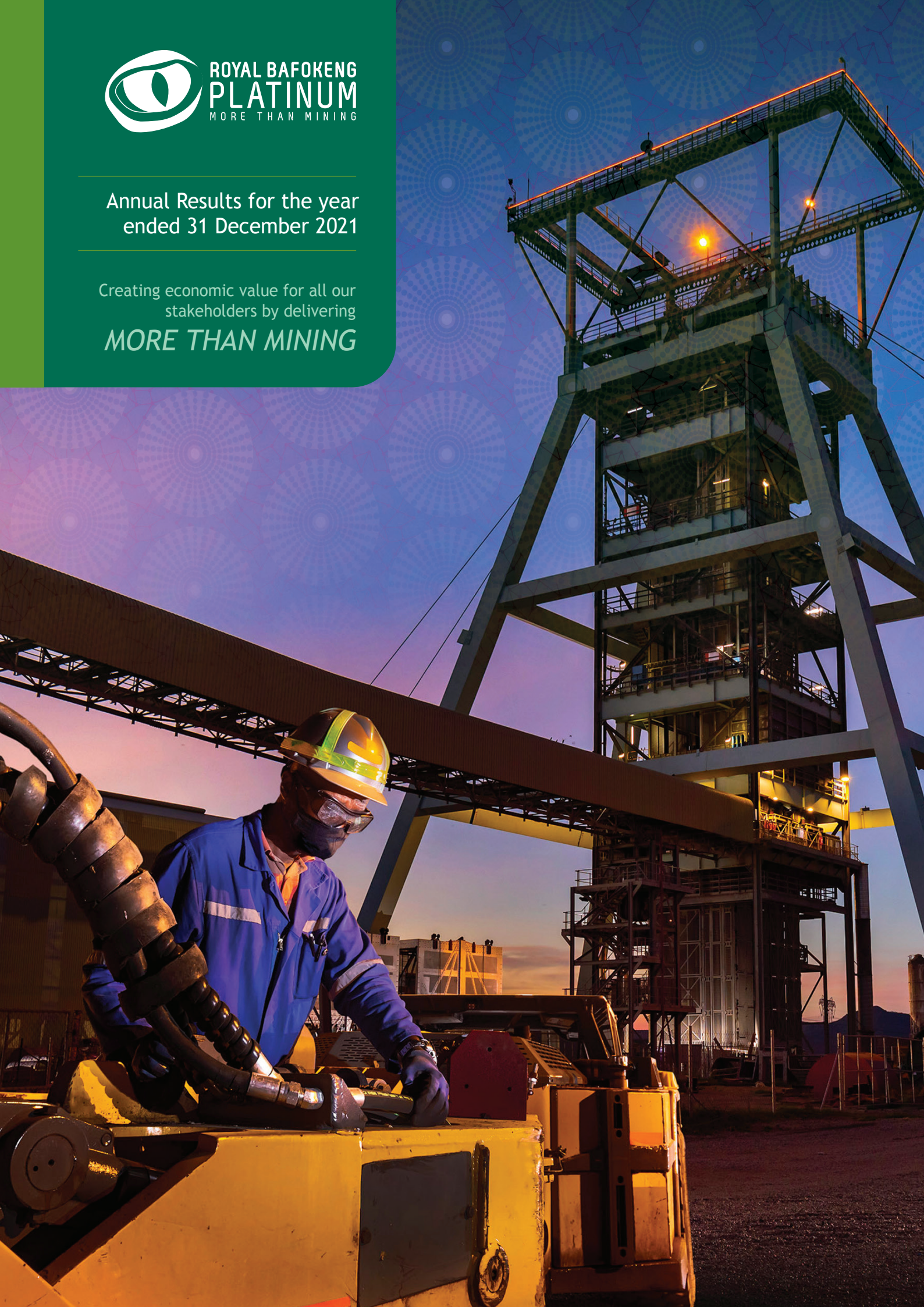




ROYAL BAFOKENG
PLATINUM
MORE THAN MINING

Annual Results for the year
ended 31 December 2021

Creating economic value for all our
stakeholders by delivering
MORE THAN MINING



OUR BUSINESS AT A GLANCE

RBPlat is a mid-tier producer of platinum group metals (PGMs) listed on the Johannesburg Stock Exchange with operations on shallow long-life Merensky and UG2 ore bodies located on the Bushveld Igneous Complex in the North West province of South Africa. We focus on extracting value from the PGMs and base metals we mine that make a difference in people's lives.

We own and operate two mines and two concentrators:

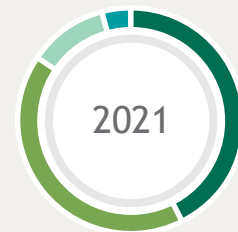
Bafokeng Rasimone Platinum Mine (BRPM), a twin decline shaft with an average mining depth of 450m, is a conventional and hybrid mining operation

Styldrift Mine (Styldrift), a twin vertical shaft, is a mechanised bord and pillar mining operation with an average mining depth of 680m

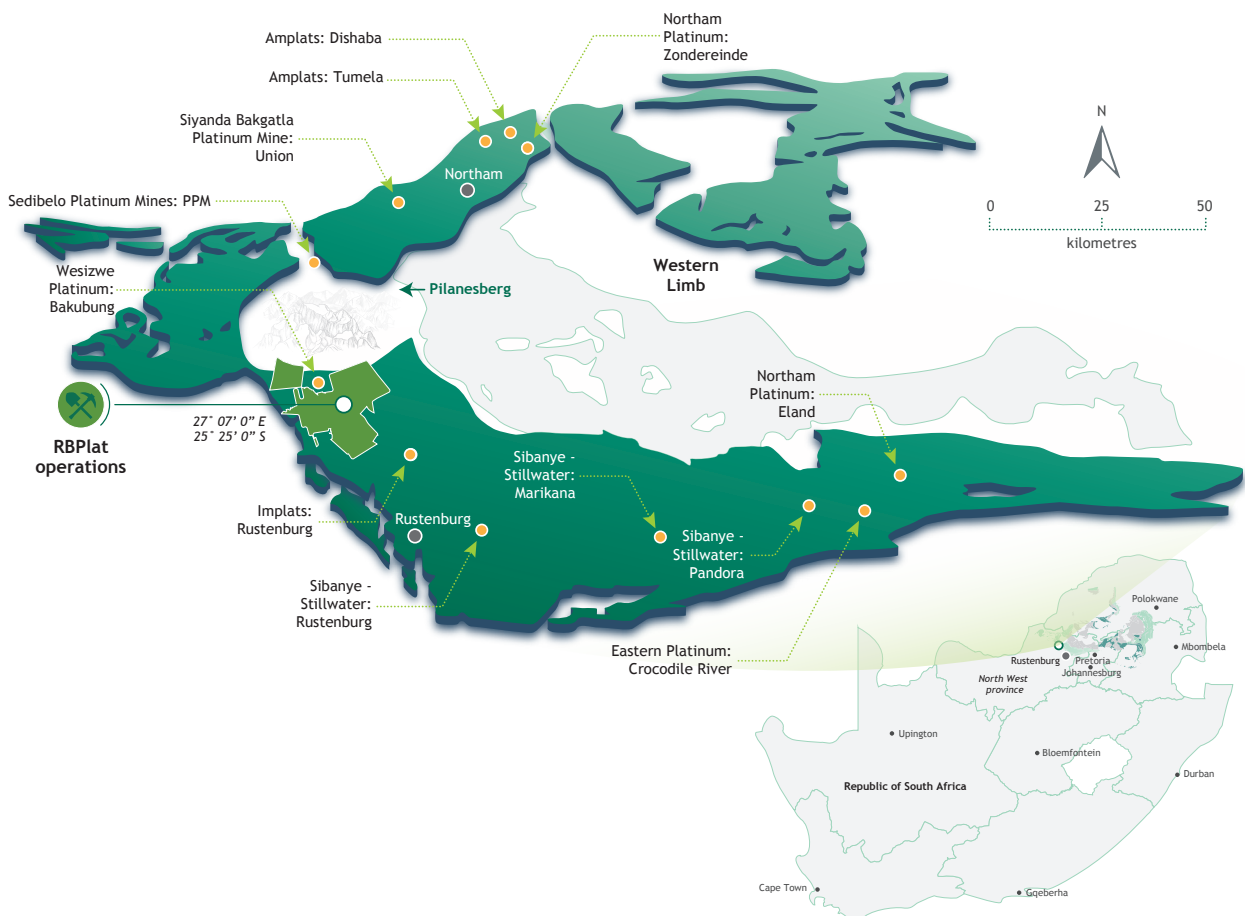
BRPM concentrator, is a 250ktpm capacity traditional MF2 process concentrator

Maseve concentrator is being upgraded to a 180ktpm MF2 plant. The upgrade will be completed in the second quarter of 2022

Major shareholders

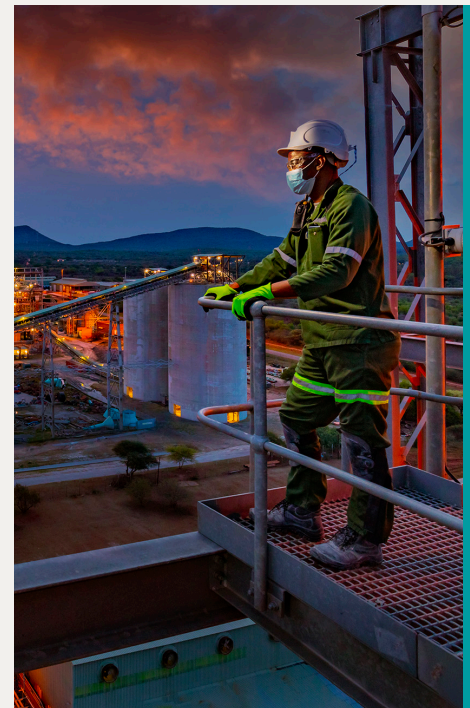
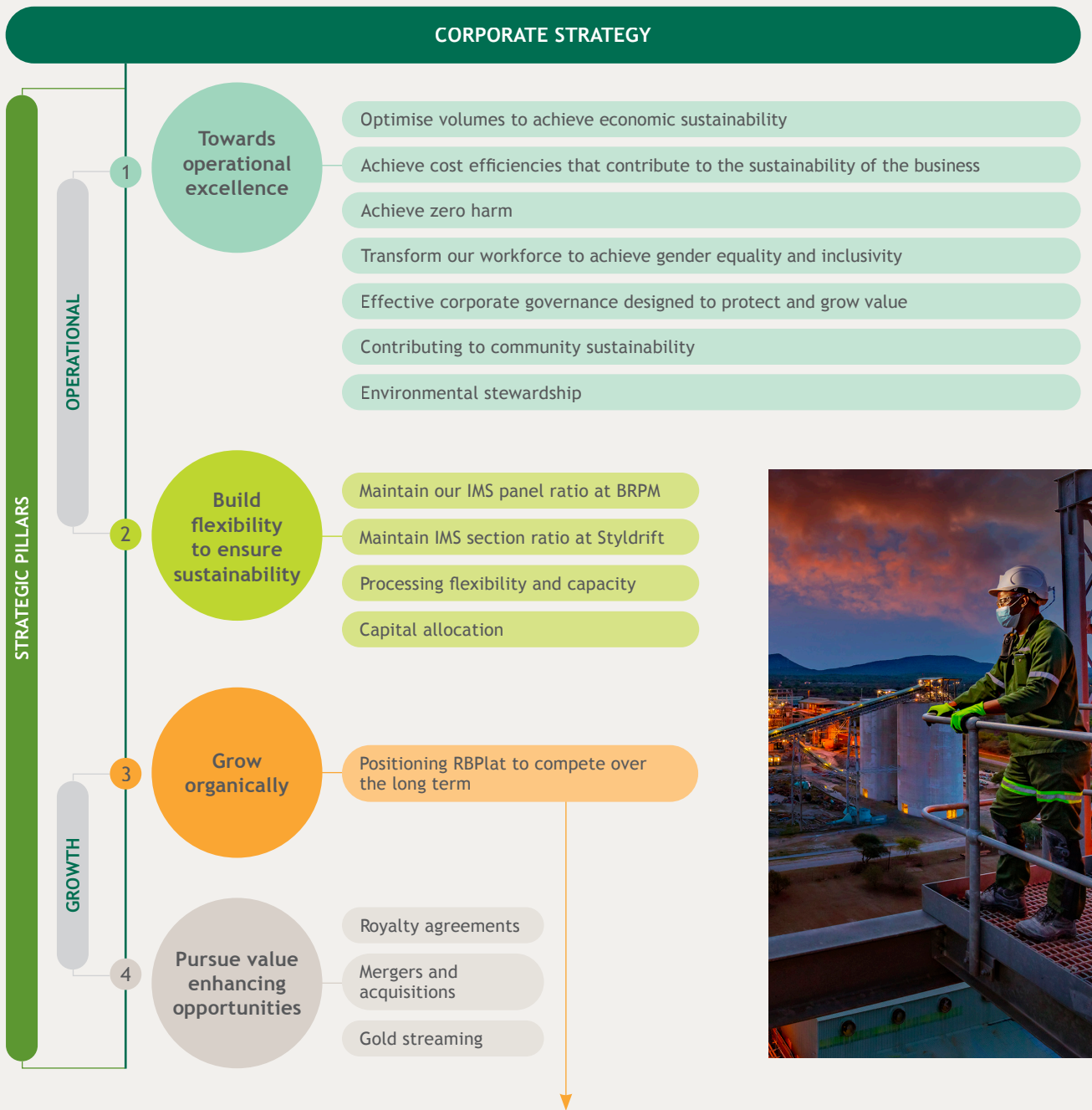


- Impala Platinum Holdings Limited (Implats) (35.31%)
- Northam Platinum Holdings Limited (Northam) (34.68%)
- PIC (9.46%)
- Royal Bafokeng Holdings (3.29%)



EXPLORATION → MINING → CONCENTRATING → CONCENTRATE sold to Amplats* who smelt, refine, and market our product

* Anglo American Platinum



SHORT TERM (One year)	MEDIUM TERM (3 – 5 years)	LONG TERM (More than five years)
Completion of the MF2 upgrade of the Maseve concentrator		Brownfields project: mining of UG2 at Styldrift
Conversion of BRPM South shaft to UG2 as Merensky Reserves are depleted		Potential greenfields project: Styldrift II
Styldrift shallow twin vertical shaft (average mining depth of 680m) mechanised bord and pillar mine – over 40 years life of mine as a mechanised mine using the XLP mining method		

