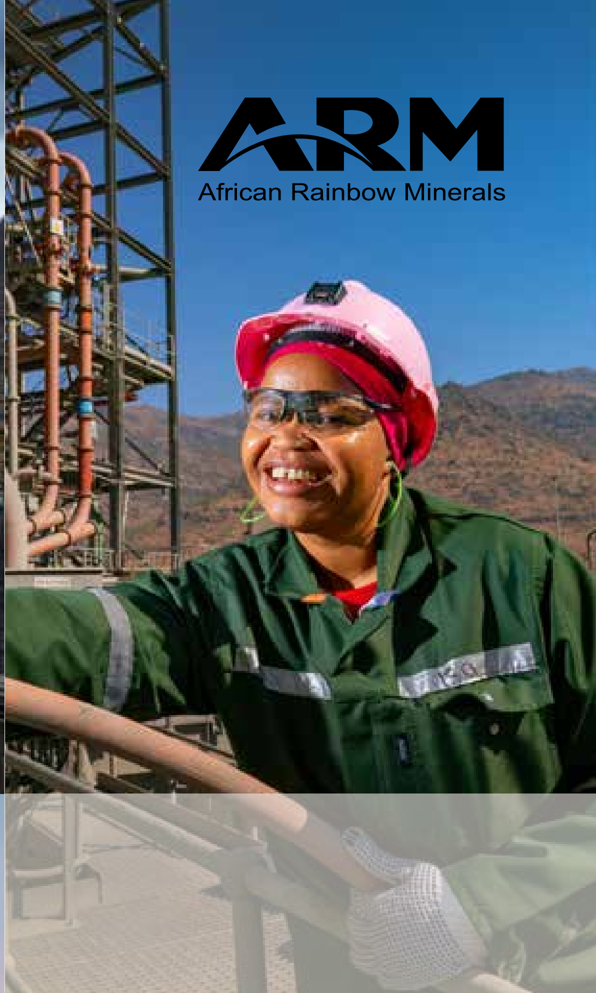


ARM
African Rainbow Minerals

Provisional results for the year ended 30 June 2021

Shareholder information

Issued share capital at 30 June 2021	**224 453 258 shares**
Market capitalisation at 30 June 2021	**ZAR57.31 billion**
Market capitalisation at 30 June 2021	**US$4.02 billion**
Closing share price at 30 June 2021	**R255.35**
Twelve-months high (1 July 2020 – 30 June 2021)	**R307.25**
Twelve-months low (1 July 2020 – 30 June 2021)	**R162.55**
Average daily volume traded for the twelve months	**616 298 shares**
Primary listing	**JSE Limited**
JSE Share Code	**ARI**

Contents

Salient features

Headline earnings for the financial year ended 30 June 2021 (F2021) increased by **136%** to **R13 064 million** or **R66.88** per share (F2020: R5 534 million or R28.50 per share)

A final dividend of **R20.00** per share is declared. In addition to the interim dividend of **R10.00** per share, the total dividend for F2021 is **R30.00** per share (F2020: R12.00 per share)

ARM Ferrous headline earnings were **77%** higher at **R7 927 million** (F2020: R4 479 million) driven by higher US dollar iron ore prices and increased iron ore and manganese ore sales volumes

ARM Platinum headline earnings increased by **R3 524 million** to **R4 666 million** (F2020: R1 142 million) underpinned by higher US dollar prices for platinum group metals (PGMs), particularly rhodium

Segmental earnings before interest, tax, depreciation and amortisation (EBITDA) increased by **121%** to **R24 321 million** (F2020: R11 009 million)

Basic earnings were **R12 626 million** (F2020: R3 965 million) and included attributable impairments of the:

- Assmang equity investment in Sakura Ferroalloys of **R169 million** (with no tax effect)
- Fixed assets of Cato Ridge Works of **R185 million** (after tax)
- Exploration assets that were aimed at increasing the Beeshoek Mine life-of-mine of **R26 million** (with no tax effect)
- Assmang equity investment in Cato Ridge Alloys of **R48 million** (with no tax effect)

Net cash improved by **R4 465 million** to **R8 202 million** at 30 June 2021 (30 June 2020: **R3 737 million** restated)

Unit production costs were under pressure, increasing above inflation mainly due to operational challenges, exacerbated by Covid-19-related challenges

Operating safely and sustainably

Creating and maintaining a safe and healthy work environment

We remain focused on ensuring the safety, health and wellbeing of our employees. Risks to this priority have increased since the onset of the Covid-19 pandemic. We continued to proactively prevent the spread of Covid-19 through strict health and safety measures. These have been audited by the Department of Mineral Resources and Energy (DMRE) and are being continuously monitored at our corporate offices and operations.

As part of these measures 142 052 Covid-19 health screenings were conducted by 30 June 2021, resulting in 7 428 tests of which 2 134 were positive cases.

Regrettably, 34 of our colleagues succumbed to Covid-19 in F2021. We extend our heartfelt condolences to their family, friends and colleagues.

ARM is supporting the South African Covid-19 vaccination programme. Campaigns to promote vaccination are being rolled out at our corporate offices and operations. Five operations were selected as vaccination sites in support of the government-led vaccine rollout programme. External service providers have been appointed at these sites and are vaccinating employees, contractors and members of our host communities.

Despite the challenges presented by Covid-19, our operations delivered improved safety performances. The group lost-time injury frequency rate (LTIFR) per 200 000 man-hours improved to 0.41 from 0.45 in F2020.

Regrettably, two colleagues were fatally injured in separate accidents at Modikwa Mine in 1H F2021. On 13 September 2020, Mr Dennis Hlengani Mdaka, a rock-drill operator, was fatally injured when he entered an unventilated development end at South 2 shaft.

On 7 October 2020, Mr Johannes Mahlalela, a team leader, sustained an injury to his right arm during a shift. Although he was stable post-surgery, he passed away in hospital on 11 October 2020 following medical complications.

We extend our heartfelt condolences to the families of Mr Mdaka and Mr Mahlalela and to their colleagues and friends.

Remedial actions as agreed with the DMRE, were implemented following these two incidents. Initiatives are ongoing at all operations to ensure that safety training continues and safety standards are strictly upheld.

Safety achievements in F2021 included:

- Black Rock Mine completed 12 consecutive years fatality-free
- Beeshoek Mine completed 18 consecutive years fatality-free
- Cato Ridge Works completed a full year without a lost-time injury
- Khumani Mine recorded its lowest ever LTIFR of 0.04 per 200 000 man-hours
- Two Rivers Mine recorded 1 million fatality-free shifts.

Creating sustainable value for stakeholders

We declared a final dividend of R20.00 per share which is 186% higher than the F2020 final dividend of R7.00 per share. In addition to the R10.00 interim dividend declared for 1H F2021, (1H F2020: R5.00), the total dividend for F2021 is R30.00 per share (F2020: R12.00 per share).

The significant improvement in commodity prices and increased sales volumes also enabled us to markedly improve our financial position from net cash of R3 737 million restated at 30 June 2020 to R8 202 million at 30 June 2021. Our robust financial position gives ARM flexibility to opportunistically pursue value-enhancing growth prospects.

Improved profitability in F2021 also benefited our various stakeholders. In F2021, total value created by ARM was R30.6 billion (F2020: R14.9 billion) on a segmental basis. This was distributed to our stakeholders and reinvested in our business as shown below.

R million	F2021	F2020
Salaries and fringe benefits to employees	**3 895**	3 915
Taxes to government	**8 895**	3 904
Income tax	**6 506**	2 805
Royalty tax	**2 389**	1 099
Finance costs, dividends and non-controlling interest to capital providers	**6 534**	4 236
Dividends	**3 322**	2 717
Non-controlling interest	**2 846**	1 069
Finance costs	**366**	450
Total value distributed	**19 324**	12 055
Reinvested in the group	**11 239**	2 894
Amortisation	**1 935**	1 646
Reserves retained	**9 304**	1 248
Total value	**30 563**	14 949

Financial performance

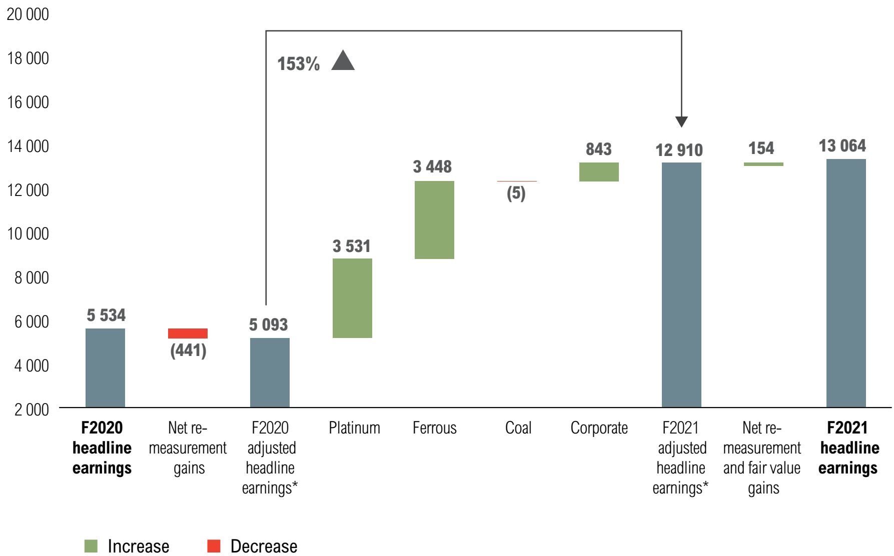
Headline earnings

ARM is pleased to report record headline earnings of R13 064 million in F2021, a 136% increase compared to the F2020 headline earnings of R5 534 million. Our diversified portfolio of commodities again stood us in good stead as significantly higher US dollar prices for PGMs and iron ore more than offset the negative impact of a stronger rand against the US dollar. Increased US dollar prices were further augmented by higher sales volumes delivered for iron ore, manganese ore and PGMs.

The average realised rand strengthened by 1.8% versus the US dollar to R15.39/US$ compared to R15.68//US$ in F2020. For reporting purposes, the closing exchange rate was R14.27/US$ (30 June 2020: R17.36/US$).

Headline earnings analysis

(R million)



* *Adjusted headline earnings exclude re-measurement and fair value gains and losses as summarised on the table on slide 35 of the F2021 results presentation. The adjusted headline earnings are included for illustrative purposes and are the responsibility of the board of directors. They should be considered in addition to, and not as a substitute for, or superior to, measures of financial performance, financial position or cash flows reported in line with IFRS.*

HEADLINE EARNINGS/(LOSS) BY OPERATION/DIVISION

R million	Reviewed F2021	Audited F2020	% change
ARM Ferrous	**7 927**	4 479	77
Iron ore division	**7 522**	3 687	104
Manganese division	**448**	836	(46)
Consolidation adjustment	**(43)**	(44)	
ARM Platinum	**4 666**	1 142	>200
Two Rivers Mine	**2 972**	1 065	179
Modikwa Mine	**1 529**	781	96
Nkomati Mine	**165**	(704)	
ARM Coal	**(250)**	(2)	<(200)
Goedgevonden Mine	**10**	(38)	
PCB operations*	**(260)**	36	<(200)
ARM Corporate and other	**721**	(85)	
Corporate and other (including Gold)	**828**	78	>200
Machadodorp Works	**(107)**	(163)	34
Headline earnings	**13 064**	5 534	136

* *Participative Coal Business.*

ARM Ferrous headline earnings were 77% higher at R7 927 million (F2020: R4 479 million) as a 104% increase in the iron ore division's headline earnings more than offset a 46% decrease in the manganese division's headline earnings.

The iron ore division benefited from a 5% increase in sales volumes and a 79% rise in the average realised US dollar price for iron ore. These benefits were partially offset by a stronger average realised rand versus the US dollar coupled with a 16% increase in unit cost of sales (drivers of the unit cost increases are discussed in the ARM Ferrous operational performance section on page 9). The iron ore division's headline earnings included an attributable R881 million positive fair value adjustment to revenue related to open iron ore sales which are expected to be realised at higher prices compared to initial prices recorded.

Despite a 22% increase in manganese ore sales volumes, the manganese ore operations reported lower headline earnings mainly due to the reduction in average realised US dollar prices for manganese ore as increased global supply put pressure on prices. The manganese alloy operations (including Sakura) reported improved attributable headline earnings of R37 million compared to an attributable headline loss of R114 million in F2020 as manganese alloy prices improved, particularly in the second half of the financial year.

ARM Platinum headline earnings increased by R3 524 million to R4 666 million in F2021 (F2020: R1 142 million), positively impacted by higher average realised US dollar PGM prices (particularly rhodium) coupled with a 3% increase in PGM production volumes (on 100% basis) as volumes recovered after Covid-19-related lockdowns at the end of F2020.

Headline earnings at Two Rivers Mine improved by 179% as the mine increased volumes by 15% and kept unit production costs flat year-on-year. Modikwa Mine headline earnings were 96% higher as the benefit of higher PGM prices was partially offset by lower volumes and above-inflation unit production cost increases which were due to safety-related stoppages after the two fatal accidents (discussed on page 2) and 12 days of industrial action in the first half of the financial year. Modikwa Mine production volumes and unit production costs improved in the second half of the financial year, a trend that is expected to continue as the mine ramps up production volumes.

Nkomati Mine reported attributable headline earnings of R165 million for F2021 (F2020: R704 million headline loss). Scaling down is complete and the mine is now under care and maintenance as planned and previously communicated.

ARM Coal reported an attributable headline loss of R250 million (F2020: R2 million) which included re-measurement gains of R242 million (F2020: R485 million) on partner loans. Excluding these gains, the ARM Coal headline loss was R492 million (F2020: R487 million), mainly due to lower coal sales volumes (owing to underperformance from Transnet Freight Rail) and above-inflation unit cost increases which was partially offset by higher average received coal prices.

Corporate and other (including Gold) headline earnings were R828 million compared to R78 million in F2020. This was mainly due to higher management fees received of R1 800 million (F2020: R733 million) following revised fee arrangements at Assmang which align ARM's management fees to the performance of Assmang.

The **Machadodorp Works** headline loss was R107 million (F2020: R163 million) as research into developing energy-efficient smelting technology progressed.

Basic earnings and impairments

Basic earnings of R12 626 million (F2020: R3 965 million) included impairments of the following assets:

- Assmang's investment in Sakura Ferroalloys of R169 million (with no tax effect)
- Fixed assets of Cato Ridge Works of R185 million (after tax)
- Exploration assets that were aimed at increasing the Beeshoek Mine life-of-mine of R26 million (with no tax effect)
- Assmang's equity investment in Cato Ridge Alloys of R48 million (with no tax effect).

Refer to note 9 of the financial statements for further details.

Financial position and cash flow

At 30 June 2021, ARM's net cash was R8 202 million (30 June 2020: R3 737 million restated), an improvement of R4 465 million compared to the end of the 2020 financial year. This amount excludes attributable cash and cash equivalents held at ARM Ferrous (50% of Assmang) of R4 099 million (F2020: R3 208 million). There was no debt at ARM Ferrous in either of these reporting periods.

Cash generated from operations increased by R3 936 million to R7 802 million (F2020: R3 866 million) after a R5 305 million increase in working capital requirements (F2020: R1 189 million). This was mainly due to the increase in trade and other receivables, which in turn was due to higher revenue in the reporting period.

Dividends received from Modikwa, Two Rivers and Assmang amounted to R289 million, R1 431 million and R4 000 million, respectively (F2020: Rnil from Modikwa, R664 million from Two Rivers and R3 750 million from Assmang). A dividend of R82 million was received from Harmony (F2020: Rnil).

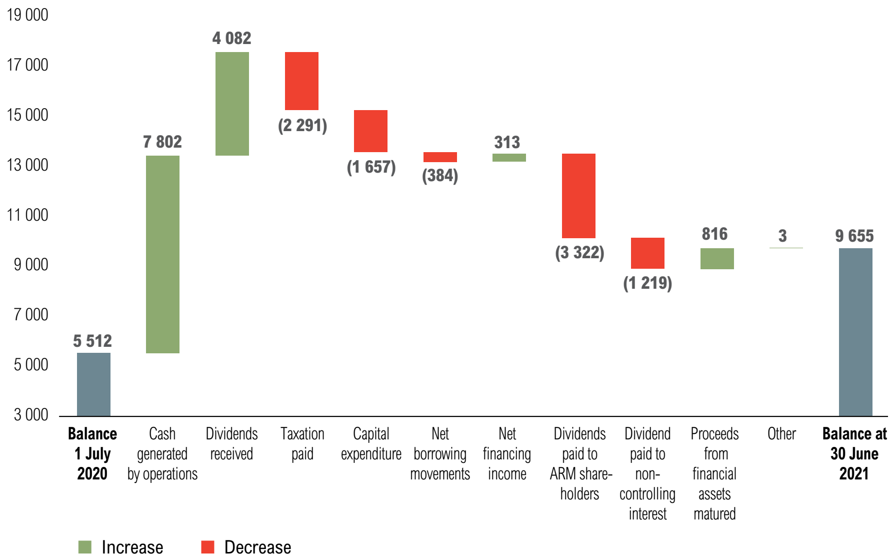
In F2021, R3 322 million in dividends was paid to ARM shareholders (representing the F2020 final dividend of R7.00 per share and the 1H F2021 interim dividend of R10.00 per share (F2020: R2 717 million was paid representing the F2019 final dividend of R9.00 per share and the 1H F2020 interim dividend of R5.00 per share).

Net cash outflow from investing activities was R838 million (F2020: R2 343 million outflow) and includes a net transfer from investments in financial assets of R816 million (F2020: R1 539 million transfer to investments in financial assets).

Borrowings of R648 million (F2020: R264 million) were repaid during the period, resulting in gross debt of R1 469 million at 30 June 2021 (30 June 2020: R1 978 million restated). Modikwa Mine fully repaid its partner loans in F2021.

Analysis of movements in net cash and cash equivalents

(R million)



Capital expenditure

Segmental capital expenditure was R4 105 million (F2020: R3 506 million) and included R426 million of capitalised waste stripping at the iron ore operations (F2020: R394 million). Capital expenditure for the divisions is shown below and discussed in each division's operational performance review.

CAPITAL EXPENDITURE BY OPERATION/DIVISION (ATTRIBUTABLE BASIS)

R million	F2021	F2020	% change
ARM Ferrous	**2 221**	2 173	2
Iron ore division	**1 198**	1 111	8
Manganese division	**1 124**	1 157	(3)
Consolidation adjustment	**(101)**	(95)	(6)
ARM Platinum	**1 611**	1 132	42
Two Rivers Mine	**1 281**	813	58
Modikwa Mine	**330**	319	3
Nkomati Mine	**–**	–	
ARM Coal (Goedgevonden Mine)	**263**	197	33
ARM Corporate	**10**	4	150
Total	**4 105**	3 506	17

These results have been achieved in conjunction with ARM's partners at the various operations: Anglo American Platinum Limited, Assore Limited, Impala Platinum Holdings Limited, Norilsk Nickel Africa (Pty) Ltd and Glencore Operations South Africa (Pty) Ltd.

Rounding may result in minor computational discrepancies in tables.

Operational performance

ARM Ferrous

Iron Ore division

Prices

Average realised US dollar export iron ore prices were 79% higher on a free-on-board (FOB) equivalent basis at US$156 per tonne (F2020: US$87 per tonne) driven by robust steel production in China and weather-related supply challenges in key iron ore-producing countries like Brazil and Australia. The 62% fines index (CIF China) reached a high of US$233.75 per tonne in May 2021. Average realised prices at our iron ore operations were further enhanced by a strong rally in iron ore lump premiums which also reached record levels. The iron ore operations opportunistically increased the ratio of lump to fines sales volumes from 54:46 in F2020 to 58:42 in F2021. A sustainable lump to fines ratio for the operations is expected to be 55:45.

Volumes

Total iron ore sales volumes increased by 5% to 16.4 million tonnes (F2020: 15.6 million tonnes). Export sales volumes were 1% higher at 13.3 million tonnes (F2020: 13.1 million tonnes). Local sales volumes were 29% higher at 3.1 million tonnes (F2020: 2.4 million tonnes) due to above-plan offtake from Arcelor Mittal South Africa.

Total iron ore production volumes decreased by 1% to 15.9 million tonnes (F2020: 16.1 million tonnes) as higher production volumes at Beeshoek Mine were offset by lower production volumes at Khumani Mine due to compromised water-supply reliability.

Production volumes at Khumani Mine were impacted by challenges related to water supply as the project to upgrade the Vaal Gamagara Water Supply System was delayed. Assmang is in extensive engagement with the Sedibeng Water Board, the Department of Water Affairs and the Minerals Council of South Africa to collaboratively ensure that Phase 1 of the refurbishment programme is completed, and that Phase 2 is started in order to sustain water supply to the area.

In total, 13.3 million tonnes of iron ore was railed and exported through the Sishen-Saldanha export channel, representing a deficit of just over one million tonnes compared to planned volumes. This was largely due to major operational and maintenance challenges, major port equipment breakdowns and abnormal weather conditions. Engagements with Transnet are ongoing to address these challenges.