10-YEAR PERFORMANCE IN TERMS OF THE CAPITALS

	Unit	2012	2013
FINANCIAL CAPITAL			
Revenue	R (million)	2 865	3 251
Net cash/(debt)	R (million)	650	773
Headline earnings/(loss) per share	Cents	104	173
Average rand basket price	R/4E oz	10 651.7	11 611.1
Income from Impala royalty agreements	R (million)	61.8	75.2
EBITDA	R (million)	634	1 008
EBITDA margin	%	22.1	31.0
Return on capital employed (ROCE)	%	1.6	2.8
MANUFACTURED CAPITAL			
BRPM IMS panel ratio	ratio	1.48	1.52
Styldrift IMS section ratio	ratio	–	–
Total tonnes hoisted	(kt)	2 329	2 308
BRPM	(kt)	2 329	2 308
Styldrift	(kt)	–	–
Total tonnes milled	(kt)	2 375	2 301
BRPM	(kt)	2 375	2 301
Styldrift	(kt)	–	–
Built-up head grade (4E)	(g/t)	4.07	4.38
BRPM	(g/t)	4.07	4.41
Styldrift	(g/t)	–	1.72
4E metals in concentrate	(koz)	269	280
BRPM	(koz)	269	280
Styldrift	(koz)	–	–
Cash operating cost per 4E ounce	(R/4E oz)	7 616	7 519
BRPM	(R/4E oz)	7 616	7 519
Styldrift	(R/4E oz)	–	–
Capex	R (million)	1 192	1 059
Capex funded from operational cash flows	%	58.5	84.5
INTELLECTUAL CAPITAL			
Board independent non-executive directors	%	60	50
Board gender diversity: % women	%	30	20
Board racial composition – % black	%	50	50
HUMAN CAPITAL			
Number of employees (including contractors and corporate office employees)	Number	7 518	7 929
Women in mining (full-time employees)	%	12.9	10.9
Training investment	R (million)	95.6	99.1
HIV/Aids: Number of employees and contractors on antiretroviral treatment (ART) ^(A)	Number	430	412
TB incidence rate (/100 000) – the numbers recorded from 2010 to 2013 were prevalence rates ^(A)	/100 000	430	412
Fatalities	Number	1	2
LTIFR ^(A)	/1 000 000 hours	3.379	3.069
NIHL exceeding 10% ^(A)	Number	21	27
SOCIAL AND RELATIONSHIP			
Our social investment including our SLPs ^(A)	R (million)	126.9	105.2
Discretionary procurement from HD businesses ^(A)	(Average %)	59.4	64.7
Home ownership (number of families living in purchased homes)	Number	–	–
NATURAL CAPITAL			
Mineral resources inclusive of reserves – measured, indicated and inferred	(Mt)	244.2	243.0
GHG emissions (Scope 1 and 2) ^(A)	(tCO ₂ e)	337 709	292 773
Energy efficiency – for BRPM concentrator	(kWh/tonne)	50.6	44.6
Total water use efficiency	(ML/kt milled)**	1.748	1.634

* A change in our application of the Mining Charter guidelines to the calculation of our spend on legal and mandatory training has resulted in a reduction in our spend in this regard in 2021

** Includes all recycled water and excludes toll treated ore

67% ownership				100% ownership			
2014	2015	2016	2017	2018	2019	2020	2021
3 768	3 045	3 342	3 499	3 627	7 492	13 379.4	16 428.7
1 864	918	836	1 333	(832)	(491)	1 643.2	4 898.4
239	(83)	87	56	25	50	1 354	2 325
12 814.6	11 147.4	12 189.1	12 409.5	13 715.8	18 667.9	31 062.1	35 215.9
18.2	46.7	65.7	85.9	98.8	146.8	382.4	738.5
1 189	298	490	572	504	1 756	6 647	8 531
31.6	9.8	14.7	16.4	13.9	23.4	49.7	51.9
3.3	(29.4)	1.1	(4.0)	1.0	2.2	17.7	22.4
1.7	1.51	1.58	1.68	1.92	1.87	1.71	2.09
—	—	—	—	0.5	0.8	1.14	1.40
2 477	2 429	2 774	3 011	3 349	3 792	4 140	4 639
2 477	2 365	2 365	2 426	2 269	2 244	2 175	2 434
—	64	409	585	1 080	1 548	1 965	2 205
2 479	2 461	2 762	3 021	3 420	3 847	3 990	4 628
2 467	2 389	2 348	2 449	2 299	2 222	2 096	2 457
12	72	414	572	1 121	1 625	1 894	2 171
4.29	4.11	4.03	3.94	3.96	3.91	3.93	3.86
4.30	4.14	4.18	4.16	4.21	4.01	3.97	3.88
1.41	3.06	3.12	2.99	3.45	3.77	3.89	3.83
294	278	304	328	368	401	419	467
294	272	275	283	266	241	224	249
0.4	6	29	45	102	160	195	218
8 039	9 359	10 068	9 941	10 468	14 139	15 560	16 770
8 039	9 359	10 068	9 941	10 468	12 562	14 141	15 599
—	—	—	—	—	16 504	17 185	18 108
1 724	2 009	1 127	2 160	3 459	1 661	1 815	1 810
81.1	29.8	48.5	26.1	37.3	68.1	100.0	100.0
64	64	64	70	64	54	64	67
36	36	36	40	36	31	36	33
45	45	45	40	55	54	55	56
8 900	7 281	7 400	8 372	9 508	10 087	10 593	11 024
12.3	15.1	14.1	15.9	17.1	17.8	19.0	19.8
114.4	83.9	62.0	73.5	112.4	129.2	112.7	97.0*
452	572	658	622	627	785	1 271	1 640
805	937	767	765	631	416	308	172
2	5	1	—	2	2	1	1
2.664	2.045	1.902	2.753	2.475	1.900	1.318	1.943
19	13	9	10	13	10	5	3
133	74.6	287.1	40.5	63.2	65.8	92.0	169.2
68.1	74.2	79.6	87.0	86.7	86.6	82.2	86.3
259	393	395	763	999	1 136	1 404	1 503
243.1	241.8	238.8	235.6	348.0	349.4	348.5	343.4
326 606	304 674	318 220	333 956	341 746	427 633	450 311	513 922
45.3	52	47.4	46.2	45	46.6	46.2	48.3
1.671	1.998	1.598	1.405	1.220	1.233	1.075	1.171

OUR PERFORMANCE IN 2021



What helped our performance?

- Higher basket price
- Increased production

What hindered our performance?

- Covid-19 impact on our people and our operations
- Eskom load curtailments
- Section 54 stoppages
- Delay of MF2 upgrade project negatively impacted by need for remedial civil works on the secondary mill base and ongoing manufacturing, construction and commissioning delays attributed to the impact of the Covid-19 pandemic



HUMAN CAPITAL

Safety and people first

FATALITIES

One
(2020: one)



TOTAL INJURY FREQUENCY RATE^(A)

7.139
(2020: 5.663)



PRODUCTIVITY

39.9 t/TEC*
for our total operations
(2020: 36.3 t/TEC)



FINANCIAL CAPITAL

Create economic value for all our stakeholders

EBITDA

R8 530.6 million
(2020: R6 646.5 million)



HEPS

2 324.6 cents
(2020: 1 354.4 cents)



FULL YEAR DIVIDEND

1 070 cents per share
(2020: maiden dividend of 575 cents per share)



SOCIAL AND RELATIONSHIP CAPITAL

Seek and deliver the good from mining

SOCIAL INVESTMENT (including social and labour plans)

R169.2 million^(A)
(2020: R92 million)



PROCUREMENT

R4.8 billion
in procurement from historically disadvantaged (HD) businesses
(2020: R4.0 billion)



INTELLECTUAL CAPITAL

Mutual interests and mutual rewards

TECHNOLOGY

- Significant progress made with digitisation and automation of Styl drift
- Substantial improvement in measurement of labour force efficacy and operating processes using automated time management process
- Supply chain process streamlined and further protected from fraud and corruption through E-tendering



MANUFACTURED CAPITAL

We do what we say we will do

4E BUILT-UP HEAD GRADE

3.86g/t
(2020: 3.93g/t)



UNIT COST

R16 770 per 4E ounce
(2020: R15 560 per 4E ounce)



PRODUCTION

467koz 4E ounces
(2020: 419koz 4E ounces)



NATURAL CAPITAL

Leave a lasting legacy of sustainable benefits

GROUP CARBON INTENSITY OF

0.122 tCO₂e/tonne milled^(A)
(2020: 0.113 tCO₂e/tonne milled)



WATER EFFICIENCY

0.675kl/tonne milled^(A)
(2020: 0.642kl/tonne milled)



ENERGY EFFICIENCY

0.407GJ/tonne milled^(A)
(2020: 0.408GJ/tonne milled)



* Tonnes milled per total employee costed

COMMENTARY

OVERVIEW

RBPlat has remained focused on maintaining its operational fundamentals which are underpinned by our four strategic pillars of pursuing operational excellence, building flexibility, growing organically and pursuing value enhancing opportunities. These fundamentals were at the forefront of our strategic planning as we navigated the lingering effects of the Covid-19 pandemic, an unreliable power supply from Eskom and the slow global economic recovery. Our response to the fluid operating environment continues to deliver growth during a period where the mining industry has been focused on stability and recovery. This growth was driven by our shared vision of success, fostered through transparent and collaborative partnerships with all of our stakeholders. We achieved record production with increases in tonnes hoisted of 12.1% to 4 639kt, in tonnes milled of 16.0% to 4 628kt and 4E metals in concentrate of 11.5% to 467koz, compared to 2020. Closing surface stocks increased to 184kt.

Our *More than mining* philosophy has been an important part of delivering on our purpose of creating economic value for all our stakeholders and meeting the ESG expectations of investors. We are proud of the contribution we have made to our host communities through investing in education and skills development, providing employment in our operations, as well as an enterprise and supplier development (ESD) programme that has contributed to the sustainability of local businesses, and our commitment to local preferential procurement. Our responsible approach to the natural environment has earned us a place as a constituent of the FTSE/JSE Responsible Investment Index and above industry average scores for our voluntary disclosures to the CDP on climate change and water security.

The safety and health of our employees is key in creating a stable and productive working environment. Sadly, there was one fatal accident at our BRPM operation. On 12 May 2021, Mr MZ Mavie was fatally injured in a fall of ground incident at BRPM North shaft. The Board of Directors (the Board) and management wish to extend their sincere condolences to the family, friends and colleagues of Mr Mavie.

The payment of our maiden dividend last year marked a shift in our strategic focus from organic growth to further enhancing our operational excellence and flexibility, and demonstrated our ability to deliver on our purpose to create economic value for all our stakeholders. Our robust balance sheet and capital allocation discipline provide a platform for the enhancement of stakeholder value and sustainable capital returns to shareholders.

We have a strong track record of value accretive mergers and acquisitions, which remains a key pillar of our strategy. A key aspect of this has been the consideration of large-scale transactions to unlock value to shareholders and to that extent, we received takeover approaches from Implats and Northam during the year. Following a joint cautionary announcement by RBPlat and Implats that an offer through a scheme of arrangement was under discussions, Northam acquired a 32.8% stake in RBPlat from our then largest shareholder, Royal Bafokeng Holdings, with further market purchases pushing this holding up to 34.7% as at 31 December 2021. Implats subsequently announced a firm intention to make a takeover offer and up to 31 December 2021, had acquired a shareholding of 35.3% in RBPlat.

FINANCIAL REVIEW

Revenue for the year increased by 22.8% to R16 428.7 million, supported by strong PGM basket prices and the increase in production resulting from growth in our business. Although our 2021 production was restricted by the slow restart of operations in the first half of 2021, resulting from the Covid-19 second wave and other operational challenges, we increased PGM production by 11.5% to 467koz of 4E. BRPM contributed 249koz of 4E production, an increase of 11.2%, while Styldrift's production increased by 11.8% to 218koz of 4E.

Platinum contributed 24.8% (2020: 26.7%) to the revenue from our operations in the reporting period, while palladium and rhodium contributed 61.8% (2020: 62.5%). The basket price per 4E ounce increased by 13.4% to R35 215.9 (2020: R31 062.1), mainly driven by an increase in palladium and rhodium prices. This was offset by a stronger rand with the average exchange rate received for the period at R15.00 per US dollar, compared to R16.34 per US dollar in the comparative period.

Cost of sales increased by 21.2% to R9 637.3 million (2020: R7 948.7 million) mainly due to increased production volumes as well as on-mine inflation. During the reporting period, we continued to see the impact of the Covid-19 pandemic which added R24.6 million (2020: R53.8 million) to operating costs relating to the well-being and care of our employees and our communities in response to the pandemic.

Styldrift's cost of sales increased by 18.5% year-on-year to R4 959.4 million (2020: R4 183.4 million), while BRPM's cost of sales increased by 23.9% year-on-year to R4 486.4 million (2020: R3 619.8 million). Our continued efforts to optimise costs resulted in a further reduction in the fixed cost component of our cash costs, which improved 2.3% year-on-year to 65.8% (2020: 68.1%).

Supported by a strong pricing environment, BRPM reported a 24.4% growth in gross profit to R4 807.7 million (2020: R3 865.8 million) while Styldrift reported a 27.2% growth in gross profit to R2 175.2 million (2020: R1 710.3 million). RBPlat's consolidated gross profit increased by 25.1% to R6 791.4 million from R5 430.7 million in the comparative period with a return on capital employed of 22.4% compared to 17.7% in 2020.

Other income increased by R567.9 million, or 114.9% to R1 062.3 million with the contribution of Impala royalties increasing by 93.1% to R738.5 million and the exchange rate revaluation gains which increased to R213.1 million from a loss of R230.9 million in 2020. The exchange rate revaluation losses were recognised as other expenses in 2020. Our corporate office administrative expenses increased by 23.7% year-on-year to R237.4 million (2020: R191.9 million) mainly due to a R15.3 million increase in advisory and legal fees as a result of the 2021 corporate action. In addition, the 2020 settlement of the RCF also resulted in a R7.9 million increase in commitment fees. Our industry membership and market development contributions increased by 22.1% to R42.5 million partly offset by the benefit of a stronger exchange rate on US dollar contributions.

Earnings before interest, taxation, depreciation and amortisation (EBITDA) increased by 28.3% from R6 646.5 million to a record R8 530.6 million, with our EBITDA margin increasing to 51.9% from 49.7% in the previous comparative period. Other finance costs decreased from R487.3 million in 2020 to R382.2 million in 2021, mainly due to a saving of interest on our long-term borrowings as a result of repayment of revolving credit facilities in 2020, as well as saving of interest on the

convertible bond liability as a result of conversion, buy-back and settlement of the bonds in the first half of 2021. Lower interest rates on the term debt added to these savings. However, a R312.5 million premium was incurred on the buy-back of the convertible bonds resulting in the overall total finance cost, including the premium paid on conversion of the convertible bonds, increasing from R487.3 million to R694.7 million. Of the 120 000 convertible bonds in issue, 102 152 were converted into 26 108 136 ordinary shares, 17 369 were bought back from the market and 479 convertible bonds were redeemed in cash.