Unit costs

On-mine unit production costs at Khumani Mine increased to R289 per tonne (F2020: R251 per tonne) mainly due to inflation, higher working cost waste tonnages, the impact of Covid-19-related expenses and lower production volumes.

On-mine unit production costs at Beeshoek Mine increased to R263 per tonne (F2020: R246) mainly due to inflation and higher working cost waste tonnages, partially offset by higher production volumes.

Unit cost of sales, which includes marketing and distribution costs, were 16% higher mainly due to the increase in unit production costs and sales and marketing costs (driven by higher US dollar iron ore prices) and an increase in sea-freight rates per tonne.

Capital expenditure

Capital expenditure (100% basis) was R2 397 million (F2020: R2 223 million), which includes capitalised waste-stripping costs of R851 million (F2020: R787 million).

Khumani Mine's capital expenditure (100% basis) was 18% higher at R1 820 million (F2020: R1 535 million) mainly due to increased replacement fleet and an investment in an automated discard spreader system aimed at increasing production efficiencies. The mine's capital expenditure includes capitalised waste-stripping costs of R438 million (F2020: R426 million).

Beeshoek Mine's capital expenditure (100% basis) was R614 million (F2020: R670 million) which includes capitalised waste-stripping costs of R412 million (F2020: R361 million).

IRON ORE OPERATIONAL STATISTICS (100% BASIS)

	unit	F2021	F2020	% change
Prices				
Average realised export price*	US$/t	**156**	87	79
Volumes				
Export sales	000t	**13 269**	13 129	1
Local sales	000t	**3 148**	2 439	29
Total sales	000t	**16 417**	15 568	5
Production	000t	**15 928**	16 092	(1)
Export sales lump/fines split	%	**58:42**	54:46	
Export sales CIF/FOB** split	%	**55:45**	48:52	
Unit costs				
Change in on-mine production unit costs	%	**13**	10	
Change in unit cost of sales	%	**16**	10	
Capital expenditure	R million	**2 397**	2 223	8

* *Average realised export iron ore prices on an FOB equivalent basis.*
** *CIF – cost, insurance and freight; FOB – free-on-board.*

Manganese ore operations

Prices

The index price for 44% manganese ore was US$4.57/mtu (CIF Tianjin) at 30 June 2020, declining to a low of US$4.09/mtu in July 2020. At 30 June 2021, the index price recovered to US$5.15/mtu.

The index price for carbonate manganese ore (37% manganese ore CIF Tianjin) was US$4.21/mtu at 30 June 2020, dropping to a low of US$3.78/mtu in July 2020. At 30 June 2021, the index price recovered to US$4.71/mtu.

Manganese ore prices have remained lower than expected during F2021 largely due to persistently high inventory levels (particularly in China) and increased global manganese ore supply.

Volumes

Manganese ore sales volumes increased by 22% from 3.2 million tonnes in F2020 to 3.9 million tonnes in F2021 mainly as a result of easing Covid-19 restrictions (compared to F2020) and ramp up of the Black Rock and Gloria projects.

Export sales volumes were 22% higher at 3.8 million tonnes (F2020: 3.1 million tonnes) while local sales volumes increased by 45% to 0.14 million tonnes (F2020: 0.10 million tonnes).

In total, 3.8 million tonnes of manganese ore was railed and exported through the Port Elizabeth Bulk Ore Terminal and Saldanha Multi-Purpose Terminal. To mitigate rail losses due to Covid-19 in the earlier months of the year and to build up port stocks, road transport was contracted for approximately 185 000 tonnes from May 2020 to July 2020.

Transnet experienced challenges at the rail and port due to operational issues. Engagements with Transnet are ongoing to address these issues. Further engagements with Transnet on rail and port allocation beyond the current contractual tonnages of 4.0 million tonnes per annum and current contractual period until March/June 2023 are also progressing.

Production volumes at Black Rock Mine rose by 12% to 4.0 million tonnes as the Black Rock and Gloria projects progressed. Production volumes were negatively impacted by Covid-19-related challenges, increasing community unrest and water supply challenges as discussed under iron ore volumes (on page 9) in the financial year under review.

Unit costs

Black Rock Mine's on-mine unit production costs were 18% higher at R699 per tonne (F2020: R593 per tonne) mainly due to increased labour costs, inefficiencies after delayed delivery of the Black Rock and Gloria projects, Covid-19 compliance costs and above-inflation increases in insurance and steel-based products. Labour cost increases were driven by higher head count for additional shifts worked, increased long-term incentive expenses for A to C bands and higher costs associated with Covid-19 absenteeism, which resulted in 8 184 person-days lost in F2021 (including employees and contractors). Unit production cost improvements expected from the Black Rock and Gloria projects were not realised due to delays in commissioning certain Black Rock project and Gloria project systems. Unit production costs are expected to improve as completion and ramp up of the two projects delivers improved efficiencies

Unit cost of sales (which include marketing and distribution costs) increased by 8% as a result of higher sales and marketing costs due to higher revenue, increased freight rates, higher on-mine unit production costs and increased depreciation as the Black Rock and Gloria projects move to commissioning phase.

Capital expenditure

Total capital expenditure for the manganese ore operations was R2 060 million on a 100% basis (F2020: R2 260 million) of which R845 million (F2020: R846 million) related to the Gloria project. At 30 June 2021, 84% of the approved capital of R3 billion was spent on the Gloria project and 95% of the approved capital of R7.2 billion was spent on the Black Rock project.

The Black Rock and Gloria projects aim to modernise and expand the mine's output by increasing volumes and flexibility to produce various grades of manganese ore at the three operating shafts while improving efficiencies. Ramp up of the Black Rock Mine operations is being closely synchronised with Transnet's rail availability and is informed by prevailing market conditions.

The estimated date of completion of the Black Rock and Gloria projects is August 2022. Difficult ground conditions in mining areas, complex geology, various labour incidents and Covid-19 resulted in delays on the estimated completion date. The Nchwaning 3 silo feed and satellite tip 1 systems were successfully commissioned and handed over to operations at the end of June 2021. The Nchwaning II Graben system is due for commissioning by September 2021.

MANGANESE ORE OPERATIONAL STATISTICS (100% BASIS)

	unit	F2021	F2020	% change
Volumes				
Export sales	000t	**3 823**	3 128	22
Domestic sales*	000t	**143**	99	45
Total sales	000t	**3 966**	3 227	23
Production	000t	**4 041**	3 619	12
Unit costs				
Change in on-mine production unit costs	%	**18**	(2)	
Change in unit cost of sales	%	**8**	–	
Capital expenditure	R million	**2 060**	2 228	(8)

* *Excluding intra-group sales of 187 247 tonnes sold to Cato Ridge Works (F2020: 208 572 tonnes).*

MANGANESE ORE FINANCIAL INFORMATION

R million	F2021	F2020	% change
Sales	**10 236**	9 005	14
Operating profit	**1 202**	2 595	(54)
Contribution to headline earnings	**823**	1 846	(55)
Capital expenditure	**2 060**	2 260	(9)
Depreciation	**716**	588	22
EBITDA	**1 918**	3 183	(40)

Manganese alloys operations

Prices

Average realised prices for high-carbon manganese alloy and medium-carbon manganese alloy at Cato Ridge Works decreased by 12% to US$937 per tonne (F2020: US$1 065 per tonne) and by 11% to US$1 364 per tonne (F2020: US$1 533 per tonne), respectively.

Volumes

High-carbon manganese alloy production at Sakura Ferroalloys (100% basis) decreased to 191 000 tonnes (F2020: 232 000 tonnes) mainly due to multiple transformer failures in January, April and May 2021. The April transformer failure left Furnace 1 out of operation as the only spare transformer was used during the first transformer failure that occurred in January 2021.

Sakura Ferroalloys declared *force majeure* on its customers due to lower-than-planned production caused by these events. Based on current planning, Furnace 1 is expected to be switched on by the end of September 2021.

High carbon manganese alloy sales volumes (100% basis) increased by 1% to 218 000 tonnes (F2020: 216 000 tonnes). The impact of the transformer failures on high-carbon manganese alloy sales volumes for F2021 was limited as sufficient stock levels were available to service contracts.

High-carbon manganese alloy production at Cato Ridge Works decreased by 3% to 123 500 tonnes (F2020: 127 100 tonnes). Medium-carbon manganese alloy production at Cato Ridge Alloys (100% basis) decreased by 4% to 48 000 tonnes (F2020: 49 500 tonnes).

High-carbon manganese alloy sales at Cato Ridge Works increased by 17% to 76 000 tonnes (100% basis) (F2020: 65 000 tonnes). Medium-carbon manganese alloy sales at Cato Ridge Alloys (100% basis) increased by 37% to 58 100 tonnes (F2020: 42 400 tonnes).

Unit costs

Unit production costs at Sakura Ferroalloys increased by 1% from MYR3 691 per tonne in F2020 to MYR3 736 per tonne in F2021.

Unit production costs at Cato Ridge Works increased by 11% from R11 504 per tonne in F2020 to R12 798 per tonne in F2021 mainly due to lower production volumes, above-inflation power escalations and the variability of the ore grade.

Medium-carbon manganese alloy unit production costs at Cato Ridge Alloys decreased by 0.4% from R18 302 per tonne in F2020 to R18 221 per tonne in F2021 due to a reduction in the cost for molten metal.

MANGANESE ALLOY OPERATIONAL STATISTICS (100% BASIS)

	unit	F2021	F2020	% change
Volumes				
Cato Ridge Works sales*	000t	**76**	65	17
Cato Ridge Alloys sales	000t	**58**	42	37
Sakura sales	000t	**218**	216	1
Cato Ridge Works production	000t	**124**	127	(3)
Cato Ridge Alloys production	000t	**48**	50	(4)
Sakura production	000t	**191**	232	(18)
Unit costs – Cato Ridge Works				
Change in on-mine unit production costs	%	**11**	13	
Change in unit cost of sales	%	**5**	–	
Unit costs – Cato Ridge Alloys				
Change in on-mine production unit costs	%	**(1)**	(2)	
Change in unit cost of sales	%	**–**	1	
Unit costs – Sakura				
Change in on-mine production unit costs	%	**1**	(23)	
Change in unit cost of sales	%	**1**	(17)	

* *Excluding intra-group sales of 57 431 tonnes sold to Cato Ridge Alloys (F2020: 59 841 tonnes).*

MANGANESE ALLOY FINANCIAL INFORMATION

R million	F2021	F2020	% change
Sales	**1 956**	2 293	(15)
Operating profit	**162**	255	(37)
Contribution to headline earnings	**74**	(228)	
Capital expenditure	**188**	54	248
Depreciation	**58**	70	(17)
EBITDA	**220**	356	(38)

The ARM Ferrous operations, held through its 50% investment in Assmang Proprietary Limited (Assmang), comprise the iron ore and manganese divisions. Assore Limited, ARM's partner in Assmang, owns the remaining 50%.