Despite the continued impact of the global Covid-19 pandemic, a significant improvement in the PGM market, coupled with our strong operational performance, resulted in headline earnings increasing by 86.0% to R6 488.2 million in 2021 (2020: R3 488.9 million). Headline earnings per share increased to 2 324.6 cents (2020: 1 354.4 cents). Basic earnings per share were 2 332.4 cents compared to 1 369.9 cents in 2020.

The significant improvement in the PGM market and strong operational performance also increased the cash generated from operations from R3 783.2 million in 2020 to R8 873.9 million in 2021. Following the R1 523.9 million payment of a 2020 maiden dividend and the R1 546.2 million payment of the 2021 interim dividend, our net cash flow from operating activities amounted to R5 700.1 million (2020: R5 825.9 million). In 2021, cash flow from financing activities included the repayment of R609.4 million, which was outstanding on the term debt facility, as well as R482.3 million spent on the buy-back and redemption of 17 848 convertible bonds.

The Group follows a prudent liquidity risk management strategy, which implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping credit lines available.

At the end of the year, RBPlat had no interest-bearing borrowings outstanding, with R3 008 million of banking facilities available in addition to cash on hand. In 2021, the Group refinanced its banking facilities to a R1 008 million general banking facility and a new five-year R2 000 million revolving credit facility. Despite the current uncertainties, the robustness of the balance sheet positions RBPlat well to create future enterprise value by delivering on its growth strategy and, ultimately, capital returns.

The Group ended the period with cash and cash equivalents of R4 898.4 million (2020: R2 243.2 million). This includes restricted cash of R128.1 million ringfenced for our employee home ownership scheme. Net cash, calculated as cash and cash equivalents, less interest-bearing borrowings, amounted to R4 898.4 million (2020: R1 643.2 million), a 198.1% improvement on the 2020 comparative period.

TOWARDS OPERATIONAL EXCELLENCE

Production

To continue to deliver operational excellence and embed long-term sustainable growth, our focus during 2021 was on:

- achieving meaningful and sustainable improvements in our safety performance in accordance with our pursuit of zero harm
- operating with an uncompromising commitment to ensure the health and safety of our employees
- continuing with the transition of BRPM South shaft from Merensky to UG2

- progressing our long lead concentrator projects to allow us to optimise recovery and sustain production in the long term
- developing operational maturity at Styldrift to sustainably maintain a 230ktpm run rate

Our strong foundations allowed us to weather the challenges of operating in a fluid and consistently evolving Covid-19 environment with industry cost pressures and a deteriorating power supply.

Total development increased by 16.6% from 36.2km to 42.2km with the increase related to developing sufficient IMS to support the increasing contribution of UG2 at BRPM. BRPM total development increased by 22.0% to 36.6km. The increase in development is aligned with production and ore reserve development. Styldrift total development reduced by 9.7% to 5.6km as expansion capital development reduced. This reduction can be attributed to completion of the expansion capital footprint. An improvement was realised in BRPM's panel flexibility, from an IMS panel ratio of 1.71 to 2.09, which exceeds the revised target of 1.7. Styldrift IMS section flexibility of 1.4 exceeds the target of 1.3, with a total of 19 trackless stoping sections equipped.

Total tonnes hoisted increased by 12.1% to 4 639kt due to increased volumes from BRPM and Styldrift. BRPM tonnes hoisted increased by 11.9% to 2 434kt and Styldrift tonnes hoisted increased by 12.2% to 2 205kt in line with an increase in stoping production. Merensky tonnes hoisted increased by 6.4% to 3 550kt in line with the increased contribution from Styldrift, offsetting the transition of BRPM to UG2 while UG2 tonnes hoisted increased by 35.3% to 1 089kt.

Total tonnes milled increased by 16.0% year-on-year to 4 628kt. Merensky tonnes milled increased by 7.9% to 3 546kt as Styldrift continues to ramp up. UG2 tonnes milled increased by 53.7% to 1 082kt in line with increased UG2 volumes from BRPM North and South shafts. UG2 toll concentrating volumes increased by 384kt to 421kt. Overall built-up head grade decreased by 1.8% to 3.86g/t (4E) with built-up head grades reducing by 1.5% and 2.3% for Styldrift and BRPM, respectively. The reduction in head grade is attributable to higher on-reef dilutions experienced on our Merensky mining horizons at both BRPM and Styldrift as well as the increased contribution of lower grade South shaft UG2 ore to the overall ore mix. Overall recovery (4E) reduced by 1.9% to 81.35%. The key contributors to the reduced recovery are the increase in lower grade South shaft UG2 processed and the increased UG2 toll concentrating. Recovery remains aligned with grade/recovery expectations. Improved volumes combined with the lower recovery yielded a 11.5% and 10.7% increase in 4E and platinum metals in concentrate, respectively. 4E metals in concentrate amounted to 467koz and platinum in concentrate equated to 301koz.

Operating costs

Cash operating costs for the business increased by R1 316 million or 20.2% year-on-year to R7 829 million. BRPM cash costs amounted to R3 883 million and Styldrift to R3 946 million. The increase in expenditure is attributable to higher production volumes, industry inflation and costs related to our response to Covid-19. Key inflationary drivers were CPI (4.4%) and above CPI increases in labour (3.1%), utilities (9.1%) and sundries (3.7%). Unit cost per tonne milled and 4E ounce increased by 3.7% and 7.8% to R1 692/t and R16 770/oz, respectively.

Cash operating costs at BRPM increased by 22.9% from R3 160 million to R3 883 million, cash operating cost per tonne milled and cash operating cost per 4E ounce increased by 4.8% and 10.3% to R1 581 and R15 599, respectively, compared to 2020. Cash operating costs at Styldrift increased by 17.7% from R3 353 million to R3 946 million. Cash operating cost per tonne milled and cash operating cost per 4E ounce increased by 2.7% and 5.4% to R1 818 and R18 108, respectively, compared to 2020.

Capital expenditure

Total capital expenditure decreased by 0.3% to R1 810 million. Expansion capital expenditure decreased by 39.6% to R665 million, the reduction in expenditure is in line with Styldrift, the BRPM tailings storage facility (TSF) and Maseve MF2 project expenditure requirements. Replacement capital increased by R308 million, the increase is related to the extension of the North, South and East footwall declines and associated infrastructure at Styldrift beyond the 230ktpm battery limits required to establish ore reserves to maintain production in the longer term. Stay-in-business (SIB) expenditure increased by R123 million to R497 million in line with operational requirements. SIB as a percentage of operating cost amounted to 6.3%

PROJECTS

Styldrift

With the final 230ktpm stoping infrastructure footprint completed during the second quarter of 2021, and our planned IMS section flexibility of 1.3 in place, management's focus shifted to developing and embedding the operational maturity required to secure improvements in operating efficiency to optimally leverage the installed infrastructure capacity. The operations team has initiated an operational improvement strategy aimed at enhancing management systems, improving mining and engineering processes and associated support service functions. The combination of these interventions, inherent face flexibility and ongoing gains in operational maturity and experience position the operation well to achieve steady state in 2022.

Concentrator upgrade projects

Steady progress was made with the Maseve MF2 upgrade during 2021. However, project progress was negatively impacted by remedial civil works required on the secondary mill base during the first half of the year and ongoing manufacturing, construction and commissioning delays experienced as a result of the Covid-19 pandemic. During the reporting period all civil, mechanical, electrical, structural and instrumentation works related to the secondary mill and associated flotation circuit were completed. Final piping works are set to be completed during the first quarter of 2022 with final circuit tie-in and commissioning now forecast for the second quarter of 2022. Capital expenditure on this project for 2021 amounted to R204 million, bringing the total capital expenditure for the project to date to R428 million.

Construction and civil works to expand BRPM's TSF continued steadily during the reporting period. Key project works completed include:

- Tailings storage basin excavation and civil works
- Return water dam
- Lifting of the waste rock starter wall to its final height
- Decant towers and associated piping

The TSF completion date remains quarter one of 2022. Capital expenditure for the TSF upgrade amounted to R192 million during the reporting period, bringing the total capital expenditure for the project to date to R390 million.

MORE THAN MINING

Developing a resilient operating culture is a non-negotiable objective if we are to attain our business imperative of achieving zero harm. During the year under review, we saw declines in our safety performance of 47.4% for our lost time injury frequency rate, 65.9% for our serious injury frequency rate and 26.1% for our total injury frequency rate, from the record safety milestones we achieved in 2020. Regrettably, we lost one of our employees on 12 May 2021 when Mr MZ Mavie was fatally injured in a fall of ground incident at BRPM's North shaft. We remain confident that our safety strategy and associated safety initiatives will allow us to deliver on our commitment to ensure the safety of our employees.

The protocols we put in place in 2020 to protect the health and wellness of our employees during the Covid-19 pandemic remained in place during 2021. RBPlat applied for and obtained a permit to provide vaccinations to both the community and our own employees. We are currently operating a vaccination site for our employees at the Maseve field hospital site. We also have vaccination sites at both BRPM's North and South shafts, and Styldrift. By year-end we had vaccinated 83% of our employees.

Our transformation strategy's targets are designed to meet and exceed the Mining Charter III equity targets. The steps we are taking to achieve this include a major focus on providing education opportunities for young historically disadvantaged (HD) South Africans, developing the black talent that is part of our workforce and introducing new black talent into our workforce. Succession planning ensures we build a pipeline of skills that ensures we have the necessary skills available when required. Our planning also includes addressing our strategy to increase the number of women in leadership positions and achieving our diversity and inclusion targets. 19.8% of our fulltime employees are women and 22% of our management team are women.

Our ESD focus remains on localising our supplier footprint and building capacity in our host communities and establishing set-aside procurement opportunities. In addition to our monthly business forum engagements, in May 2021 RBPlat held a strategic supplier leadership engagement with its top 100 strategic suppliers and original equipment manufacturers (OEMs), led by our Chief Executive Officer. A key focus of this engagement was on partnerships and collaboration and the role OEMs and strategic suppliers can play in the sustainability of host community businesses through the transfer of skills and skills development in these businesses. Our 2021 discretionary procurement from HD businesses amounted to R4 807.9 million, a 19.7% increase year-on-year and represents 86.3% of our total discretionary procurement. 41.8% of our total discretionary procurement was spent with HD local businesses, we have defined local as being within a 50km radius of our operations.

In 2014 RBPlat embarked on a housing development project in a high market area of Rustenburg intended to benefit all its employees. Designed as a town, Waterkloof Hills Estate is equipped with its own infrastructure, including reliable electricity, running water and adequate sanitation facilities. By 2021 more than 5 000 people were living in the estate. By 2019 the number of children living in the estate justified the construction of a primary and secondary school within the

estate. We were able to partner with the North West Department of Education and RBPlat began work on the requisite civil works in the latter part of 2020 and construction of the school buildings began in 2021. The project team was made up of representatives from both the North West Department of Education and RBPlat who worked closely together to ensure the schools would be ready to receive learners in 2022. 378 learners have enrolled in the primary school and 368 learners have enrolled in the secondary school. These schools will ultimately accommodate 2 000 learners both from our estate and the neighbouring suburbs. 95% of the learners are the children of RBPlat employees who own homes in Waterkloof Hills Estate.

A RESPONSIBLE APPROACH TO THE NATURAL ENVIRONMENT

Our approach to environmental management is based on international best practice, legal compliance and maintaining our environmental and social licence to operate. We review our environmental impacts, risks and opportunities annually as part of our environmental management system and ensure environmental objectives are set for significant environmental impacts. Climate change is one of the critical global challenges of our time. RBPlat is committed to being part of the solution and acknowledges the fact that an urgent global response to the threat of climate change, across all areas of society and the economy is necessary. In 2021 we reviewed and approved our climate change policy and strategy and are in the process of developing a roadmap to achieve net zero carbon emissions by 2050. In 2020 we set ourselves five-year Group carbon intensity, energy and water efficiency targets. These targets are based on the 2018 baseline, with the aim of achieving a 10% reduction by 2024.

Our updated energy management strategy was approved in 2021 by the Board and implementation began this year. The bankable feasibility study for the construction of a modular solar photovoltaic (PV) plant which would introduce renewable energy into our energy mix, will be concluded in the first half of 2022. The environmental impact assessment process began in 2021. We are also studying other opportunities for the use of PV technology in our offices in 2022 in an effort to reduce our GHG emissions. We did not meet our energy efficiency target and achieved 0.407GJ/tonne milled compared to a target of 0.320GJ/tonne milled.

The substantial increase in our production during 2021 resulted in an overall increase of 14.4% in our GHG emissions. The 12.1% increase in tonnes hoisted and 16.0% increase in tonnes milled in our concentrators, resulted in a 14.6% increase in our Scope 2 indirect emissions produced during the generation of the electricity we purchase from Eskom. The work we are doing to introduce renewable energy into the energy mix and energy efficiency projects within our operations will in future help reduce our Scope 2 emissions. Our use of road transportation to deliver ore from Styldrift to the Maseve concentrator and UG2 ore from BRPM for toll treatment, contributed to a 33.8% increase in our indirect GHG emissions. Studies are under way regarding the construction of a conveyor to replace the use of road transportation between Styldrift and Maseve and reduce our Scope 3 GHG emissions. We did not meet our carbon intensity target and achieved 0.122 tCO₂e/tonne milled compared to a target of 0.091 tCO₂e/tonne milled.

Since establishing our water treatment plant in 2015, RBPlat has been able to achieve a measurable reduction in our consumption of potable water and in our water costs. During the year under review we treated 883.43Mℓ of industrial water in our treatment plant (2020: 626.51Mℓ) for use at the BRPM concentrator, replacing potable water. Since the commissioning of our water treatment plant in 2015 RBPlat has saved R52.3 million by replacing potable water with treated water for some of the processes in the BRPM concentrator. In 2021 we saved R11.3 million. We did not meet our water efficiency target and achieved 0.675kℓ/tonne milled compared to a target of 0.632kℓ/tonne milled. We are currently in the process of reviewing our water strategy.

Our voluntary participation in the CDP Climate Change allows RBPlat to measure its progress towards environmental stewardship and to benchmark and compare our progress against our peers and controls are put in place and implemented to address climate change risks and opportunities. The disclosures also assists us in continually improving our environmental performance. We achieved a B score for our voluntary disclosure for our climate change submission to the CDP in 2021 and an A- score for water security which was above the average score in the metals and mining sector of B- and an average global score of B.

CHANGES TO THE BOARD

Adv Kgomotso Moroka retired from the Board with effect from the Annual General Meeting held in April 2021 and Mr Obakeng Phetwe, a non-executive director of RBPlat since February 2018, assumed the role of the Board Chair. In addition Mr Mark Moffett, an independent non-executive director of RBPlat since September 2014, assumed the role of Lead Independent Director. Mr Udo Lucht, who was a non-executive director resigned from the Board during the last quarter of 2021. The Company announced the resignation of Mr Hanré Rossouw, the Chief Financial Officer (CFO) in July 2021. He will remain in his current role until 3 April 2022. Due to the current uncertainty, created by the ongoing corporate action the Company is engaged in, the Board decided to pause the appointment of Mr Rossouw's successor until we have clarity of direction. In the interim, the Board has appointed the Group's Head of Finance, Ms Rotshidzwa Manenzhe, as Acting CFO.

Our Chief Executive Officer, Mr Steve Phiri, was scheduled to retire post the Annual General Meeting in April 2022, however, due to the ongoing corporate action Mr Phiri has agreed to stay in his current position until certainty is achieved.

DECLARATION OF DIVIDEND

Guided by our dividend policy, and taking into account our strong balance sheet and cash flow generation in 2021, the Board declared a gross cash final dividend of 535.0 cents per share, equating to R1.5 billion. This is in addition to the interim dividend amounting to R1.5 billion declared in August 2021. This ensures that we remain in a strong position and are well-placed to continue making appropriate value-creating and disciplined investments in our business and sustainable capital returns to shareholders.

The dividend was declared from retained earnings and will be subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of withholding tax. The net dividend payable to shareholders subject to the withholding tax rate of 20% amounts to 428.0 cents per ordinary share. The issued share capital at the declaration date is 289 016 546 ordinary shares and the Company's tax number is 9512379166.

The salient dates relating to the dividend payment are as follows:

- Declaration of dividend: Tuesday, 8 March 2022
- Last day for trading to qualify and participate in the final dividend: Tuesday, 29 March 2022
- Trading ex-dividend commences: Wednesday, 30 March 2022
- Record date: Friday, 1 April 2022
- Dividend payment date: Monday, 4 April 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 30 March 2022 and Friday, 1 April 2022 both days inclusive. Any changes to the dividend instruction will be announced on the JSE Stock Exchange News Service.

MARKET REVIEW

The platinum price outperformed palladium and rhodium in 2021, despite the price declining during the year, as the other PGM metal prices were even more volatile. Platinum exceeded US\$1 300/oz in February for the first time in more than six years, but it subsequently retreated to below US\$1 000/oz by year-end. Both rhodium and palladium reached record prices during the year of US\$29 800/oz and US\$2 994/oz, respectively. This was due to supply disruptions reducing market liquidity in the first half of the year. During the second half of the year the worsening semiconductor chip supply shortage reduced automotive demand while PGM supply improved and the price of palladium and rhodium declined. The rand began 2021 at R14.69 per US dollar and strengthened during the first half of the year. However, this strength was reversed during the second half with the rand ending the year at R15.94 per US dollar. In rand terms the platinum price averaged R16 092/oz, an increase of over R1 600/oz compared to 2020.

Platinum automotive demand reached 2.6Moz (gross) for 2021, with vehicle production and consumer demand recovering from the pandemic, however, this was offset by the semiconductor chip shortage. Demand growth was led by China and North America, where there is starting to be some substitution of palladium with platinum in gasoline three-way catalysts, while in Western Europe, the ongoing decline in diesel's share of light vehicles has negatively affected platinum demand. Palladium automotive demand reached 7.7Moz in 2021, an improvement on pandemic-affected 2020, but not back to pre-pandemic 2019 levels. Palladium remains sensitive to any changes in automotive production with over 80% of total palladium demand coming from autocatalysts. Rhodium automotive demand reached 940koz (gross) in 2021. The pressure on rhodium has been alleviated in the short term by lower vehicle production due to Covid-19 plant closures and the shortage of semiconductor chips for vehicles.

Platinum jewellery demand recovered to 1.8Moz (gross) in 2021, as consumer sentiment improved. However, further restrictions in key markets weighed on demand during the year, which led to demand remaining below 2019 levels. Retail sales rebounded in China as travel restrictions boosted consumer spending on luxury products instead of travel or entertainment in 2021.

Industrial requirements for platinum reached a record high of 2.1Moz in 2021, driven by robust growth in the petroleum, chemical and glass industries. Rising capacity for petroleum refining, chemical production and glass fabrication increased platinum demand throughout Asia, especially in

China. Industrial requirements for palladium rebounded slightly to 1.6Moz, following growth in the chemical sector. Expansion of bulk chemical capacity in China lifted demand, while some price-induced substitution away from rhodium to palladium in chemical applications also supported growth. Prolonged high rhodium prices have prompted the substitution of rhodium out of much of the glass-making sector, in favour of platinum.

Platinum investment was mixed last year as ETF holdings fell by 262koz to 3.6Moz, while bar and coin investment was strong at over 300koz. ETF holdings reached a record 4.0Moz in the middle of the year, but with the platinum price declining in the second half of the year and platinum mining equities offering attractive yields, investors reduced their holdings. Coin purchases were robust with the US Mint increasing its mintage of platinum American Eagle coins to 75koz, up from 57koz in 2020. In Japan, the largest market for platinum bar purchases, after some disinvestment in the first quarter, purchases improved through the rest of the year as the price declined. In China, the platinum Panda coin, last minted in 2005, was released with the 2022 30g and 1g coins helping to meet strong demand. Palladium ETF holdings increased by 50koz in 2021, taking global holdings back up to 550koz.

Global refined platinum supply fully recovered to 6.4Moz in 2021, including the release of substantial work-in-process stock. South Africa's PGM operations adjusted well to Covid-19 protocols, and regional supply exceeded 2019 levels last year at 4.5Moz. Supply from Zimbabwe and North America also increased year-on-year, although disruption to operations in Russia resulted in 60koz less platinum production in the country in 2021 compared to 2020. Palladium mine supply was adversely affected by operational setbacks in Russia, with a 225koz reduction to the country's output in 2021. As a result, global refined production fell short of pre-pandemic levels, only recovering to 7.1Moz.

Secondary supply is estimated to have increased last year. High PGM prices in the first half of the year resulted in robust flows of material and capacity constraints at northern hemisphere refineries resulted in a processing backlog, which was cleared in the second half of the year. The semiconductor chip shortage that constrained new vehicle production resulted in high demand for second-hand vehicles. This caused rapid price increases for second-hand vehicles and the number being scrapped started to drop below what would normally be expected in late 2021.

PGMs continue to play a pivotal role in the development of the hydrogen economy on the path towards decarbonising several industrial and transport sectors, and achieving net zero by 2050. Proton exchange membrane (PEM) electrolyzers, containing iridium and platinum, are one of the leading commercial technologies for the production of green hydrogen, using renewable energy. Significant thriftiness is expected, particularly of the iridium content, for this technology to be sustainable as electrolyser capacity is scaled-up worldwide. PEM fuel cell vehicles, containing platinum and some ruthenium, are expected to become a greater part of the powertrain mix, as a convenient and zero emissions alternative to the internal combustion engine, and typically with longer range and greater load carrying capacity than plug-in battery electric vehicles. In the near-term, fuel cell powertrains are mostly to be found in heavy-duty vehicles (trucks, buses, trains and even ships),

while fuel cell passenger cars are expected to remain a small market for several years while combustion engines, including hybrids, and battery electric vehicles (BEVs) are still competitive.

MARKET OUTLOOK

Global refined platinum production is forecast to fall marginally in 2022 to 6.3Moz, as 2021 was boosted by the release of significant volumes of work-in-process stock from South African operations. Including the remaining stock due to be processed in 2022, South Africa's supply is expected to decline marginally year-on-year to 4.6Moz, however, this is higher than pre-Covid-19 levels of production in 2019 (4.4Moz). Volumes from Russia have now recovered to full capacity, while ongoing ramp up at Zimbabwean mines is likely to lift production there. Global palladium supply is estimated to return to pre-pandemic levels this year, owing to Russia plus greater production in North America and Zimbabwe. Secondary PGM supply is expected to increase in 2022 but could be held back by lower scrap rates. Although new vehicle production is forecast to be much higher this year, the second-hand market is likely to remain tight and vehicle scrap rates could be depressed.

Automotive platinum demand is forecast to increase in 2022, sustained by tighter emissions standards and some substitution in China and in larger light vehicles in North America. Constrained availability of semiconductor chips to automakers is expected to continue to be a drag on all types of vehicle production affecting platinum, palladium and rhodium demand through 2022, though improvements are expected by H2'22 compared to H1'22. Additional chip manufacturing capacity is being built, with automakers working much more closely with the semiconductor industry, but will take many months to come onstream, as these are complex processes.

Palladium automotive demand is forecast to climb in 2022. Gasoline hybrid powertrains remain popular, with BEVs still a small part of the market in most regions, though longer term BEVs will increasingly take market share from gasoline-powered vehicles. China is expected to be the main engine of growth over the next few years, with tightening emissions standards and real world testing ahead. Automotive rhodium demand is forecast to increase again in 2022, as loadings increase further to ensure compliance with tighter emissions standards, and as light vehicle production continues to recover from disruptions due to Covid-19 and to the chip shortage. However, some thrifting and/or substitution to palladium is likely to be needed slightly further out to avert a deepening deficit.

Platinum jewellery consumption is estimated to decrease slightly this year, with flat demand in China, limited growth in India and lower requirements in the US. Demand in the US was temporarily boosted by strong diamond jewellery sales last year but is set to return to lower levels in 2022, while successive disruptions to the local jewellery industry have reduced expectations in India. Industrial demand for platinum is predicted to continue to increase in 2022, with further growth in the glass and chemical sectors. However, lower requirements in the chemical, electrical and dental industries are expected to reduce industrial demand for palladium.

If light vehicle production recovers as forecast, then the palladium and rhodium markets could return to deficit which would support historically high prices. The platinum market is predicted to have an industrial surplus and will need investment demand to absorb the excess metal.

OUTLOOK AND COMPANY GUIDANCE

There are signs of global economic recovery and the mobilisation of large resources, both locally and internationally, to mitigate the impact of the Covid-19 pandemic through aggressive vaccination programmes and the revision of Covid-19 management protocols. However, we expect the 2022 operating environment to remain constrained, characterised by:

- erratic economic growth and continued inflationary pressures resulting from ongoing disruptions of global supply chain processes
- the continued risk of future waves of infection impacting operational continuity
- potential production interruptions stemming from a fragile Eskom power supply grid

Delivering on our *More than mining* aspiration by focusing on the four core pillars of our strategy remains key to managing our business risks and unlocking economic value for all our stakeholders in this environment.

During 2022 Styldrift is planned to reach its steady state run rate and BRPM is expected to maintain its historic production volumes. BRPM South shaft is expected to fully transition to a UG2 operation while BRPM North shaft's delivered volumes are set to remain consistent with those of previous years. UG2 is expected to contribute approximately 58% of BRPM's total volumes.

Notwithstanding the continued uncertainty around the Covid-19 pandemic and the ongoing challenges with regard to the stability of the Eskom power supply, production guidance for 2022, subject to any unforeseen operational disruptions, is forecast to increase to between 4.65Mt and 4.90Mt at a 4E built-up head grade of 3.90g/t, yielding 485koz – 505koz 4E metals in concentrate. Group cash unit costs are forecast between R16 500 and R17 200 per 4E ounce.

Group capital expenditure for 2022, including escalation contingencies, is forecast to be approximately R2.3 billion with Styldrift replacement capital (R0.7 billion), the Maseve plant upgrade and the BRPM tailings storage facility upgrades (R0.5 billion) and the Styldrift expansion project auxiliary works (R0.2 billion), being the main drivers. SIB expenditure is expected to be between 10% and 11% of operating expenditure. The increase in 2022 SIB expenditure will mainly be attributable to the cyclical nature of the Styldrift trackless rebuild programme.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

		Group		
	Notes	2021 R (million)	2020 R (million)	% change
ASSETS				
Non-current assets		23 432.1	22 934.3	2.2
Property, plant and equipment		16 696.9	16 086.1	3.8
Mining rights		5 196.6	5 353.2	(2.9)
Right-of-use assets		34.7	16.0	116.9
Environmental trust deposits and guarantee investments		281.0	253.8	10.7
Employee housing loan receivable		903.1	851.3	6.1
Employee housing benefit		262.4	266.6	(1.6)
Housing insurance investment		57.4	49.1	16.9
Deferred tax asset	7	—	58.2	(100.0)
Current assets		11 615.1	9 010.1	28.9
Employee housing loan receivable		14.6	2.6	461.5
Employee housing benefit		23.9	22.0	8.6
Employee housing assets		494.3	542.3	(8.9)
Inventories		564.5	490.4	15.1
Trade and other receivables	5	5 552.1	5 709.6	(2.8)
Current tax receivable	6	67.3	—	100.0
Cash and cash equivalents	4	4 898.4	2 243.2	118.4
Total assets		35 047.2	31 944.4	9.7
EQUITY AND LIABILITIES				
Total equity		24 266.6	19 816.7	22.5
Stated capital		12 413.6	11 263.7	10.2
Retained earnings		11 601.3	8 268.4	40.3
Share-based payment reserve		251.7	284.6	(11.6)
Non-current liabilities		9 193.5	10 442.2	12.0
Deferred tax liability	7	5 533.1	5 259.5	(5.2)
Convertible bond liability	8	—	1 122.1	100.0
PIC housing facility	9	1 487.5	1 503.4	1.1
Interest-bearing borrowings	10	—	412.5	100.0
Deferred revenue	11	1 896.0	1 902.8	0.4
Restoration, rehabilitation and other provisions		245.4	234.6	(4.6)
Lease liabilities		31.5	7.3	(331.5)
Current liabilities		1 587.1	1 685.5	5.8
Trade and other payables		1 302.3	1 200.7	8.5
Current tax payable	6	4.7	8.7	46.0
Current portion of PIC housing facility	9	48.0	54.6	12.1
Current portion of interest-bearing borrowings	10	—	187.5	100.0
Current portion of deferred revenue	11	228.0	223.9	(1.8)
Current portion of lease liabilities		4.1	10.1	59.4
Total equity and liabilities		35 047.2	31 944.4	(9.7)

The notes on pages 15 to 32 form an integral part of these summary consolidated annual financial statements.