ARM Platinum

Prices

Higher metal prices, particularly rhodium which increased by 179% in F2021, contributed significantly to the Modikwa and Two Rivers mines' F2021 results. Despite a slightly stronger rand/US dollar exchange rate, the average rand per 6E kilogram basket price increased by 71% and 74% to R1 457 843/kg (F2020: R850 909/kg) and R1 349 148/kg (F2020: R775 857/kg) for Modikwa and Two Rivers mines, respectively.

US dollar nickel prices were 18% higher, which contributed to Nkomati Mine's cash position.

AVERAGE US DOLLAR METAL PRICES

	unit	F2021	F2020	% change
Platinum	US$/oz	**1 046**	871	20
Palladium	US$/oz	**2 427**	1 901	28
Rhodium	US$/oz	**17 478**	6 275	179
Nickel	US$/t	**16 447**	13 964	18
Copper	US$/t	**8 086**	5 647	43
Cobalt	US$/lb	**18**	16	12
UG2 chrome concentrate – Two Rivers (CIF*)	US$/t	**137**	134	2
High sulphur chrome concentrate – Nkomati (FOT*)	US$/t	**43**	48	(10)

** CIF – cost, insurance and freight; FOT – free-on-truck.*

AVERAGE RAND METAL PRICES

	unit	F2021	F2020	% change
Average exchange rate	R/US$	**15.39**	15.68	(2)
Platinum	R/oz	**16 107**	13 658	18
Palladium	R/oz	**37 360**	29 812	25
Rhodium	R/oz	**269 071**	98 399	173
Nickel	R/t	**253 194**	218 948	16
Copper	R/t	**124 482**	88 549	41
Cobalt	R/lb	**283**	257	10
UG2 chrome concentrate – Two Rivers (CIF*)	R/t	**2 107**	2 100	–
High sulphur chrome concentrate – Nkomati (FOT*)	R/t	**662**	748	(12)

** CIF – cost, insurance and freight; FOT – free-on-truck.*

Two Rivers Mine

Volumes

PGM volumes increased from 261 024 6E ounces in F2020 to 300 172 6E ounces in F2021. Production rates are returning to normal after the Covid-19-related national lockdown and operational challenges in F2020.

The sinking of declines at Main shaft is progressing as planned with completion beyond level 13. This is improving mining flexibility to optimise the blend from normal and split reefs.

Mining of the split-reef is being managed with various cuts to optimise the grade.

PGM grades from North shaft have improved with this ore given processing priority at the concentrator plant.

Chrome concentrate sales volumes increased by 41% to 242 945 tonnes (F2020: 172 368). This, combined with a stable rand chrome price, resulted in chrome cash operating profit improving by 18% to R118 million (F2020: R100 million).

Unit costs

Unit production costs on a rand per tonne milled basis increased in line with inflation by 5% to R905 per tonne (F2020: R857 per tonne). The rand per 6E PGM ounce cost reduced to R9 893 per 6E PGM ounce (F2020: R9 908 per 6E PGM ounce), as a direct result of improved plant recoveries and cost containment.

Capital expenditure

Of the R1 281 million capital spent at Two Rivers Mine (F2020: R813 million), R210 million was for fleet replacement and refurbishment. Deepening the Main and North declines with respective electrical and mechanical installations accounted for R285 million of total capital expenditure. Capital expenditure on the new tailings dam and plant expansion was R294 million and R290 million, respectively.

Covid-19 restrictions and steel shortages delayed the plant expansion project completion date by two months. The additional mill is now expected to be commissioned in November 2021 with full ramp-up expected to be achieved in the third quarter of F2022.

Construction of the new tailings dam project was also delayed by Covid-19 and is expected to be finalised in October 2021.

Two Rivers' shareholders approved the Merensky Project which involves mining the Merensky Reef. Total capital expenditure for the project is R5.7 billion (100% basis) which will be spent over three years. The project entails annual production of 182 000 6E PGM ounces, 1 600 tonnes nickel, and 1 300 tonnes of copper.

Merensky underground mining is planned to commence in the fourth quarter of F2022, with the plant set to be commissioned in the second quarter of F2024.

TWO RIVERS MINE OPERATIONAL STATISTICS (100% BASIS)

	unit	F2021	F2020	% change
Cash operating profit	R million	**8 949**	3 535	153
– PGMs	R million	**8 832**	3 435	157
– Chrome	R million	**118**	100	18
Tonnes milled	Mt	**3.28**	3.02	9
Head grade	g/t 6E	**3.43**	3.45	(1)
PGMs in concentrate	ounces 6E	**300 172**	261 024	15
Chrome in concentrate sold	tonnes	**242 945**	172 368	41
Average basket price	R/kg 6E	**1 349 148**	775 857	74
Average basket price	US$/oz 6E	**2 724**	1 540	77
Cash operating margin	%	**73**	55	
Cash cost	R/kg 6E	**318 075**	318 534	–
Cash cost	R/tonne	**905**	857	5
Cash cost	R/Pt oz	**21 341**	21 127	1
Cash cost	R/oz 6E	**9 893**	9 908	–
Cash cost	US$/oz 6E	**643**	632	2

Modikwa Mine

Volumes

Tonnes milled increased by 5% which was more than offset by a 7% decrease in head grade, reducing PGM production by 3% to 251 755 6E PGM ounces (F2020: 259 360 6E PGM ounces). The decline in head grade was mainly due to increased production from on-reef development at North shaft. Mining volumes were impacted by safety stoppages and industrial action by employees in the first half of the year. Measures implemented to prevent the spread of Covid-19 impacted the operation throughout the financial year due to high labour intensity.

The accelerated on-reef development is progressing to open stoping panels.

Mining volumes were impacted by Covid-19 restrictions with a proportionally larger impact on stoping than on development, given the higher labour intensity of stoping. The resultant lower stoping:development ratio gave rise to a decrease in head grade. More ore milled from historical low-grade stockpiles also contributed to reduced head grades.

In addition, in the first half of the financial year, Modikwa Mine lost approximately 5 200 6E PGM ounces following two fatal accidents. An additional estimated 14 800 6E PGM ounces were lost towards the end of 1H F2021 due to unprotected industrial action by National Union of Mineworkers (NUM) affiliated employees. This related to housing-related benefits which were overpaid in the fourth quarter of F2020 and employees incorrectly claiming that the mine owed them monies under the Temporary Employer/Employee Relief Scheme (TERS). All employees returned to work and the matter was resolved.

Production volumes at the mine improved in the second half of the financial year with the resolution of the above issues.

Unit costs

Unit production costs increased by 19% on both 6E PGM ounce and rand per tonne basis to R14 300 per 6E PGM ounce (F2020: R11 974 per 6E PGM ounce) and R1 757 per tonne (F2020: R1 598 per tonne). This was due to lower production volumes and Covid-19-related costs.

Capital expenditure

Capital expenditure at Modikwa Mine (100% basis) increased by 3% to R660 million (F2020: R638 million). Of this, R238 million related to construction of the chrome recovery plant, R62 million to fleet refurbishment and critical spares, R55 million for the North shaft deepening project and R43 million for the South shaft deepening project.

To maintain the current production profile and ramp-up production, Modikwa Mine initiated the North shaft and South 2 shaft projects:

- North shaft project – level 9 decline equipping was completed and commissioned. Level 9 strike development has started. The decline to level 10 is scheduled to commence in the first quarter of F2022
- South 2 shaft system produced an average of 51 258 tonnes per month in F2021. The project is on track and the opening of more working areas in the system achieved an average of 57 795 tonnes per month in 2H F2021. The mine is ramping up production.

Commissioning of the Chrome Recovery Plant (CRP) is underway as planned. Ramp up to nameplate capacity rate is envisaged in the second half of F2022.

MODIKWA MINE OPERATIONAL STATISTICS (100% BASIS)

	unit	F2021	F2020	% change
Cash operating profit	R million	**6 248**	3 079	103
Tonnes milled	Mt	**2.05**	1.94	5
Head grade	g/t 6E	**4.51**	4.82	(7)
PGMs in concentrate	6E oz	**251 755**	259 360	(3)
Average basket price	R/kg 6E	**1 457 843**	850 909	71
Average basket price	US$/oz 6E	**2 945**	1 688	75
Cash operating margin	%	**63**	50	
Cash cost	R/kg 6E	**459 745**	384 984	19
Cash cost	R/tonne	**1 757**	1 598	10
Cash cost	R/Pt oz	**36 405**	30 746	18
Cash cost	R/oz 6E	**14 300**	11 974	19
Cash cost	US$/oz 6E	**929**	764	22

Nkomati Mine

Nkomati Mine was placed on care and maintenance in March 2021 in line with the strategy as planned and previously communicated.

Estimated rehabilitation costs

As at 30 June 2021, the estimated undiscounted rehabilitation costs attributable to ARM were determined to be R679 million (30 June 2020: R620 million) excluding VAT (discounted R596 million). The R59 million increase was due to increased contractor rates and inflation.

At 30 June 2021, R109 million (attributable to ARM) cash and financial assets were available to fund rehabilitation obligations for Nkomati Mine. The resulting attributable shortfall of R487 million is expected to be funded by ARM.

Nkomati Mine's estimated rehabilitation costs continue to be reassessed as engineering designs evolve and new information becomes available.

Volumes

Nkomati Mine ceased mining in February 2021. Nickel production for the nine months amounted to 8 016 tonnes (F2020: 10 638 tonnes). The last ore was processed through the concentrator plant in March 2021.

Chrome concentrate sales volumes were 116 298 tonnes (F2020: 222 110 tonnes) which, combined with a 10% reduction in average realised US dollar chrome prices, resulted in a cash operating loss from chrome of R7 million (F2020: R42 million cash operating profit).

Unit costs

On-mine unit production costs in F2021 were only 1% higher at R384 per tonne (F2020: R380 per tonne).

Unit cash costs net of by-products per nickel produced in F2021 were 53% lower at US$2.98/lb (F2020: US$6.29/lb). The improvement in unit cash costs was due to increased by-product credits.

NKOMATI MINE OPERATIONAL STATISTICS (100% BASIS)

	unit	**F2021**	F2020	% change
Cash operating profit	R million	**750**	14	>200
– Nickel	R million	**758**	(28)	
– Chrome	R million	**(7)**	42	
Cash operating margin	%	**24**	1	
Tonnes milled	Mt	**4.70**	6.62	(29)
Head grade	% nickel	**0.25**	0.25	–
On-mine cash cost per tonne milled	R/tonne	**384**	380	1
Cash costs net of by-products*	US$/lb	**2.98**	6.29	(53)
Contained metal				
Nickel	tonnes	**8 016**	10 638	(25)
PGMs	ounces	**67 144**	80 684	(17)
Copper	tonnes	**4 409**	5 169	(15)
Cobalt	tonnes	**500**	616	(19)
Chrome concentrate sold	tonnes	**116 298**	222 110	(48)

** This reflects US dollar cash costs net of by-products (PGMs and chrome) per pound of nickel produced.*

ARM Coal

Prices

Thermal coal prices increased in F2021 due to the global economic recovery and supply shortages.

Global coal prices were supported after China increased demand for non-Australian thermal coal. Increased safety inspections at coal mines and enforcement of compliance to licensed production capacity restricted coal supply out of China. Prices were further assisted by the delayed start to the China hydro-generation season which increased thermal power generation compared to the prior year.

The Asian Liquefied Natural Gas (LNG) price increase to record levels resulted in LNG to coal switching, which further supported additional coal demand.

The impact of the higher market prices was reduced by increased exports of low-grade quality coal due to decreased domestic demand.

Goedgevonden Mine's average received US dollar prices increased by 19% to US$57 per tonne in F2021 (F2020: US$48 per tonne). PCB's average received US dollar prices increased by 12% from US$51 per tonne in F2020 to US$57 per tonne in F2021.

Approximately 56% (F2020: 62%) of export volumes at Goedgevonden Mine was high-quality coal while PCB exports of high-quality coal amounted to 62% (F2020: 65%).

Goedgevonden Mine

Volumes

Production was negatively impacted by challenges at Transnet Freight Rail, giving rise to full stockpiles at the mine. The underperformance was exacerbated by a derailment on the coal line in April 2021. Inclement weather in January and February 2021 also affected run-of-mine production.

The Covid-19 impact on production losses reduced in 2H F2021 due to improved protocols and management thereof.

ARM's attributable run-of-mine production from Goedgevonden Mine reduced by 16% from 2.85 million tonnes in F2020 to 2.39 million tonnes in F2021, while attributable saleable production was 1.5 million tonnes in F2021 compared to 1.76 million tonnes in F2020.

Unit costs

On-mine unit production costs per saleable tonne rose by 17% to R506 per tonne (F2020: R431 per tonne). The above-inflation increase in unit costs was due mainly to a 15% reduction in saleable production volumes.

GOEDGEVONDEN MINE OPERATIONAL STATISTICS

	unit	F2021	F2020	% change
Total production and sales (100% basis)				
Saleable production	Mt	**5.79**	6.77	(15)
Export thermal coal sales	Mt	**3.89**	4.29	(9)
Domestic thermal coal sales	Mt	**1.90**	2.25	(16)
ARM attributable production and sales				
Saleable production	Mt	**1.50**	1.76	(15)
Export thermal coal sales	Mt	**1.01**	1.12	(9)
Domestic thermal coal sales	Mt	**0.49**	0.59	(16)
Average received coal price				
Export (FOB)*	US$/t	**56.73**	47.87	19
Domestic (FOT)**	R/t	**354**	305	16
Unit costs				
On-mine saleable cost	R/t	**506**	431	17
Capital expenditure	R million	**1 011**	757	33

* *FOB – free-on-board.*
** *FOT – free-on-truck.*

GOEDGEVONDEN MINE (GGV) ATTRIBUTABLE HEADLINE EARNINGS/(LOSS) ANALYSIS

R million	F2021	F2020	% change
Cash operating profit	**148**	56	164
Amortisation and depreciation	**(182)**	(197)	7
Imputed interest and other*	**(170)**	(160)	(6)
Loan re-measurement gain	**206**	207	–
Impairment loss	**–**	(559)	
Profit/(loss) before tax	**2**	(653)	
Add: Impairment loss	**–**	559	(100)
Add: tax	**8**	56	(86)
Headline earnings/(loss) attributable to ARM	**10**	(38)	

* *Post restructuring the ARM Coal loans, all interest expense on partner loans is imputed.*

Participative Coal Business (PCB)

Volumes

During the year, the PCB operations were significantly impacted by challenges at Transnet Freight Rail. This resulted in full product stockpiles at both Impunzi and Tweefontein restricting production.

In the second half of the financial year, production at Tweefontein Mine was further impacted by hot coal and hard digging conditions at the Klipplaat pit. These conditions are expected to improve in F2022 as most of the production will come from the Makoupan pit. A programme of re-drilling and blasting hot areas where practical to improve digging conditions in Klipplaat has also been implemented.

ARM's attributable run-of-mine production from PCB reduced by 11%, from 4.28 million tonnes in F2020 to 3.79 million tonnes in F2021.

Export sales volumes were 3% higher at 8 million tonnes (F2020: 7.73 million tonnes). Domestic sales volumes declined from 5.74 million tonnes to 2.9 million tonnes largely due to decreased sales to Eskom.

ARM's attributable saleable production reduced by 13% from 2.69 million tonnes in F2020 to 2.34 million tonnes in F2021.

PCB successfully commissioned a second dragline at Tweefontein Mine in the latter part of 1H F2021. This is expected to improve both production and cost management.

Unit costs

Unit production costs per saleable tonne increased by 7% from R484 per tonne in F2020 to R520 per tonne in F2021, mainly due to lower saleable production volumes.

PCB OPERATIONAL STATISTICS

	unit	F2021	F2020	% change
Total production sales (100% basis)				
Saleable production	Mt	**11.58**	13.34	(13)
Export thermal coal sales	Mt	**8.00**	7.73	3
Domestic thermal coal sales	Mt	**2.90**	5.74	(49)
ARM attributable production and sales				
Saleable production	Mt	**2.34**	2.69	(13)
Export thermal coal sales	Mt	**1.62**	1.56	3
Domestic thermal coal sales	Mt	**0.59**	1.16	(49)
Average received coal price				
Export (FOB)*	US$/tonne	**56.97**	50.54	13
Domestic (FOT)**	R/tonne	**678**	666	2
Unit costs				
On-mine saleable cost	R/tonne	**520**	484	7
Capital expenditure	R million	**1 226**	2 286	(46)

* *FOB – free-on-board.*
** *FOT – free-on-truck.*

PCB ATTRIBUTABLE HEADLINE (LOSS)/EARNINGS ANALYSIS

R million	F2021	F2020	% change
Cash operating profit	**299**	304	(2)
Imputed interest	**(104)**	(118)	(12)
Amortisation and depreciation	**(569)**	(479)	19
Loan re-measurement gain	**36**	278	(87)
Loss on sale of asset	**–**	(2)	
Impairment loss	**–**	(1 121)	
Loss before tax	**(338)**	(1 138)	(70)
Add: impairment	**–**	1 123	
Add: tax	**78**	51	53
Headline (loss)/earnings attributable to ARM	**(260)**	36	–

ARM's economic interest in PCB is 20.2%. PCB consists of two large mining complexes in Mpumalanga. ARM has a 26% effective interest in the Goedgevonden Mine near Ogies in Mpumalanga.

Harmony

ARM's investment in Harmony was negatively revalued by R1 426 million in F2021 (F2020: R2 996 million positive revaluation) as the Harmony share price decreased by 27% from R71.86 per share at 30 June 2020 to R52.76 per share at 30 June 2021. The Harmony investment is therefore reflected on the ARM statement of financial position at R3 940 million based on its share price at 30 June 2021.

Gains are accounted for, net of deferred capital gains tax, through the statement of comprehensive income. Dividends from Harmony are recognised in the ARM statement of profit or loss on the last day of registration following dividend declaration.

Harmony declared a final dividend of 27 cents per share, bringing their total dividend for F2021 to 137 cents per share.

Harmony's financial performance for F2021 reflects a net profit increase of 758% to R5 590 million compared to a net loss of R850 million in F2020. Headline earnings improved to 923 cents per share compared with a headline loss of 154 cents per share for F2020.

Revenue increased by R12 488 million or 43% to R41 733 million, mainly due to the operational expansion from the acquisition of Mponeng and related assets as well as an increase in the gold price received.

Production costs increased by R7 726 million or 35% to R29 774 million during F2021 predominantly due to the operational expansion as well as annual price increases.

As at 30 June 2021, net debt decreased by R819 million to R542 million. The cash generated by operations was sufficient to pay for capital expenditure, a dividend and significantly reduce the group's debt.

The reduction in debt as well as the stronger rand resulted in lower finance costs incurred during F2021 of R228 million compared with R424 million in F2020.

Harmony's results for the year ended 30 June 2021 can be found on Harmony's website: www.harmony.co.za

Outlook

Commodity prices saw pronounced increases in the financial year under review with record iron ore and PGM prices. Concerns remain about the sustainability of these elevated price levels as global supply for most commodities recovers post Covid-19 and weather related and other operational disruptions experienced by major suppliers start to abate.

Despite the expectation for a pullback in commodity prices, we remain positive about the outlook for PGMs and are excited about the role that these metals will play in global efforts to reduce carbon emissions, a trend that is expected to remain a key driver for commodity markets in the medium to long term.

In mobility, tightening emissions standards particularly in China and Europe are expected to be positive for PGM demand, while disruptive technologies in clean mobility such as electric vehicles are expected to gain greater momentum posing a threat to PGM demand. We believe that the medium to long-term fundamentals of PGMs remain robust as supply remains constrained and demand is expected to be supported by the role of PGMs in clean mobility particularly through hydrogen technology.

The global move to reduced carbon emissions in the steel industry has also resulted in higher demand for high quality and lumpy iron ore and manganese ore products and ARM is well positioned to benefit from the sustained demand levels.

ARM is committed to playing a meaningful role in the reduction of carbon emissions. We aim to achieve net zero greenhouse gas mining by the year 2050. This includes scope 1 and 2 emissions associated with operations under ARM's operational or joint operational management control. We are committed to the following actions to deliver on our long-term target:

- Update our target in line with updates to the International Council on Mining and Metals Climate Change Position Statement and as clarity develops regarding the appropriate form and level of ambition expected of a company such as ARM. The current scenario analysis process is still considering committing to setting a medium-term target and to develop and publish ARM's decarbonisation pathway
- Work collectively to ensure enabling policy environments
- Work collectively to secure financial and technical support especially for mining and metals operations in developing countries
- Engage with suppliers to ensure the availability of feasible decarbonisation technologies relevant to our specific operations
- Collaborate across our value chains to determine the most appropriate role we can play in contributing to net zero scope 3 emissions
- Engage with our joint venture partners to get buy-in and ensure alignment with their commitments (provided they are in line with our overall level of ambition).