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

		Group		
	Notes	2021 R (million)	2020 R (million)	% change
Revenue	14	16 428.7	13 379.4	22.8
Cost of sales	15	(9 637.3)	(7 948.7)	(21.2)
Cost of sales excluding depreciation, amortisation and movement in inventories		(8 375.0)	(6 866.5)	(22.0)
Depreciation and amortisation		(1 311.2)	(1 265.3)	(3.6)
Increase in inventories		48.9	183.1	(73.6)
Gross profit		6 791.4	5 430.7	25.1
Other income		1 062.3	494.4	114.9
Other expenses		—	(301.4)	100.0
Administrative expenses		(363.1)	(263.7)	(37.7)
Corporate office		(237.4)	(191.9)	(23.7)
Housing project		(55.5)	(35.3)	(57.2)
Industry membership and market development		(42.5)	(34.8)	(22.1)
Maseve care and maintenance and other costs		(27.7)	(1.7)	(1 529.4)
Impairment of housing assets		—	(4.1)	100.0
Finance income	16.1	255.1	154.7	64.9
Finance cost	16.2	(694.7)	(487.3)	(42.6)
Premium on buy-back of convertible bond	8	(312.5)	—	(100.0)
Other finance costs	16.2	(382.2)	(487.3)	21.6
Profit before tax		7 051.0	5 023.3	40.4
Income tax expense	17	(541.1)	(1 494.3)	63.8
Current tax expense	17	(188.0)	(81.3)	(131.2)
Deferred tax expense	17	(353.1)	(1 413.0)	75.0
Net profit for the period		6 509.9	3 529.0	84.5
Other comprehensive income for the period		—	—	—
Total comprehensive income		6 509.9	3 529.0	84.5
Earnings per share for profit attributable to the ordinary equity holders of the Company:				
Basic EPS (cents/share)	22	2 332.4	1 369.9	70.3
Diluted EPS (cents/share)	22	2 270.7	1 244.2	82.5

The notes on pages 15 to 32 form an integral part of these summary consolidated annual financial statements.

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

	Group					
	Number of shares	Stated capital R (million)	Share-based payment reserve R (million)	Retained earnings R (million)	Attributable to owners of the Company R (million)	Total R (million)
2021						
Balance at 1 January 2021	258 514 387	11 263.7	284.6	8 268.4	19 816.7	19 816.7
Share-based payment charge	—	—	93.2	—	93.2	93.2
2018 BSP and RFSP shares vested in April 2021	1 883 112	68.4	(68.4)	—	—	—
Convertible bonds converted	26 108 136	964.6	—	—	964.6	964.6
Deferred tax on convertible bonds	—	21.3	—	—	21.3	21.3
Share options and Share Appreciation Rights exercised	1 481 692	127.4	(57.7)	(106.9)	(37.2)	(37.2)
Total comprehensive income	—	—	—	6 509.9	6 509.9	6 509.9
Deemed dividend tax on the convertible bond	—	(31.8)	—	—	(31.8)	(31.8)
Dividends paid	—	—	—	(3 070.1)	(3 070.1)	(3 070.1)
Balance at 31 December 2021	287 987 327*	12 413.6	251.7	11 601.3	24 266.6	24 266.6
2020						
Balance at 1 January 2020	256 548 170	11 125.1	322.1	4 739.4	16 186.6	16 186.6
Share-based payment charge	—	—	50.0	—	50.0	50.0
2017 BSP and RFSP shares vested in April 2020	1 424 636	72.3	(72.3)	—	—	—
Share options exercised	541 581	66.3	(15.2)	—	51.1	51.1
Total comprehensive income	—	—	—	3 529.0	3 529.0	3 529.0
Balance at 31 December 2020	258 514 387*	11 263.7	284.6	8 268.4	19 816.7	19 816.7

* The number of shares is net of 1 029 219 (2020: 277 629) treasury shares relating to the Company's management share incentive scheme

The notes on pages 15 to 32 form an integral part of these summary consolidated annual financial statements.

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021

		Group		
	Notes	2021 R (million)	2020 R (million)	% change
Cash flows from operating activities				
<i>Cash generated from operations</i>		8 873.9	3 783.2	134.6
Proceeds from the gold streaming transaction	11	—	2 093.5	(100.0)
Interest paid		(71.3)	(115.0)	38.0
Interest received		226.0	130.9	72.7
Dividends paid		(3 070.1)	—	(100.0)
Dividend received		0.9	3.0	(70.0)
Income tax paid		(259.3)	(69.7)	(272.0)
Net cash inflow from operating activities		5 700.1	5 825.9	(2.2)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment		2.7	0.6	350.0
Acquisition of property, plant and equipment		(1 782.5)	(1 873.6)	4.9
Employee housing loan receivable repayments		9.7	7.6	27.6
Increase in environmental trust deposits and investments		(28.9)	(2.9)	(896.6)
Net cash outflow from investing activities		(1 799.0)	(1 868.3)	3.7
Cash flows from financing activities				
Repayment of PIC housing facility		(101.0)	—	(100.0)
Proceeds from interest-bearing borrowings	10	890.3	2 031.2	(56.2)
Repayment of interest-bearing borrowings	10	(1 499.7)	(2 744.9)	45.4
Repayment of the RPM deferred consideration		—	(1 851.2)	100.0
Principal elements of lease payments		(16.0)	(14.8)	(8.1)
Proceeds from share options exercised		69.7	51.1	36.1
Settlement of Share Appreciation Rights		(106.9)	—	(100.0)
Convertible bonds repurchased/redeemed		(482.3)	—	(100.0)
Net cash outflow from financing activities		(1 245.9)	(2 528.6)	50.7
Net increase in cash and cash equivalents		2 655.2	1 429.0	85.8
Cash and cash equivalents at the beginning of the period		2 243.2	814.2	175.5
Cash and cash equivalents at the end of the period		4 898.4	2 243.2	118.4

The notes on pages 15 to 32 form an integral part of these summary consolidated annual financial statements.

NOTES TO THE SUMMARY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2021

1. BASIS OF PREPARATION

The summary consolidated annual financial statements are prepared in accordance with the requirements of the JSE Listings Requirements as well as the requirements of the Companies Act applicable to summary financial statements. The JSE Listings Requirements require summary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and also, as a minimum, contain the information required by IAS 34: *Interim Financial Reporting*. The accounting policies applied in the preparation of the consolidated annual financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the previous consolidated annual financial statements.

The summary consolidated annual financial statements for the year ended 31 December 2021 were prepared under the supervision of the Financial Director, Hanré Rossouw.

2. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated annual financial statements, from which the summary consolidated financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements. For the impact of adoption of new standards, refer to Note 1 of the consolidated annual financial statements. None of the amendments to the existing standards had any impact on the amounts recognised in the prior periods and are not expected to affect current or future periods.

3. AUDIT OPINION

These summary consolidated annual financial statements for the year ended 31 December 2021 have not been audited by KPMG Inc. The auditor expressed an unmodified opinion on the consolidated annual financial statements from which these summary consolidated annual financial statements were derived. A copy of the auditor's report on the consolidated annual financial statements is available for inspection at the registered office of Royal Bafokeng Platinum Limited, together with the annual financial statements identified in the respective auditor's report. The consolidated annual financial statements can be accessed on the Company's website www.bafokengplatinum.co.za.

4. AVAILABLE FUNDS

RBPlat had cash and cash equivalents on hand at 31 December 2021 of R4 898.4 million (2020: R2 243.2 million). Included in the R4 898.4 million cash balance is restricted cash of R128.1 million (2020: R163.1 million) ring-fenced for the RBPlat housing project.

The Group has R3 008 million debt facilities (excluding PIC housing facility). During 2021, the balance outstanding on the term debt was repaid. The term debt and the Revolving Credit Facility (RCF) were replaced with a new RCF amounting to R2 000 million and a one-year General Banking Facility (GBF) amounting to R1 008 million.

At year-end R119.4 million (2020: R119.4 million) of the R1 008 million GBF was utilised for guarantees. The RCF remained unutilised at 31 December 2021. The PIC housing facility was a R2 200 million facility accruing interest at CPI plus a margin of 1%. At 31 December 2021, R1 273.7 million was drawn (2020: R1 273.7 million). Following the suspension of the construction of the houses and commencement of repayments in 2021, the undrawn portion of the facility is no longer available resulting in the reduction of the total facility to R1 273.7 million.

NOTES TO THE SUMMARY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2021

5. TRADE AND OTHER RECEIVABLES

Royal Bafokeng Resources Proprietary Limited (RBR) entered into a disposal of concentrate agreement with Rustenburg Platinum Mines Limited (RPM) in terms of which the concentrate of the Platinum Group Metals (PGMs) produced by RBR operations will be treated by RPM.

Trade receivables (RPM concentrate debtor) is measured at fair value through profit or loss from the date of recognition up to date of settlement, as it fails the IFRS 9 amortised cost requirement of cash flows representing solely payment of principal and interest. Payment is due on the last day of the fourth month following delivery. As at 31 December, Rnil (2020: R258.6 million) of trade receivables balance relates to the force majeure that was announced by Anglo American Platinum on 6 March 2020.

The fair value changes due to non-market variability (that is, changes based on quantity and quality of the contained metal) are considered to be variable consideration within the scope of IFRS 15 as RBR's right to consideration is contingent upon the physical attributes of the contained metal. The historic and current year differences between the initial assay and final assay are not significant. Therefore, the variable consideration is not considered to be constrained.

The fair value changes due to market variability (that is, changes in the commodity prices and exchange rates) are not in the scope of IFRS 15 and are therefore not presented as revenue from contracts with customers. The changes in commodity prices are accounted for as other revenue and disclosed separately from revenue from contracts with customers and changes in exchange rates are accounted for as other income.

The exchange rate and commodity price used to fair value the trade receivables at the end of the period was R15.8606 (2020: R14.8753 and US\$1 683.8 (2020: US\$1 866.3) per ounce, respectively.

Impala royalty receivable, restricted cash, interest accrued and other receivables, are measured at amortised cost. Maseve restricted cash relates to cash that is set aside for Eskom and DMRE guarantees. In total, R15.7 million of this relates to the Eskom guarantee while R12.7 million relates to the DMRE. This cash is not realisable within three months and therefore it is not classified as cash and cash equivalents.

Revenue from mineral resources in South Africa is subject to the Mineral and Petroleum Resource Royalty Act 2008 (Royalty Act). The Royalty Act imposes a royalty on refined and unrefined minerals payable to the State. The royalty in respect of refined and unrefined minerals is calculated by dividing Earnings Before Interest and Tax (EBIT) by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5%. EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure.

The North West Department of Education restricted cash related to R70 million received from the Department of Education to fund part of the costs of building the school at Waterkloof Hills Estate which was developed as part of the RBPlat Employee Home Ownership Scheme. The balance of the cost was funded by RBPlat Group. The cash was not received for the benefit of RBPlat and does not constitute RBPlat's cash and cash equivalents. As at 31 December 2021, all of the cash received from the Department of Education has been spent towards the construction of the school as the completion of both the primary and secondary schools is nearing completion (2020: R10.5 million). The schools officially opened their doors to the first learners in January 2022.

Transaction costs in respect of financial liabilities, including facility fees that are directly attributable to the issue of a financial liability, which would not have been incurred if the liability had not been acquired, originated or issued, are deducted from the liability amount initially recognised.

When the financial liability is not yet drawn, but it is probable that a facility will be drawn down, then an initial facility fee is deferred as a prepayment (transaction costs capitalised) and treated as an adjustment to the instrument's effective interest rate and recognised as an expense over the instrument's estimated life. However, when it is not probable that a facility will be drawn down, the fee is considered a service fee and recognised as an expense on a straight-line basis over the commitment period.

Impairment of receivables measured at amortised cost is determined using the expected credit loss model.

	Group	
	2021 R (million)	2020 R (million)
Trade receivables (RPM concentrate debtors)	5 192.8	5 423.3
Impala royalty receivable	142.4	122.8
VAT receivable	37.0	30.3
Styldrift deposit	29.8	28.9
Maseve restricted cash	28.4	28.4
Deposit paid for mining equipment	7.7	12.7
Department of Education restricted cash	—	61.3
Prepaid expenses	17.1	—
State royalty taxes receivable	70.5	—
Funding transaction costs capitalised	9.7	—
Interest accrued on investments	13.2	—
Other receivables	3.5	1.9
Closing balance at 31 December	5 552.1	5 709.6

6. CURRENT TAX RECEIVABLE/(PAYABLE)

	Group	
	2021 R (million)	2020 R (million)
Opening balance at 1 January	(8.7)	2.9
Income tax charge	(188.0)	(81.3)
Payments made	259.3	69.7
Closing balance at 31 December	62.6	(8.7)
<i>Current tax receivable/(payable) comprises:</i>		
Current tax receivable	67.3	–
Current tax payable	(4.7)	(8.7)
Closing balance at 31 December	62.6	(8.7)

7. DEFERRED TAX

Deferred tax assets and liabilities are determined using the balance sheet method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is determined using tax rates that have been enacted or substantially enacted before the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available, against which the temporary differences can be utilised.

Deferred tax assets and liabilities relate to income taxes levied by the same tax authority and are only offset when the Group intends to settle its current tax assets and liabilities on a net basis.

	Group	
	2021 R (million)	2020 R (million)
<i>Deferred tax comprises:</i>		
Deferred tax asset	–	(58.2)
Deferred tax liability	5 533.1	5 259.5
Closing balance at 31 December	5 533.1	5 201.3

	Group					
	Mineral rights R (million)	Property, plant and equipment R (million)	Unredeemed* capital balance R (million)	Provisions including payroll- related provisions R (million)	Other R (million)	Total R (million)
2021						
Opening balance at 1 January	1 498.9	4 520.1	(706.0)	(111.7)	–	5 201.3
Charged to equity	–	–	–	–	(21.3)	(21.3)
Charged to statement of comprehensive income	(43.9)	221.1	174.3	55.2	(53.6)	353.1
Closing balance at 31 December	1 455.0	4 741.2	(531.7)	(56.5)	(74.9)	5 533.1
2020						
Opening balance at 1 January	1 540.8	4 358.5	(1 996.5)	(105.5)	(9.0)	3 788.3
Charged to statement of comprehensive income	(41.9)	161.6	1 290.5	(6.2)	9.0	1 413.0
Closing balance at 31 December	1 498.9	4 520.1	(706.0)	(111.7)	–	5 201.3

* Refer to Note 17 for details relating to Maseve amalgamation and the resulting recognition of deferred tax on the unredeemed capital allowance.

Tax losses included in Royal Bafokeng Platinum Management Services Proprietary Limited (RBP MS) and Royal Bafokeng Resources Properties (RF) Proprietary Limited (RBRP), which are not recognised as deferred tax assets, amount to R278.5 million (2020: R268.2 million) and R113.2 million (2020: R110.0 million), respectively. RBR has an unredeemed capital allowance of R1 366.8 million (2020: R2 030.9 million) which will be carried forward to 2022. Of the deferred tax liability, approximately R5 093.7 million (2020: R4 827 million) will realise after 12 months.

Refer to Note 17 for details relating to the change in the tax rate.

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8. CONVERTIBLE BOND LIABILITY

RBPlat issued 120 000 7% senior unsecured convertible bonds for R1 200 million on 15 March 2017. Shareholders' approval for the conversion of the convertible bonds was obtained on 8 May 2017. The bonds were convertible into ordinary shares of RBPlat at the option of the holder at a conversion price of R38.7572 (initial conversion price of R42.9438). The conversion price was subject to customary adjustments for reconstructions of equity to maintain the relative rights of the bondholders. Interest on the bonds was payable semi-annually in arrears on 16 March and 16 September of each year for five years ending 16 March 2022. The bonds were listed on the JSE Main Board under stock code number RBPCB.

The carrying amount of the liability portion at initial recognition is measured as the difference between the cash proceeds and the fair value of the embedded derivative. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the bonds using the effective interest rate method. When the bond is extinguished through a buy-back, the related liability portion is derecognised. To the extent that the consideration paid exceeds the carrying amount of the liability, a loss is recognised in profit or loss. When the bond is extinguished through a conversion, the related liability portion is derecognised and the conversion to equity is recognised in the statement of changes in equity at the carrying value of the liability just before conversion.

Throughout the first half of 2021, 102 152 of the 120 000 convertible bonds were converted into 26 108 136 ordinary shares at a conversion price of R38.7572, while 17 369 of the 120 000 convertible bonds were bought back from the market at a cost of R477.4 million which includes a premium of R312.5 million incurred on the buy-back of the convertible bonds.

On 20 May 2021 and pursuant to the terms and conditions of the convertible bonds, RBPlat issued a notice to the Trustee and each holder of the bonds, for the early redemption of all of the convertible bonds outstanding, at their par value principal amount of R10 000 per bond, together with accrued unpaid interest amounting to R203.3 per bond, calculated up to but excluding 30 June 2021. As a result, 479 outstanding convertible bonds were redeemed at an amount of R4.9 million and cancelled. As at 30 June 2021, there were no convertible bonds which remained in issue.

	Group	
	2021 R (million)	2020 R (million)
Opening balance at 1 January	1 122.1	1 049.5
Plus: Interest*	54.3	156.6
Premium on buy-back of convertible bond	312.5	–
Less: Interest paid	(42.0)	(84.0)
Less: Convertible bonds converted to shares	(964.6)	–
Less: Convertible bonds buy-back/redeemed	(482.3)	–
Closing balance at 31 December	–	1 122.1

* In 2021, Rnil million (2020: R26.4 million) of the interest was capitalised to Styldrift project at RBPlat Group level.

9. PIC HOUSING FACILITY

The PIC housing facility was utilised to fund the construction of houses for phase 2 of the housing project as well as the insurance investment. The PIC housing facility was a R2 200 million facility accruing interest at CPI plus a margin of 1%. Following the suspension of the construction of the houses in 2019 and commencement of repayment in 2021, the undrawn position of the facility is no longer available resulting in the reduction of the total facility to R1 273.7 million. Security for the PIC housing facility is ring-fenced to the housing project assets with no recourse to the RBR operations business.

The Group recognises the difference between the fair value of the PIC housing facility at initial recognition and the transaction price as a fair value adjustment to the loan. The initial difference is amortised over the term of the PIC housing facility.

The portion of the PIC housing facility repayable within 12 months from the reporting date is presented as part of current liabilities. The balance of the amount is presented as a non-current liability in the statement of financial position.

	Group	
	2021 R (million)	2020 R (million)
Opening balance at 1 January	1 558.0	1 483.1
Plus: Contractual interest charges capitalised to loan	72.7	65.9
Less: Repayments	(101.0)	–
Plus: Fair value interest charges capitalised to loan	29.2	32.6
Less: Amortisation of fair value adjustment to loan	(23.4)	(23.6)
Closing balance at 31 December	1 535.5	1 558.0
<i>Split between:</i>		
Non-current portion of PIC housing facility	1 487.5	1 503.4
Current portion of PIC housing facility	48.0	54.6
	1 535.5	1 558.0

Repayment of the PIC loan commenced during the current financial year.

10. INTEREST-BEARING BORROWINGS

Interest-bearing borrowings were made up of drawdowns on existing facilities. RBR utilised Rnil (2020: Rnil) of its RCF. In addition, the Group utilised R119.4 million (2020: R119.4 million) of the GBF for guarantees.

The following covenants are applicable to the existing facilities:

Financial covenants

RBR shall ensure that the following financial covenants will be met:

- Net debt to earnings before interest, taxation, depreciation and amortisation (EBITDA) shall not exceed 2.00 times
- Net debt to equity shall not exceed 1.00 times
- Interest cover ratio shall be at least 4.00 times

As at 31 December 2021, none of the covenants were breached.

	Group	
	2021 R (million)	2020 R (million)
Opening balance at 1 January	600.0	1 305.5
Drawdowns during the period	890.3	2 031.2
Repayments	(1 499.7)	(2 744.9)
Interest capitalised	27.4	133.1
Interest paid	(27.3)	(132.8)
Unwinding of transaction costs capitalised	9.3	7.9
Closing balance at 31 December	—	600.0
<i>Split between:</i>		
Non-current portion of interest-bearing borrowings	—	412.5
Current portion of interest-bearing borrowings	—	187.5
	—	600.0

11. DEFERRED REVENUE

RBPlat entered into a gold streaming agreement through its wholly owned subsidiary, RBR, with Triple Flag Mining Finance Bermuda Limited (Triple Flag). In terms of the agreement, the Company received an advance payment of US\$143.5 million (US\$145 million net of US\$1.5 million transaction costs) equating to R2 093.5 million, in exchange for the future delivery of gold from the RBPlat mining operations (excluding Styldrif II and the Impala royalty areas), payable over the LOM (the stream). In addition to the advance payment (refer to Note 14), RBPlat receives 5% cash (variable consideration) from Triple Flag based on the prevailing reference gold price (daily gold market price immediately following the date of delivery) for each ounce of gold delivered. The contract will be settled by RBPlat delivering gold credits to Triple Flag, representing the underlying refined gold which has been mined. One gold credit is equivalent to one ounce of gold.

In terms of this agreement, 70% of the payable gold will be delivered to Triple Flag until 261 000 ounces have been delivered, thereafter, 42% of the payable gold will be delivered to Triple Flag over the LOM. The delivery of the payable gold will be for an initial term of 40 years, which shall be automatically extended for successive 10-year periods, unless there has been no exploration or mining activity. There is no fixed minimum number of gold ounces to be delivered in terms of the agreement and the commitment is dependent on the actual production.

NOTES TO THE SUMMARY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2021

11. DEFERRED REVENUE continued

Inputs to the model to unwind the advance received to revenue

The advance received has been recognised on the statement of financial position as deferred revenue. The deferred revenue will be recognised as revenue in profit or loss as the gold ounces are delivered to Triple Flag relative to the expected total amount of gold ounces to be delivered over the term of the arrangement. At the end of each period, management estimates the cumulative amount of the deferred revenue obligation that has been satisfied and is therefore recognised as revenue. To the extent that the LOM changes or other key inputs are changed, these changes are recognised prospectively as a cumulative catch-up in revenue in the year that the change occurs.

Key inputs	Estimate at period end	
Estimated financing rate over life of arrangement	8.8%	Although there is no cash financing cost related to this arrangement, IFRS 15 requires RBPlat to recognise a notional financing charge due to the significant time delay between receiving the upfront streaming payment and satisfying the related performance obligations. The estimated financing rate was determined at inception and was not subsequently changed in line with the requirements of IFRS 15.
Remaining life of stream	46 years	The starting point for the LOM is the approved life of mine plan for the operations (excluding Styldrift II and the Impala Royalty Areas) with a portion of resources included beyond the current life of mine plan. However, as IFRS 15 requires the constraint on revenue recognition to be considered, it is more prudent to include a portion of resources in the life of stream for the purposes of revenue recognition. This will reduce the chance of having a significant decrease in revenue recognised in the future, when the LOM is updated to include a conversion of resources to reserves. As such, RBPlat's management has determined that it is appropriate to include 56% of gold in outside LOM resources.
Gold entitlement percentage	70%	The gold entitlement percentage will be 70% up to 261 000 ounces and thereafter 42% for the remainder of the LOM and RBP can honour the commitment.
Monthly cash percentage	5%	The monthly cash payment to be received is 5% of the market price of the gold ounce delivery to Triple Flag.
Commodity price on initial recognition	Commodity and exchange rate adjusted spot price from inception	The stand-alone selling price of each ounce will be the spot price at inception adjusted for expected commodity and USD/ZAR exchange rate forward curves over the life of the arrangement. Therefore, the stand-alone selling price of each ounce of gold delivered through gold credits at the date of the delivery will be the commodity and exchange rate adjusted spot price from inception. This estimated stand-alone selling price is estimated at inception and is not revisited in the future if the commodity price or exchange rate per ounce changes.

Any changes to the ounces delivered key inputs could significantly change the quantum of the cumulative revenue amount recognised in profit or loss.

The following table summarises the changes in deferred revenue:

	Group	
	2021 R (million)	2020 R (million)
Opening balance at 1 January	2 126.7	–
Deferred revenue advance received	–	2 093.5
Interest charge (refer to Note 16.2)	186.0	170.3
Deferred revenue recognised during the period (refer to Note 14)	(188.7)	(137.1)
Closing balance at 31 December	2 124.0	2 126.7
<i>Split between:</i>		
Non-current portion of deferred revenue	1 896.0	1 902.8
Current portion of deferred revenue	228.0	223.9
	2 124.0	2 126.7

3 412 gold ounces (2020: 3 013 gold ounces) were delivered from BRPM while 4 681 gold ounces (2020: 3 068 gold ounces) were delivered from Styldrift.

12. CAPITAL COMMITMENTS IN RESPECT OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2021 R (million)	2020 R (million)
Contracted commitments	565.9	718.2
Approved expenditure not yet contracted for	2 501.5	1 445.7
Total capital commitments	3 067.4	2 163.9

13. CONTINGENCIES AND COMMITMENTS

Guarantees and commitments

	Group	
	2021 R (million)	2020 R (million)
13.1 Guarantees issued		
<i>RBR and RBP MS, wholly owned subsidiaries of RBPlat, granted the following guarantees:</i>		
Eskom to secure power supply for Styldrift (guarantee 30823102)*	—	17.1
Eskom early termination guarantee for Styldrift (guarantee 31160603)	17.5	17.5
Eskom connection charges guarantee for Styldrift (guarantee 31173918)*	—	40.0
Eskom to secure power supply for Styldrift (guarantee OGPE 001449)*	57.1	—
Department of Mineral Resources and Energy for the rehabilitation of land disturbed by prospecting/mining (guarantee 32388608)	1.3	1.3
Eskom security guarantee for power supply to Styldrift (guarantee 34058907)	42.7	42.7
Tsogo Sun guarantee arising from lease agreement (guarantee OGPE0002385)	0.7	0.7
Tsogo Sun guarantee arising from lease agreement (guarantee OGPE0002383)	0.1	0.1
Total bank guarantees issued at 31 December	119.4	119.4
Department of Mineral Resources and Energy guarantee for environmental rehabilitation liability	343.0	334.4
Department of Mineral Resources and Energy guarantee for Styldrift	45.7	45.7
Total insurance guarantees issued at 31 December	388.7	380.1
Eskom to secure power supply for Maseve	28.4	28.4
Total cash-backed bank guarantees issued at 31 December	28.4	28.4

* Eskom guarantee to secure power supply for Styldrift and Eskom connection charges guarantees for Styldrift were cancelled and replaced with one guarantee to secure power supply.

13.2 Contingent liability – remediate groundwater and soil pollution

RBR is committed to remediating groundwater and soil pollution where RBR operates. The 2017 groundwater flow model simulations indicate that the pollution will not extend into or affect nearby township areas/groundwater users until 2075 if no intervention is put in place. Based on the groundwater model update, a project was initiated in 2018 to monitor the groundwater movement on a continuous basis using borehole loggers, to accurately quantify the size and the rate of movement of the pollution plume. The outcome of this project highlighted that the groundwater levels decreased gradually, showing that the aquifer is in a steady state and that there is no evidence of artificial recharge. A groundwater specialist was appointed to develop the groundwater remediation strategy to better understand the costs associated with the remediation activities.

The rate of pollution plume movement could not be accurately monitored due to limited pumping of water from the open-cast pit. This is mainly due to the closed loop system in the operations. RBR is continuing to conduct groundwater monitoring through existing boreholes and will close the monitoring network gaps by constructing additional boreholes as per the project recommendations to enable the groundwater database to be fully updated and comprehensive. Other methods of containing the plume, such as pump testing of the boreholes around the BRPM tailings storage facility to assess the likely success of localised abstraction, are being investigated.

13.3 Contingent liability – Maseve acquisition

Post implementation of the Maseve transaction, Africa Wide Mineral Prospecting Land Exploration Proprietary Limited (Africa Wide), which held 17.1% of the shares in Maseve prior to the implementation of the share transaction, instituted legal proceedings against Platinum Group Metals Limited (PTM), RBPlat and Maseve, in terms of which it seeks to have the Maseve transaction declared unlawful and invalid, or alternatively to be paid an increased amount for its Maseve shares, which it argues were undervalued. On 20 September 2018 we advised security holders that PTM legal advisers and senior counsel were of the view that the claim of Africa Wide was weak and that there are strong prospects of success on this matter. Due to the delays caused by the impact of Covid-19 and other factors, the matter is still ongoing.