ARM and the success of its operations are heavily reliant on the efficient provision of utilities and logistical infrastructure within South Africa. While there are numerous challenges in reliable supply of power, water security and costs and performance on logistics channels, we remain fully committed to working with government and all stakeholders in contributing towards and finding sustainable solutions that benefit the mining sector, South Africa's population and the country as a whole. These and other input cost escalations are expected to continue putting pressure on unit costs across the South African mining industry. We are implementing various efficiency improvement and cost containment initiatives at our operations to mitigate against above-inflation unit cost increases.

The Covid-19 pandemic continues to have pronounced health, economic and societal impacts across the globe, with its effects expected to be evident for years to come. Most countries are making progress in their vaccine rollouts and are recording reduced severity of Covid-19 infections. ARM continues to prioritise the health, safety and wellbeing of our employees who are key to the long-term sustainability of our business.

We also remain fully committed to mutually beneficial relationships with all of our stakeholders to ensure that we build a resilient and sustainable business that delivers competitive returns for shareholders.

Dividends

ARM aims to pay ordinary dividends to shareholders in line with our dividend guiding principles. Dividends are at the discretion of the board of directors which considers the company's capital allocation guiding principles as well as other relevant factors such as financial performance, commodities outlook, investment opportunities, gearing levels as well as solvency and liquidity requirements of the Companies Act.

For F2021, the board approved and declared a final dividend of 2 000 cents per share (gross) (F2020: 700 cents per share). The amount to be paid is approximately R4 489 million.

The dividend declared will be subject to dividend withholding tax. In line with paragraphs 11.17(a) (i) to (x) and 11.17(c) of the JSE Listings Requirements, the following additional information is disclosed:

- The dividend has been declared out of income reserves
- The South African dividends tax rate is 20%
- The gross local dividend is 2 000 cents per ordinary share for shareholders exempt from dividends tax
- The net local dividend is 1 600 cents per share for shareholders liable to pay dividends tax
- At the date of this declaration, ARM has 224 453 258 ordinary shares in issue
- ARM's income tax reference number is 9030/018/60/1.

A gross dividend of 2 000 cents per ordinary share, being the final dividend for the financial year ended 30 June 2021, has been declared payable on Monday, 4 October 2021 to those shareholders recorded in the books of the company at the close of business on Friday, 1 October 2021. The dividend is declared in the currency of South Africa. Any change in address or dividend instruction applying to this dividend must be received by the company's transfer secretaries or registrar not later than Friday, 1 October 2021. The last day to trade ordinary shares cum dividend is Tuesday, 28 September 2021. Ordinary shares trade ex-dividend from Wednesday, 29 September 2021. The record date is Friday, 1 October 2021 while the payment date is Monday, 4 October 2021.

No dematerialisation or rematerialisation of share certificates may occur between Wednesday, 29 September 2021 and Friday, 1 October 2021 both dates inclusive, nor may any transfers between registers take place during this period.

Changes to Mineral Resources and Mineral Reserves

There has been no material change to ARM's Mineral Resources and Mineral Reserves as disclosed in the integrated annual report for the financial year ended 30 June 2020, other than depletion due to continued mining activities at the operations with the exception of:

- Two Rivers Platinum Mine where Mineral Reserves increased mainly due to the maiden declaration of the Merensky Probable Mineral Reserves of 49.62 million tonnes at 2.89g/t (6E) after completion of a feasibility study on mining of the Merensky Reef
- Beeshoek Iron Ore Mine Mineral Reserves which significantly increased from 26.18 million tonnes at 64.63% Fe in F2020 to 61.69 million tonnes at 63.77% Fe in F2021 mainly due to the conversion from Measured and Indicated Mineral Resources to Proved and Probable Mineral Reserves as part of an optimisation study of all the Beeshoek Mine pits.

An updated Mineral Resources and Mineral Reserves statement will be issued in our F2021 integrated annual report.

Review by independent auditor

The financial results for the financial year ended 30 June 2021 have been reviewed by the company's registered auditor, Ernst & Young Inc. (the partner in charge is PD Grobbelaar CA(SA)), who expressed an unmodified conclusion on these results. The full review report can be found on the ARM website at **www.arm.co.za**.

Signed on behalf of the board:

PT Motsepe	**MP Schmidt**
Executive Chairman	*Chief Executive Officer*

Johannesburg
6 September 2021

Condensed group provisional financial statements

Condensed group statement of financial position

at

	Notes	Reviewed 30 June 2021 Rm	Restated[1] 30 June 2020 Rm	Restated[1] 1 July 2019 Rm
ASSETS				
Non-current assets				
Property, plant and equipment	4	**8 244**	7 211	7 062
Investment properties		**24**	24	–
Intangible assets		**76**	83	114
Deferred tax assets	5	**274**	–	485
Loans and long-term receivables	6	**40**	48	53
Non-current financial asset	13	**193**	230	–
Investment in associate	7	**534**	795	1 837
Investment in joint venture	8	**20 938**	17 545	16 702
Other investments	11	**4 210**	5 635	2 648
		34 533	31 571	28 901
Current assets				
Inventories		**467**	568	676
Trade and other receivables	12	**7 825**	3 306	3 026
Taxation		**70**	132	34
Financial assets	13	**523**	1 309	–
Cash and cash equivalents	14	**9 671**	5 715	4 632
		18 556	11 030	8 368
Total assets		**53 089**	42 601	37 269
EQUITY AND LIABILITIES				
Capital and reserves				
Ordinary share capital		**11**	11	11
Share premium		**5 212**	4 950	4 700
Treasury shares		**(2 405)**	(2 405)	(2 405)
Other reserves		**2 915**	4 367	1 958
Retained earnings		**34 461**	25 157	23 909
Equity attributable to equity holders of ARM		**40 194**	32 080	28 173
Non-controlling interest		**3 582**	2 028	1 530
Total equity		**43 776**	34 108	29 703
Non-current liabilities				
Long-term borrowings	15	**1 105**	1 565	1 148
Deferred tax liabilities	5	**2 968**	2 085	1 517
Long-term provisions	23	**1 883**	1 953	1 599
		5 956	5 603	4 264
Current liabilities				
Trade and other payables		**1 940**	1 637	1 608
Short-term provisions		**898**	737	648
Taxation		**155**	103	110
Overdrafts and short-term borrowings – interest bearing	15	**57**	413	936
– non-interest bearing	15	**307**	–	–
		3 357	2 890	3 302
Total equity and liabilities		**53 089**	42 601	37 269

[1] Comparative information has been restated. Refer to note 6 for more detail.

Condensed group statement of profit or loss

for the year ended 30 June 2021

	Notes	Reviewed F2021 Rm	Audited F2020 Rm
Revenue	3	**21 457**	12 386
Sales	3	**19 657**	11 653
Cost of sales		**(7 900)**	(7 492)
Gross profit		**11 757**	4 161
Other operating income	17	**2 378**	1 160
Other operating expenses	18	**(2 717)**	(2 050)
Profit from operations before capital items		**11 418**	3 271
Income from investments		**487**	446
Finance costs		**(329)**	(397)
(Loss)/income from associate	19	**(260)**	33
Income from joint venture	8	**7 498**	4 450
Profit before taxation and capital items		**18 814**	7 803
Capital items before tax	9	**(9)**	(1 693)
Profit before taxation		**18 805**	6 110
Taxation	20	**(3 333)**	(1 076)
Profit for the year		**15 472**	5 034
Attributable to:			
Equity holders of ARM			
Profit for the year		**12 626**	3 965
Basic earnings for the year		**12 626**	3 965
Non-controlling interest			
Profit for the year		**2 846**	1 069
		2 846	1 069
Profit for the year		**15 472**	5 034
Earnings per share			
Basic earnings per share (cents)	10	**6 464**	2 042
Diluted basic earnings per share (cents)	10	**6 399**	2 011

Condensed group statement of comprehensive income

for the year ended 30 June 2021

	Financial instruments at fair value through other compre-hensive income Rm	Other Rm	Retained earnings Rm	**Total share-holders of ARM Rm**	Non-controlling interest Rm	**Total Rm**
For the year ended 30 June 2020 (Audited)						
Profit for the year to 30 June 2020	–	–	3 965	**3 965**	1 069	**5 034**
Other comprehensive income that will not be reclassified to the statement of profit or loss in subsequent periods						
Net impact of revaluation of listed investment	2 325	–	–	**2 325**	–	**2 325**
Revaluation of listed investment[1]	2 996	–	–	**2 996**	–	**2 996**
Deferred tax on above	(671)	–	–	**(671)**	–	**(671)**
Other comprehensive income that may be reclassified to the statement of profit or loss in subsequent periods						
Foreign currency translation reserve movement	–	203	–	**203**	–	**203**
Total other comprehensive income	2 325	203	–	**2 528**	–	**2 528**
Total comprehensive income for the year	2 325	203	3 965	**6 493**	1 069	**7 562**
For the year ended 30 June 2021 (Reviewed)						
Profit for the year to 30 June 2021	–	–	12 626	**12 626**	2 846	**15 472**
Other comprehensive income that will not be reclassified to the statement of profit or loss in subsequent periods						
Net impact of revaluation of listed investment	(1 107)	–	–	**(1 107)**	–	**(1 107)**
Revaluation of listed investment[1]	(1 426)	–	–	**(1 426)**	–	**(1 426)**
Deferred tax on above	319	–	–	**319**	–	**319**
Other comprehensive income that may be reclassified to the statement of profit or loss in subsequent periods						
Foreign currency translation reserve movement	–	(161)	–	**(161)**	–	**(161)**
Total other comprehensive loss	(1 107)	(161)	–	**(1 268)**	–	**(1 268)**
Total comprehensive (loss)/income for the year	(1 107)	(161)	12 626	**11 358**	2 846	**14 204**

[1] *The share price of Harmony decreased from R71.86 per share at 30 June 2020 to R52.76 at 30 June 2021 and increased from R31.74 at 30 June 2019 to R71.86 per share at 30 June 2020. The valuation of the investment in Harmony is based on a level 1 fair value hierarchy level in terms of International Financial Reporting Standards (IFRS).*

Condensed group statement of changes in equity

for the year ended 30 June 2021

	Share capital and premium Rm	Treasury shares Rm	Other reserves: Financial instruments at fair value through other comprehensive income Rm	Other reserves: Share-based payments Rm	Other reserves: Other[1] Rm	Retained earnings Rm	Total shareholders of ARM Rm	Non-controlling interest Rm	Total Rm
Balance at 30 June 2019	4 711	(2 405)	1 019	1 003	(64)	23 909	**28 173**	1 530	**29 703**
Total comprehensive income for the year	–	–	2 325	–	203	3 965	**6 493**	1 069	**7 562**
Profit for the year to 30 June 2020	–	–	–	–	–	3 965	**3 965**	1 069	**5 034**
Other comprehensive income	–	–	2 325	–	203	–	**2 528**	–	**2 528**
Bonus and performance shares issued to employees	307	–	–	(298)	–	–	**9**	–	**9**
Dividend paid[2]	–	–	–	–	–	(2 717)	**(2 717)**	–	**(2 717)**
Dividend declared to non-controlling interests[3]	–	–	–	–	–	–	**–**	(571)	**(571)**
Share repurchase	(57)	–	–	–	–	–	**(57)**	–	**(57)**
Share-based payments expense	–	–	–	179	–	–	**179**	–	**179**
Balance at 30 June 2020	4 961	(2 405)	3 344	884	139	25 157	**32 080**	2 028	**34 108**
Total comprehensive income for the year	–	–	(1 107)	–	(161)	12 626	**11 358**	2 846	**14 204**
Profit for the year to 30 June 2021	–	–	–	–	–	12 626	**12 626**	2 846	**15 472**
Other comprehensive income	–	–	(1 107)	–	(161)	–	**(1 268)**	–	**(1 268)**
Bonus and performance shares issued to employees	262	–	–	(332)	–	–	**(70)**	–	**(70)**
Dividend paid[2]	–	–	–	–	–	(3 322)	**(3 322)**	–	**(3 322)**
Dividend declared to non-controlling interests[3]	–	–	–	–	–	–	**–**	(1 292)	**(1 292)**
Share-based payments expense	–	–	–	148	–	–	**148**	–	**148**
Balance at 30 June 2021	5 223	(2 405)	2 237	700	(22)	34 461	**40 194**	3 582	**43 776**

[1] *Other reserves consist of the following:*

	F2021 Rm	F2020 Rm	F2019 Rm
Dilution in Two Rivers	**(26)**	(26)	(26)
Foreign currency translation reserve – Assmang	**62**	167	24
Foreign currency translation reserve – other entities	**13**	69	9
Capital redemption and prospecting loans written off	**28**	28	28
Tamboti assets sale to Two Rivers	**(99)**	(99)	(99)
Total	**(22)**	139	(64)

[2] *Interim dividend paid of 1 000 cents (F2020: 500 cents) per share and final dividend paid of 700 cents (F2020: 900 cents) per share.*
[3] *Dividends to Impala Platinum and Modikwa non-controlling interests.*

Condensed group statement of cash flows

for the year ended 30 June 2021

	Notes	Reviewed F2021 Rm	Audited F2020 Rm
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from customers		**17 189**	12 499
Cash paid to suppliers and employees		**(9 387)**	(8 633)
Cash generated from operations	21	**7 802**	3 866
Interest received		**358**	373
Interest paid		**(45)**	(79)
Taxation paid		**(2 291)**	(800)
		5 824	3 360
Dividends received from joint venture	8	**4 000**	3 750
Dividends received from investments – Harmony		**82**	–
Dividends received from other		**–**	2
Dividend paid to non-controlling interest – Impala Platinum		**(1 219)**	(566)
Dividend paid to shareholders		**(3 322)**	(2 717)
Net cash inflow from operating activities		**5 365**	3 829
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment to maintain operations		**(1 224)**	(651)
Additions to property, plant and equipment to expand operations		**(433)**	(154)
Proceeds on disposal of property, plant and equipment		**3**	1
Investments in financial assets		**(308)**	(1 539)
Proceeds from financial assets matured		**1 124**	–
Net cash outflow from investing activities		**(838)**	(2 343)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from exercise of share options		**44**	4
Share buy back		**–**	(57)
Long-term borrowings raised		**264**	–
Long-term borrowings repaid		**(461)**	(216)
Short-term borrowings raised		**–**	43
Short-term borrowings repaid		**(187)**	(48)
Net cash outflow from financing activities		**(340)**	(274)
Net increase in cash and cash equivalents		**4 187**	1 212
Cash and cash equivalents at beginning of year		**5 512**	4 239
Foreign currency translation on cash balance		**(44)**	61
Cash and cash equivalents at end of year		**9 655**	5 512
Made up as follows:			
– Available	14	**8 849**	4 767
– Cash set aside for specific use	14	**806**	745
		9 655	5 512
Overdrafts	15	**16**	203
Cash and cash equivalents per statement of financial position		**9 671**	5 715
Cash generated from operations per share (cents)		**3 994**	1 991

Notes to the condensed group financial statements

for the year ended 30 June 2021 (Reviewed)

1 STATEMENT OF COMPLIANCE

The condensed group provisional results for the financial year under review have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and contains the information required by IAS 34 *Interim Financial Reporting*, requirements of the South African Companies Act and the Listings Requirements of the Johannesburg Stock Exchange (JSE) Limited.

Basis of preparation

The condensed group provisional results for the financial year under review have been prepared under the supervision of the finance director Ms TTA Mhlanga CA(SA). The condensed group provisional results for the financial year under review have been prepared on the historical cost basis, except for certain financial instruments that are fairly valued. The accounting policies used are in terms of IFRS and are consistent with those applied in the most recent annual financial statements, apart from the new standards adopted in the current year.

The condensed group provisional results for the financial year under review are prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports and the requirements of the Companies Act of South Africa. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

Adoption of new and revised accounting standards

The group has adopted the following new and/or revised standards and interpretations issued by the International Accounting Standards Board (IASB) that became effective.

Standard	Subject	Effective date
IFRS 3	Business Combinations – Amendments	1 January 2020
IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform	1 January 2020
IAS 1	Presentation of Financial Statements – Amendment	1 January 2020
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors – Amendment	1 January 2020
IFRS 16	Covid-19-Related Rent Concessions – Amendment	1 June 2020

The adoption of the above standards had no significant effect on the group financial statements.

IFRS 15 *Revenue from Contracts with Customers*

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Some fees only become payable to the group when the entity paying the fees receives payments from its customers for saleable products.

1 STATEMENT OF COMPLIANCE continued

Covid-19 impact on operations

Health and safety measures are complied with at all operations. Measures that have been put in place to reduce the risk of a Covid-19 outbreak include the following:
- Daily screening of all employees
- Compulsory wearing of face masks
- Social distancing throughout the mine
- Installation of hand wash basins and sanitising stations
- Regular disinfection of high risk areas
- Driving vaccinations.

ARM Platinum

Two Rivers
Two Rivers sells its PGM concentrate to African Rainbow Minerals Limited's 46% partner Impala Platinum. There were no defaults on payments due during the F2021 reporting period. The mine was operating at 70% capacity and returned to full capacity towards the end of August 2020. The mine remained at full workforce capacity for the remainder of F2021.

It is estimated that the negative impact of Covid-19 on production is currently minimal.

Management continues to follow the safety measures put in place to curb the spread of Covid-19.

Two Rivers was selected to be a Covid-19 vaccination site by the Department of Health. A number of vaccinations have taken place since the opening of the vaccination site.

Modikwa
Modikwa Mine is allowed to produce at 100% capacity, with strict social distancing and other health and safety measures to be complied with. Modikwa Mine experienced a slower than anticipated ramp-up of production following the easing of the lockdown regulations.

It is estimated that the negative impact of Covid-19 on production is currently less than 10%.

Voluntary separation and early retirement options were given to Covid-19-vulnerable employees over the period.

Modikwa sells its concentrate to African Rainbow Minerals Limited's 50% joint venture partner Rustenburg Platinum Mines. There were no defaults on payments due during F2021.

The mine was operating with 100% of the workforce as at the end of F2021.

Modikwa was selected to be a Covid-19 vaccination site by the Department of Health. A number of vaccinations have taken place since the opening of the vaccination site.

Nkomati
Nkomati did not experience any material challenges with the sales of its products during the reporting period.

The joint venture partners of Nkomati ceased mining operations on 14 March 2021. The mine is currently under care and maintenance.

1 STATEMENT OF COMPLIANCE continued

ARM Ferrous

Assmang

All of Assmang's operations were operating at 100% capacity for F2021. Sales volumes and production were not impacted by Covid-19, with the exception of Black Rock Mine, where production was impacted by Covid-19-related challenges and increasing community protest action.

The Northern Cape operations (Khumani, Black Rock and Beeshoek) were selected to be Covid-19 vaccination sites by the Department of Health. A number of vaccinations have taken place since the opening of the vaccination sites.

Sakura

At 30 June 2021 Sakura was operating at 100% capacity, sales and production were not impacted by Covid-19.

From 3 February 2021, a decision was taken to operate the plant with only essential personnel, in order to limit the possible exposure to Covid-19.

The identified positive cases had no impact on production. Hygiene and screening processes on-site remain enforced and are working well. The current recovery movement control order (RMCO) has been extended indefinitely until the high number of new positive cases in Malaysia drops below 4 000 cases per day.

ARM Coal

At the beginning of F2021 production volumes were negatively impacted by approximately 10% due to increased health and safety measures at the ARM Coal operations resulting from the Covid-19 pandemic.

The impact on production resulting from Covid-19 reduced to approximately 5% towards the latter part of F2021.

New standards issued but not yet effective

The following amendments, standards or interpretations have been issued but are not yet effective for the group. The effective date refers to periods beginning on or after, unless otherwise indicated.

Standard	Subject	Effective date
IFRS 3	Business Combinations – Amendments	1 January 2022
IAS 1	Presentation of Financial Statements – Amendment	1 January 2023
IAS 16	Property, Plant and Equipment – Amendment	1 January 2022
IAS 37	Provisions, Contingent Liabilities and Contingent assets – Amendment	1 January 2022
IFRS 9	Financial Instruments – Amendment	1 January 2022
IFRS 9, IFRS 7, IFRS 4, IAS 39 and IFRS 16	Interest Rate Benchmark Reform – Amendment	1 January 2021
IFRS 17	Insurance Contracts	1 January 2023

The group does not intend early adopting any of the above amendments or standards.

ARM continuously evaluates the impact of these standards and amendments, the adoption of which are not expected to have a significant effect on the group financial statements.

2 PRIMARY SEGMENTAL INFORMATION

Business segments

For management purposes, the group is organised into the following operating divisions: ARM Platinum (which includes platinum and nickel), ARM Ferrous, ARM Coal and ARM Corporate. Machadodorp Works, corporate and other and gold are included in ARM Corporate.