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for the year ended 31 December 2021

14. REVENUE

	Group		
	2021 R (million)	2020 R (million)	
Revenue from disposal of concentrate			
Revenue from contract with customers	16 639.9	11 725.9	
Other revenue	(410.7)	1 507.6	
	16 229.2	13 233.5	
Revenue from gold streaming			
Revenue from advanced payment (refer to Note 11)	188.7	137.1	
Variable consideration	10.8	8.8	
	199.5	145.9	
Total	16 428.7	13 379.4	
Revenue per metal			
	BRPM	Styl drift	Total
2021			
Platinum	2 113.1	1 907.8	4 020.9
Palladium	1 880.4	1 625.9	3 506.3
Rhodium	4 200.1	2 323.6	6 523.7
Gold	123.3	169.6	292.9
Nickel	265.5	424.7	690.2
Other	627.5	567.7	1 195.2
Total revenue from disposal of concentrate	9 209.9	7 019.3	16 229.2
2020			
Platinum	1 874.5	1 662.2	3 536.7
Palladium	1 963.1	1 680.3	3 643.4
Rhodium	2 925.5	1 702.5	4 628.0
Gold	146.9	182.5	329.4
Nickel	250.9	331.3	582.2
Other	251.8	262.0	513.8
Total revenue from disposal of concentrate	7 412.7	5 820.8	13 233.5

15. COST OF SALES

	Group	
	2021 R (million)	2020 R (million)
Included in the profit before tax are the following items:		
On-mine costs:		
– Labour	3 032.1	2 668.1
– Utilities	642.3	504.4
– Contractor costs	1 292.3	1 100.2
– Movement in inventories	(48.9)	(183.1)
– Materials and other mining costs	2 682.2	2 152.1
Materials and other mining costs for RBR operations	2 866.5	2 240.4
Elimination of intergroup management fee	(184.3)	(88.3)
State royalty taxes	214.3	66.8
Depreciation – property, plant and equipment	1 154.6	1 115.8
Amortisation – mineral rights	156.6	149.5
Share-based payment expense	68.1	27.9
Social and Labour Plan expenditure	167.8	89.0
Covid-19-related costs	24.6	53.8
Plant readiness	18.5	3.0
Gold credits purchases	215.1	177.3
Other	17.7	23.9
Total cost of sales	9 637.3	7 948.7
Included in corporate office expenses:		
Advisory fees	27.4	24.8
Legal fees	17.2	4.4
Employee costs (including directors' remuneration)	105.6	96.9
Depreciation of RBP MS property, plant and equipment	0.8	1.1
Revolving credit facility and working capital facility commitment fees	30.8	22.9
Fees for guarantees	3.1	1.6
Share-based payment expense	25.1	22.1
Rent and maintenance for corporate office	3.3	3.4
Other	24.1	14.7
Total corporate office expenses	237.4	191.9
Included in housing project expenses:		
Legal fees	4.6	3.3
Property rates and taxes, and water and electricity	3.9	4.9
Security	10.0	7.3
Maintenance	13.6	10.6
Depreciation of RBRP property, plant and equipment	0.3	0.3
Amortisation of employee housing benefit and fair value adjustment to loan	(0.6)	(4.5)
Employee housing loan receivable write-off	11.9	–
Insurance expenditure	0.9	2.8
Salaries and wages	9.3	8.2
Expected credit loss*	0.3	–
Other	1.3	2.4
Total housing project expenses	55.5	35.3

* In 2020, R3.8 million expected credit loss was included in Other

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for the year ended 31 December 2021

16. NET FINANCE (COST)/INCOME

	Group	
	2021 R (million)	2020 R (million)
16.1 Finance income consists of the following:		
Interest received on environmental trust deposits	7.1	8.2
Interest received on investments	139.2	60.7
Interest received on employee housing loan receivable	107.9	82.8
Dividend income on investments	0.9	3.0
Total finance income	255.1	154.7
16.2 Finance cost consists of the following:		
Interest expense – short-term borrowings	(0.2)	(1.2)
Interest expense – lease liability	(2.1)	(2.6)
Interest expense – RPM deferred consideration	–	(17.8)
Interest expense – PIC	(101.9)	(98.5)
Interest expense – convertible bond*	(54.3)	(156.6)
Premium on buy-back of convertible bonds (refer to Note 8)	(312.5)	–
Interest expense – deferred revenue (refer to Note 11)	(186.0)	(170.3)
Interest expense – long-term borrowings	(27.2)	(131.9)
Unwinding of discount on decommissioning and restoration provision	(10.5)	(12.8)
Less: Capitalisation of interest expense – convertible bond	–	26.4
Less: Capitalisation of interest expense – interest-bearing borrowings	–	78.0
Total finance cost	(694.7)	(487.3)
Net finance cost	(439.6)	(332.6)

* R42 million of the convertible bond interest was paid in 2021 (2020: R84.0 million)

17. INCOME TAX EXPENSE

	Group	
	2021 R (million)	2020 R (million)
Income tax expense		
Income tax expense	(188.0)	(81.3)
Current year	(188.0)	(81.3)
Prior year	–	–
Deferred tax expense	(353.1)	(1 413.0)
Current year	(437.3)	(1 400.2)
Prior year	84.2	(12.8)
Total income tax expense	(541.1)	(1 494.3)
Tax rate reconciliation:		
Profit before tax	7 051.0	5 023.3
Tax expense calculated at a tax rate of 28% (2020: 28%)	(1 974.3)	(1 406.5)
Non-taxable income – deferred revenue	–	24.7
Non-taxable income – dividends	0.3	0.8
Non-taxable income – other	0.6	0.2
Non-deductible – reversal of derivative gain	–	(19.7)
Non-deductible expenses – legal and advisory fees	(6.1)	(1.1)
Non-deductible expenses – interest on gold streaming	–	(47.7)
Non-deductible expenses – other	(6.3)	(7.2)
Non-deductible expenses – buy back of convertible bonds	(10.5)	–
S44 unredeemed capex – Maseve*	1 517.9	–
S44 Maseve provision for rehabilitation	7.1	–
S24J premium on conversion of convertible bonds	384.2	–
Share Appreciation Rights	19.8	–
Tax losses not recognised	(460.4)	(25.0)
Prior year adjustments	(13.4)	(12.8)
Total	(541.1)	(1 494.3)
Effective tax rate (%)	7.7	29.7

* During the period, a Group reorganisation and amalgamation process was concluded between Maseve and RBR resulting in the recognition of the unredeemed capital expenditure relating to Maseve. This increase in the unredeemed capital expenditure for the Group has been substantially utilised during the period and accordingly offsets the increased taxable profit relating to RBR.

On 24 February 2021, the South African Minister of Finance announced a change in the companies tax rate from 28% to 27% for companies for years of assessment commencing on or after 1 April 2022. The Minister confirmed this rate change on 23 February 2022. The rate change will affect the deferred tax for the year ending 31 December 2022 and the income tax for the year ending 31 December 2023. The impact of the 1% decrease will be a reduction of R197.6 million to the deferred tax balance recognised as at 31 December 2021.

As part of the corporate income tax restructuring process announced by the Minister above, certain measures are being put in place to broaden the tax base. These amendments will also be effective for years of assessment commencing on or after 1 April 2022. One such measure is to limit the assessed losses that are set off against taxable income to 80% of the taxable income. The Minister further proposed that certain anomalies between this new assessed loss restriction provision in terms of section 20 of the Income Tax Act and the redemption of capital expenditure in terms of section 36 of the Income Tax Act be clarified. The above amendment will impact the period over which existing assessed losses in the Group will be recovered and the further clarifications may impact the period over which the redemption of capital expenditure may be utilised.

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for the year ended 31 December 2021

18. RELATED PARTY TRANSACTIONS

	Group	
	2021 R (million)	2020 R (million)
Group balances at 31 December		
Amount owing by Implats for the fourth quarter royalty income (refer to Note 5)	142.4	122.8
Transactions with Implats		
Royalty income	738.5	382.4
Transactions with fellow subsidiary of RBH		
Royal Marang Hotel for accommodation and conferences	0.1	0.4

19. DIVIDENDS

Dividends payable

Dividends are recognised in the period in which the dividends are declared. These dividends are recorded and disclosed as dividends paid in the statement of changes in equity and classified as cash flow from operating activities in the statement of cash flows. Dividends proposed or declared subsequent to the date of the statement of financial position are not recognised, but are disclosed in the notes to the summary consolidated annual financial statements.

2020 Final dividend declared

A final gross cash dividend of 575.0 cents per share was declared by the Board on 9 March 2021 from profits accrued during the financial year ended 31 December 2020. The total cash dividend declared amounted to 575.0 cents per share. The dividend was paid on 6 April 2021 to shareholders who were on the register on 1 April 2021. This final dividend paid to shareholders amounted to R1 523.9 million.

The final dividend declared was subject to a dividend withholding tax of 20% for all shareholders who were not exempt from or did not qualify for a reduced rate of dividend withholding tax. The net local dividend paid to shareholders, subject to dividend withholding tax at a rate of 20% amounted to 460.0 cents per share. The number of ordinary shares in issue at the date of this declaration was 258 792 016.

2021 Interim dividend declared

An interim gross cash dividend of 535.0 cents per share was declared by the Board on 3 August 2021 from profits accrued during the interim period ended 30 June 2021. The total cash dividend for the period amounted to 535.0 cents per share. The dividend was payable on 30 August 2021 to shareholders who were on the register on 27 August 2021. This interim dividend, amounting to R1 546.2 million, has been recognised in shareholders' equity in 2021.

	Group	
	2021 Cents	2020 Cents
2020 Final dividend	575.0	–
2021 Interim dividend	535.0	–
	1 110.0	
	R (million)	R (million)
2020 Final dividend	1 523.9	–
2021 Interim dividend	1 546.2	–
	3 070.1	–

Subsequent to year-end, a final gross dividend of 535.0 cents per share (2020: 575.0 cents per share) was declared. Refer to Note 23.

20. FINANCIAL RISK MANAGEMENT

Fair value determination

The following table presents the financial assets that are measured at fair value as well as the financial assets and financial liabilities measured at amortised cost but for which fair value disclosure is provided at 31 December:

	Notes	Group		
		Level 1 R (million)	Level 2 R (million)	Level 3 R (million)
2021				
Financial assets at fair value				
Environmental guarantee investment ¹		–	104.6	–
Housing insurance investment ²		–	–	57.4
RPM concentrate debtors ⁴	5	–	–	5 192.8
Financial assets at amortised cost				
Employee housing loan receivable ³		–	–	917.7
Impala royalty receivable ⁵	5	–	–	142.4
Other receivables (excluding prepaid expenses and VAT) ⁵	5	–	–	61.7
Environmental trust deposits ¹		–	–	176.4
Financial liabilities at amortised cost				
PIC housing facility ³	9	–	–	1 535.5
Lease liabilities ³		–	–	35.6
2020				
Financial assets at fair value				
Environmental guarantee investment ¹		–	84.5	–
Housing insurance investment ²		–	–	49.1
RPM concentrate debtors ⁴	5	–	–	5 423.3
Financial assets at amortised cost				
Employee housing loan receivable ³		–	–	853.9
Impala royalty receivable ⁵	5	–	–	122.8
Other receivables (excluding prepaid expenses and VAT) ⁵	5	–	–	120.5
Environmental trust deposits ¹		–	–	169.3
Financial liabilities at amortised cost				
PIC housing facility ³	9	–	–	1 558.0
Lease liabilities ³		–	–	17.4

¹ This was valued using the level 2 fair values which are directly derived from the Shareholders Weighted Top 40 Index (SWIX 40) on the JSE

² The fair value was determined using market prices for listed investments and reliance on an external valuer for discounted cash flow models for unlisted investments

³ The fair value was determined using a discounted cash flow model

⁴ Fair value was determined using the commodity prices and foreign exchange rates

⁵ Carrying amount approximates fair value

21. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee, which makes strategic decisions.

The Group is currently operating two mines, namely BRPM and Styldrift. These operations are located in the North West province of South Africa, 120 kilometres from Johannesburg, 30 kilometres from Rustenburg and 17 kilometres from Phokeng. BRPM and Styldrift (Styldrift I and II) are shown as separate segments. In addition, due to the different nature and significance of the Employee Home Ownership Scheme, it was decided to show housing as a separate segment. Currently Styldrift I and II are aggregated into a single reportable segment as it is one mining right. The Styldrift II pre-feasibility study has been completed. Once the feasibility study is completed it will move into development phase and may then be reported on as a separate segment. The holding company and other subsidiaries, including RBR corporate function are aggregated and shown as corporate office segment.

NOTES TO THE SUMMARY CONSOLIDATED ANNUAL FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2021

21. SEGMENTAL REPORTING continued

21.1 Segmental statement of comprehensive income

	For the year ended 31 December 2021						For the year ended 31 December 2020						
	BRPM mining segment R (million)	Stydrift mining segment (B) R (million)	RBR operations segment (A + B) R (million)	RBPlat housing segment R (million)	Corporate office segment R (million)	Consolidation adjustments R (million)	BRPM mining segment (A) R (million)	Stydrift mining segment (B) R (million)	RBR operations segment (A + B) R (million)	RBPlat housing segment R (million)	Corporate office segment R (million)	Consolidation adjustments R (million)	Total R (million)
Revenue	9 294.1	7 134.6	16 428.7	66.6	3 264.5	(3 331.1)	7 485.6	5 893.7	13 379.3	189.2	2 804.4	(2 993.5)	13 379.4
Cost of sales	(4 486.4)	(4 959.4)	(9 445.8)	(46.0)	(3 420.8)	3 275.3	(3 619.8)	(4 183.4)	(7 803.2)	(148.3)	(2 883.7)	2 886.5	(7 948.7)
Cash cost of sales excluding depreciation and amortisation	(4 120.9)	(4 223.2)	(8 344.1)	(46.0)	(3 254.1)	3 269.2	(3 357.0)	(3 541.0)	(6 898.0)	(148.3)	(2 728.1)	2 907.9	(6 866.5)
Depreciation	(351.2)	(799.4)	(1 150.6)	—	(10.1)	6.1	(348.5)	(739.8)	(1 088.3)	—	(6.1)	(21.4)	(1 115.8)
Amortisation	—	—	—	—	(156.6)	—	—	—	—	—	(149.5)	—	(149.5)
Movement in inventories	(14.3)	63.2	48.9	—	—	—	85.7	97.4	183.1	—	—	—	183.1
Gross profit/(loss) per segment and total	4 807.7	2 175.2	6 982.9	20.6	(156.3)	(55.8)	3 865.8	1 710.3	5 576.1	40.9	(79.3)	(107.0)	5 430.7
Other income	919.3	101.2	1 020.5	17.5	3 588.2	(3 563.9)	449.3	0.2	449.5	11.9	6.2	26.8	494.4
Other expenses	—	—	—	—	—	—	(131.8)	(99.1)	(230.9)	—	(70.5)	—	(301.4)
Total administrative expenditure	—	—	—	(55.5)	(311.0)	3.4	—	—	—	(35.3)	(240.3)	11.9	(263.7)
Administrative expenditure	—	—	—	(55.8)	(235.9)	3.4	—	—	—	(39.5)	(202.9)	11.9	(230.5)
Depreciation	—	—	—	(0.3)	(4.9)	—	—	—	—	(0.3)	(0.9)	—	(1.2)
Maseve care and maintenance	—	—	—	—	(27.7)	—	—	—	—	—	(1.7)	—	(1.7)
Amortisation of employee housing benefit and fair value adjustment to loan	—	—	—	0.6	—	—	—	—	—	4.5	—	—	4.5
Industry membership and market development	—	—	—	—	(42.5)	—	—	—	—	—	(34.8)	—	(34.8)
Scrapping and impairment of non-financial assets	—	—	—	—	—	(101.6)	—	—	—	(3.8)	(349.8)	349.5	(4.1)
Net finance (cost)/income	(21.0)	(157.5)	(178.5)	9.2	3 309.6	(3 579.9)	(75.6)	(82.8)	(158.4)	(11.7)	(189.3)	26.8	(332.6)
Finance income	14.0	5.9	19.9	111.2	3 704.0	(3 580.0)	16.6	6.0	22.6	86.8	45.3	—	154.7
Other finance costs	(35.0)	(163.4)	(198.4)	(102.0)	(81.9)	0.1	(92.2)	(88.8)	(181.0)	(98.5)	(234.6)	26.8	(487.3)
Premium on buy-back of convertible bond	—	—	—	—	(312.5)	—	—	—	—	—	—	—	—
Profit/(loss) before tax per segment and total	5 706.0	2 118.9	7 824.9	(8.2)	6 532.1	(7 297.8)	4 107.7	1 528.6	5 636.3	2.0	(923.0)	308.0	5 023.3
Taxation	—	—	—	—	—	—	—	—	—	—	—	—	(1 494.3)
Profit after tax attributable to owners of the Company	—	—	—	—	—	—	—	—	—	—	—	—	3 529.0

21. SEGMENTAL REPORTING continued

21.2 Segmental statement of financial position

	As at 31 December 2021										As at 31 December 2020									
	BRPM mining segment R (million)	Stydrift mining segment (B) R (million)	RBR operations segment (A+B) R (million)	RBPlat housing segment R (million)	Corporate office R (million)	Consolidation adjustment R (million)	Total R (million)	BRPM mining segment R (million)	Stydrift mining segment (B) R (million)	RBR operations segment (A+B) R (million)	RBPlat housing segment R (million)	Corporate office R (million)	Consolidation adjustment R (million)	Total R (million)						
Non-current assets	4 706.5	12 273.3*	16 979.8	1 225.5	14 484.6	(9 257.8)	23 432.1	4 709.8	11 431.3*	16 141.1	1 169.9	16 842.7	(11 219.4)	22 934.3						
Allocation of mineral rights	624.6	4 572.0	5 196.6	—	(5 196.6)	—	—	653.3	4 699.9	5 353.2	—	(5 353.2)	—	—						
Non-current assets after allocation of mineral rights	5 331.1	16 845.3	22 176.4	1 225.5	9 288.0	(9 257.8)	23 432.1	5 363.1	16 131.2	21 494.3	1 169.9	11 489.5	(11 219.4)	22 934.3						
Current assets	3 892.6	2 711.8	6 604.4	595.2	4 361.2	54.3	11 615.1	4 474.6	2 828.4	7 303.0	661.9	999.3	45.9	9 010.1						
Employee housing current assets	—	—	—	464.2	—	68.6	532.8	—	—	—	496.3	—	70.6	566.9						
Inventories	169.5	395.0	564.5	—	—	—	564.5	188.1	302.3	490.4	—	—	—	490.4						
Trade and other receivables	3 156.2	2 316.8	5 473.0	2.9	90.5	(14.3)	5 552.1	2 597.5	2 526.1	5 123.6	2.5	608.2	(24.7)	5 709.6						
Current tax receivable	—	—	—	—	67.3	—	67.3	—	—	—	—	—	—	—						
Cash and cash equivalents	566.9	—	566.9	128.1	4 203.4	—	4 898.4	1 689.0	—	1 689.0	163.1	391.1	—	2 243.2						
Total assets per statement of financial position	9 223.7	19 557.1	28 780.8	1 820.7	13 649.2	(9 203.5)	35 047.2	9 837.7	18 959.6	28 797.3	1 831.8	12 488.8	(11 173.5)	31 944.4						
Non-current liabilities	337.9	1 694.5	2 032.4	1 620.9	5 597.7	(57.5)	9 193.5	1 030.1	966.3	1 996.4	1 624.3	6 907.6	(86.1)	10 442.2						
Deferred tax liability	—	—	—	—	5 587.5	(54.4)	5 533.1	—	—	—	—	5 342.1	(82.6)	5 259.5						
Convertible bond liability	—	—	—	—	—	—	—	—	—	—	—	1 122.1	—	1 122.1						
Interest-bearing borrowings	—	—	—	—	—	—	—	—	—	—	—	412.5	—	412.5						
Deferred revenue	238.8	1 657.2	1 896.0	—	—	—	1 896.0	952.3	950.5	1 902.8	—	—	—	1 902.8						
PIC housing facility	—	—	—	1 487.5	—	—	1 487.5	—	—	—	1 503.4	—	—	1 503.4						
Lease liabilities	24.4	—	24.4	—	10.2	(3.1)	31.5	5.2	—	5.2	—	5.6	(3.5)	7.3						
Long-term provisions and other	74.7	37.3	112.0	133.4	—	—	245.4	72.6	15.8	88.4	120.9	25.3	—	234.6						
Current liabilities	(12 775.7)	10 080.1	(2 695.6)	87.6	6 692.8	(2 497.7)	1 587.1	4 310.6	678.6	4 989.2	87.1	1 081.5	(4 472.3)	1 685.5						
Trade and other payables	578.2	285.2	863.4	34.7	417.2	(13.0)	1 302.3	566.9	317.9	884.8	27.0	305.2	(16.3)	1 200.7						
RBR payable	(13 397.3)	9 607.4	(3 789.9)	4.9	6 268.7	(2 483.7)	—	3 625.3	245.1	3 870.4	5.5	578.9	(4 454.8)	—						
Current portion of PIC housing facility	—	—	—	48.0	—	—	48.0	—	—	—	54.6	—	—	54.6						
Current tax payable	—	—	—	—	4.7	—	4.7	—	—	—	—	8.7	—	8.7						
Current portion of interest-bearing borrowings	—	—	—	—	—	—	—	—	—	—	—	187.5	—	187.5						
Current portion of deferred revenue	40.5	187.5	228.0	—	—	—	228.0	112.1	111.8	223.9	—	—	—	223.9						
Current portion of lease liabilities	2.9	—	2.9	—	2.2	(1.0)	4.1	6.3	3.8	10.1	—	1.2	(1.2)	10.1						
Total liabilities per statement of financial position	(12 437.8)	11 774.6	(663.2)	1 708.5	12 290.5	(2 555.2)	10 780.6	5 340.7	1 644.9	6 985.6	1 711.4	7 989.1	(4 558.4)	12 127.7						

* Includes Stydrift II exploration and evaluation costs

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for the year ended 31 December 2021

21. SEGMENTAL REPORTING continued

21.3 Segmental statement of cash flows

	For the year ended 31 December 2021					For the year ended 31 December 2020						
	BRPM mining segment (A) R (million)	Styldrift mining segment (B) R (million)	RBR operations segment (A + B) R (million)	RBPlat housing segment R (million)	Corporate office and consolidation adjustment R (million)	Total R (million)	BRPM mining segment (A) R (million)	Styldrift mining segment (B) R (million)	RBR operations segment (A + B) R (million)	RBPlat housing segment R (million)	Corporate office and consolidation adjustment R (million)	Total R (million)
Net cash inflow/(outflow) from operating activities	4 508.7	4 196.9	8 705.6	56.9	(3 062.4)	5 700.1	4 563.1	2 105.0	6 668.1	26.0	(868.2)	5 825.9
Proceeds from disposal of property, plant and equipment	–	2.6	2.6	–	0.1	2.7	–	–	–	–	0.6	0.6
Acquisition of property, plant and equipment	(392.1)	(1 429.6)	(1 821.7)	–	39.2	(1 782.5)	(756.0)	(1 059.2)	(1 815.2)	–	(58.4)	(1 873.6)
Cash acquired as part of Maseve amalgamation	–	0.1	0.1	–	(0.1)	–	–	–	–	–	–	–
Employee housing loan receivable repayments	–	–	–	9.7	–	9.7	–	–	–	7.6	–	7.6
Increase in environmental trust deposits and guarantees	(28.9)	–	(28.9)	–	–	(28.9)	(2.9)	–	(2.9)	–	–	(2.9)
Net cash inflow/(outflow) from investing activities	(421.0)	(1 426.9)	(1 847.9)	9.7	39.2	(1 799.0)	(758.9)	(1 059.2)	(1 818.1)	7.6	(57.8)	(1 868.3)
Cash investments by/(distributions to) RBR	(5 162.6)	(2 732.8)	(7 895.4)	(0.6)	7 896.0	–	(2 701.6)	(1 041.7)	(3 743.3)	–	3 743.3	–
Repayment of PIC housing facility	–	–	–	(101.0)	–	(101.0)	–	–	–	–	–	–
Proceeds from interest-bearing borrowings	–	–	–	–	890.3	890.3	–	–	–	–	2 031.2	2 031.2
Repayment of interest-bearing borrowings	–	–	–	–	(1 499.7)	(1 499.7)	–	–	–	–	(2 744.9)	(2 744.9)
Principal elements of lease payments	(9.8)	(3.8)	(13.6)	–	(2.4)	(16.0)	(8.4)	(4.1)	(12.5)	–	(2.3)	(14.8)
Repayment of the RPM deferred consideration	–	–	–	–	–	–	–	–	–	–	(1 851.2)	(1 851.2)
Settlement of share-based payment	(37.4)	(33.4)	(70.8)	–	(36.1)	(106.9)	–	–	–	–	–	–
Proceeds from share options exercised	–	–	–	–	69.7	69.7	–	–	–	–	51.1	51.1
Convertible bonds repurchased	–	–	–	–	(482.3)	(482.3)	–	–	–	–	–	–
Net cash inflow/(outflow) from financing activities	(5 209.8)	(2 770.0)	(7 979.8)	(101.6)	6 835.5	(1 245.9)	(2 710.0)	(1 045.8)	(3 755.8)	–	1227.2	(2 528.6)
Net increase/(decrease) in cash and cash equivalents	(1 122.1)	–	(1 122.1)	(35.0)	3 812.3	2 655.2	1 094.2	–	1 094.2	33.6	301.2	1 429.0
Cash and cash equivalents at the beginning of the period	1 689.0	–	1 689.0	163.1	391.1	2 243.2	594.8	–	594.8	129.5	89.9	814.2
Cash and cash equivalents at the end of the period	566.9	–	566.9	128.1	4 203.4	4 898.4	1 689.0	–	1 689.0	163.1	391.1	2 243.2

22. EARNINGS PER SHARE

The weighted average number of ordinary shares in issue outside the Group for purposes of basic earnings per share and the weighted average number of ordinary shares for diluted earnings per share are calculated as follows:

	Group	
	2021	2020
Number of shares issued at 1 January	258 792 016	258 233 936
Management incentive schemes at 1 January	(277 629)	(1 685 766)
Number of shares issued outside the Group at 1 January	258 514 387	256 548 170
Adjusted for weighted average number of shares issued during the year	20 601 952	1 055 645
Weighted average number of ordinary shares in issue for earnings per share	279 116 339	257 603 815
Dilutive potential ordinary shares relating to management incentive schemes	7 585 141	4 133 967
Dilutive potential ordinary shares relating to the convertible bond	—	29 419 264
Weighted average number of potential dilutive ordinary shares in issue	286 701 480	291 157 046
Profit attributable to owners of the Company R (million)	6 509.9	3 529.0
Adjustments:		
Add: Net interest on convertible bond R (million) (refer to Note 16.2)	—	130.2
Less: Tax on the above R (million)	—	(36.5)
Diluted profit R (million)	6 509.9	3 622.7
Basic earnings per share (cents/share)		
Basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the year by the weighted average number of ordinary shares in issue for earnings per share	2 332.4	1 369.9
Diluted earnings per share (cents/share)		
Diluted earnings per share is calculated by adjusting the weighted average* number of ordinary shares outstanding to assume conversion of all diluted potential ordinary shares	2 270.7	1 244.2

	2021		2020	
	Gross	Net	Gross	Net
Headline earnings				
Profit attributable to owners of the Company R (million)		6 509.9		3 529.0
Adjustments:				
Profit on disposal of property, plant and equipment and other assets R (million)	(21.7)	(21.7)	(40.1)	(40.1)
Headline earnings R (million)		6 488.2		3 488.9
Net interest on convertible bond R (million) (refer to Note 16.2)	—	—	130.2	93.7
Diluted profit R (million)*		6 488.2		3 582.6
Basic headline earnings per share (cents/share)		2 324.6		1 354.4
Diluted headline earnings per share (cents/share)		2 263.1		1 230.5

* The effects of anti-dilutive potential ordinary shares are ignored in the calculation of diluted earnings per share and diluted headline earnings per share

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23. EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

Dividends declared

A final gross cash dividend of 535.0 cents per share was declared by the Board on 8 March 2022 from profits accrued during the financial year ended 31 December 2021. The total cash dividend for the year amounted to 1 070.0 cents per share. The dividend is payable on 4 April 2022 to shareholders who will be on the register on 1 April 2022. This final dividend, amounting to approximately R1 500.0 million, has not been recognised as a liability in 2021. It will be recognised in shareholders' equity in the year ending 31 December 2022.

Other subsequent events

Following its offer to the RBPlat ordinary shareholders set out in the Implats Circular dated 17 January 2022, Implats announced on 28 February 2022 that it had concluded agreements to acquire a further 1 003 495 RBPlat shares constituting approximately 0.35% of the RBPlat shares in issue. This will result in the Implats' shareholding in RBPlat increasing to 35.66%. On 24 February 2022, Russia launched a large-scale military invasion of Ukraine. At the date of approving these financial statements, there were no noticeable impact on the Group.

CORPORATE INFORMATION

SHAREHOLDERS' DIARY

Financial year-end:
31 December of each year
Interim period-end:
30 June of each year

ADMINISTRATION

Company registered office
Royal Bafokeng Platinum Limited
Registration number: 2008/015696/06
JSE share code: RBP
ISIN: ZAE000149936

The Pivot
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COMPANY SECRETARY

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INVESTOR RELATIONS AND CORPORATE COMMUNICATIONS

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TRANSFER SECRETARIES

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Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg
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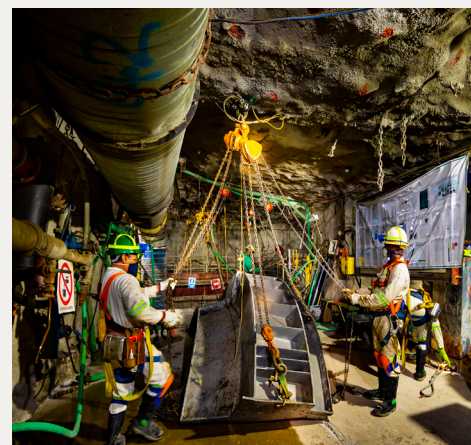
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FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements with respect to the results, operations and business of RBPlat and its subsidiary companies (the RBPlat Group). These statements and forecasts involve risk and uncertainty, as they relate to events and depend on circumstances that occur in the future. There are various factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. The Company undertakes no obligation to update publicly or to release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of this report or to reflect the occurrence of unanticipated events. All forward-looking statements have not been reviewed or reported on by the Group's auditors.





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