Attributable	ARM Platinum Rm	ARM Ferrous[1] Rm	ARM Coal Rm	ARM Corporate Rm	**Total Rm**	IFRS adjust-ment[2] Rm	**Total per IFRS financial statements Rm**
2.1 Year to 30 June 2021 (Reviewed)							
Sales	18 463	24 907	1 058	136	**44 564**	(24 907)	**19 657**
Cost of sales	(6 687)	(11 046)	(1 078)	(93)	**(18 904)**	11 004	**(7 900)**
Other operating income[3]	293	81	236	1 747	**2 357**	21	**2 378**
Other operating expenses[3]	(1 611)	(2 914)	(50)	(1 056)	**(5 631)**	2 914	**(2 717)**
Segment result	10 458	11 028	166	734	**22 386**	(10 968)	**11 418**
Income from investments	72	245	11	404	**732**	(245)	**487**
Finance cost	(95)	(37)	(175)	(59)	**(366)**	37	**(329)**
Income from associate[4]	–	–	(260)	–	**(260)**	–	**(260)**
Loss from joint venture	–	(3)	–	–	**(3)**	7 501	**7 498**
Capital items before tax (refer note 9)	–	(502)	–	(9)	**(511)**	502	**(9)**
Taxation	(2 925)	(3 190)	8	(399)	**(6 506)**	3 173	**(3 333)**
Profit/(loss) after tax	7 510	7 541	(250)	671	**15 472**	–	**15 472**
Non-controlling interest	(2 844)	–	–	(2)	**(2 846)**	–	**(2 846)**
Consolidation adjustment[5]	–	(43)	–	43	**–**	–	**–**
Contribution to basic earnings/(losses)	4 666	7 498	(250)	712	**12 626**	–	**12 626**
Contribution to headline earnings/(losses)	4 666	7 927	(250)	721	**13 064**	–	**13 064**
Other information							
Segment assets, including investment in associate	14 403	27 441	3 085	14 663	**59 592**	(6 503)	**53 089**
Investment in associate			534		**534**		**534**
Investment in joint venture						20 938	**20 938**
Segment liabilities	2 644	2 997	1 847	1 699	**9 187**	(2 997)	**6 190**
Unallocated liabilities (tax and deferred tax)					**6 629**	(3 506)	**3 123**
Consolidated total liabilities					**15 816**	(6 503)	**9 313**
Cash generated from operations	7 758	9 836	197	(153)	**17 638**	(9 836)	**7 802**
Cash inflow/(outflow) from operating activities	4 742	7 255	199	(3 576)	**8 620**	(3 255)	**5 365**
Cash (outflow)/inflow from investing activities	(1 562)	(2 345)	(193)	917	**(3 183)**	2 345	**(838)**
Cash outflow from financing activities	(313)	(19)	(10)	(17)	**(359)**	19	**(340)**
Capital expenditure	1 611	2 221	263	10	**4 105**	(2 221)	**1 884**
Amortisation and depreciation	619	1 126	182	8	**1 935**	(1 126)	**809**
Impairment before tax	–	500	–	9	**509**	(500)	**9**
EBITDA	11 077	12 154	348	742	**24 321**	(12 094)	**12 227**

There were no significant inter-company sales.

[1] *Refer to ARM Ferrous segment note 2.4 and note 8 for more detail.*
[2] *Includes IFRS 11 Joint Arrangements – adjustments related to ARM Ferrous.*
[3] *The re-measurement of the ARM Coal loans amounts to R53 million gain with no tax effect.*
The re-measurement of the Modikwa loans amounts to R6 million loss with no tax effect.
The fair value adjustment of the Harmony loan amounts to R47 million gain with no tax effect.
[4] *The re-measurement of the ARM Coal loans amounts to a gain of R36 million with no tax effect.*
[5] *Relates to fees capitalised in ARM Ferrous and reversed upon consolidation.*

2 PRIMARY SEGMENTAL INFORMATION continued

Attributable	ARM Platinum Rm	ARM Ferrous[1] Rm	ARM Coal Rm	ARM Corporate Rm	**Total Rm**	IFRS adjust-ment[2] Rm	**Total per IFRS financial statements Rm**
2.2 Year to 30 June 2020 (Audited)							
Sales	10 548	15 717	1 056	49	**27 370**	(15 717)	**11 653**
Cost of sales	(6 165)	(8 768)	(1 201)	(92)	**(16 226)**	8 734	**(7 492)**
Other operating income[3]	120	538	232	713	**1 603**	(443)	**1 160**
Other operating expenses[3]	(1 098)	(1 334)	(20)	(932)	**(3 384)**	1 334	**(2 050)**
Segment result	3 405	6 153	67	(262)	**9 363**	(6 092)	**3 271**
Income from investments	99	305	13	334	**751**	(305)	**446**
Finance cost	(120)	(53)	(173)	(104)	**(450)**	53	**(397)**
Profit from associate[4]	–	–	33	–	**33**	–	**33**
Loss from joint venture	–	(127)	–	–	**(127)**	4 577	**4 450**
Capital items before tax (refer note 9)	–	(38)	(937)	(756)	**(1 731)**	38	**(1 693)**
Taxation	(1 174)	(1 746)	211	(96)	**(2 805)**	1 729	**(1 076)**
Profit/(loss) after tax	2 210	4 494	(786)	(884)	**5 034**	–	**5 034**
Non-controlling interest	(1 068)	–	–	(1)	**(1 069)**	–	**(1 069)**
Consolidation adjustment[5]	–	(44)	–	44	**–**	–	**–**
Contribution to basic earnings/(losses)	1 142	4 450	(786)	(841)	**3 965**	–	**3 965**
Contribution to headline earnings/(losses)	1 142	4 479	(2)	(85)	**5 534**	–	**5 534**
Other information							
Segment assets, including investment in associate	10 179	22 835	3 428	11 449	**47 891**	(5 290)	**42 601**
Investment in associate			795		**795**	–	**795**
Investment in joint venture						17 545	**17 545**
Segment liabilities	2 924	2 090	1 801	1 580	**8 395**	(2 090)	**6 305**
Unallocated liabilities (tax and deferred tax)					**5 388**	(3 200)	**2 188**
Consolidated total liabilities					**13 783**	(5 290)	**8 493**
Cash generated from operations	4 055	7 463	144	(333)	**11 329**	(7 463)	**3 866**
Cash inflow/(outflow) from operating activities	2 608	6 080	161	(2 690)	**6 159**	(2 330)	**3 829**
Cash outflow from investing activities	(829)	(2 183)	(192)	(1 322)	**(4 526)**	2 183	**(2 343)**
Cash (outflow)/inflow from financing activities	(127)	9	–	(147)	**(265)**	(9)	**(274)**
Capital expenditure	1 132	2 173	197	4	**3 506**	(2 173)	**1 333**
Amortisation and depreciation	448	994	197	7	**1 646**	(994)	**652**
Impairment before tax	–	7	941	750	**1 698**	(7)	**1 691**
EBITDA	3 853	7 147	264	(255)	**11 009**	(7 086)	**3 923**

There were no significant inter-company sales.

[1] *Refer to ARM Ferrous segment note 2.4 and note 8 for more detail.*
[2] *Includes IFRS 11 Joint Arrangements – adjustments related to ARM Ferrous.*
[3] *The re-measurement of the ARM Coal loans amounts to R147 million gain with no tax effect. The re-measurement of the Modikwa loans amounts to R8 million loss.*
[4] *The re-measurement of the ARM Coal loans amounts to a gain of R279 million with no tax effect. Impairment losses included in income from associate are R4 million before tax of R1 million.*
[5] *Relates to fees capitalised in ARM Ferrous and reversed upon consolidation.*

2 PRIMARY SEGMENTAL INFORMATION continued

The ARM Platinum segment is analysed further into Two Rivers Platinum Mine, ARM Mining Consortium (which includes Modikwa Platinum Mine) and Nkomati Nickel Mine.

Attributable	Nkomati[1] Rm	Two Rivers Rm	Modikwa Rm	Platinum total Rm
2.3 Year to 30 June 2021 (Reviewed)				
External sales	1 547	11 992	4 924	**18 463**
Cost of sales	(1 230)	(3 533)	(1 924)	**(6 687)**
Other operating income	3	180	110	**293**
Other operating expenses	(134)	(952)	(525)	**(1 611)**
Segment result	186	7 687	2 585	**10 458**
Income from investments	6	32	34	**72**
Finance cost	(26)	(60)	(9)	**(95)**
Taxation	(1)	(2 156)	(768)	**(2 925)**
Profit after tax	165	5 503	1 842	**7 510**
Non-controlling interest	–	(2 531)	(313)	**(2 844)**
Contribution to basic earnings	165	2 972	1 529	**4 666**
Contribution to headline earnings	165	2 972	1 529	**4 666**
Other information				
Segment and consolidated assets	284	9 709	4 410	**14 403**
Segment liabilities	690	1 402	552	**2 644**
Unallocated liabilities (tax and deferred tax)				**2 388**
Consolidated total liabilities				**5 032**
Cash generated from operations	115	5 878	1 765	**7 758**
Cash inflow from operating activities	119	3 289	1 334	**4 742**
Cash outflow from investing activities	(6)	(1 182)	(374)	**(1 562)**
Cash outflow from financing activities	–	(221)	(92)	**(313)**
Capital expenditure	–	1 281	330	**1 611**
Amortisation and depreciation	–	488	131	**619**
EBITDA	186	8 175	2 716	**11 077**

[1] Nkomati ceased mining operations on 14 March 2021. The mine is currently under care and maintenance.

2 PRIMARY SEGMENTAL INFORMATION continued

Attributable	Nkomati Rm	Two Rivers Rm	Modikwa Rm	Platinum total Rm
2.3 Year to 30 June 2020 (Audited) continued				
External sales	1 282	6 173	3 093	**10 548**
Cost of sales	(1 475)	(2 994)	(1 696)	**(6 165)**
Other operating income	12	21	87	**120**
Other operating expenses	(523)	(383)	(192)	**(1 098)**
Segment result	(704)	2 817	1 292	**3 405**
Income from investments	7	25	67	**99**
Finance cost	(32)	(83)	(5)	**(120)**
Taxation	25	(786)	(413)	**(1 174)**
(Loss)/profit after tax	(704)	1 973	941	**2 210**
Non-controlling interest	–	(908)	(160)	**(1 068)**
Contribution to basic (losses)/earnings	(704)	1 065	781	**1 142**
Contribution to headline (losses)/earnings	(704)	1 065	781	**1 142**
Other information				
Segment and consolidated assets	445	6 029	3 705	**10 179**
Segment liabilities	1 009	1 339	576	**2 924**
Unallocated liabilities (tax and deferred tax)				**1 363**
Consolidated total liabilities				**4 287**
Cash generated from operations	(121)	2 641	1 535	**4 055**
Cash (outflow)/inflow from operating activities	(132)	1 261	1 479	**2 608**
Cash outflow from investing activities	(51)	(428)	(350)	**(829)**
Cash outflow from financing activities	(6)	(72)	(49)	**(127)**
Capital expenditure	–	813	319	**1 132**
Amortisation and depreciation	–	355	93	**448**
EBITDA	(704)	3 172	1 385	**3 853**

2 PRIMARY SEGMENTAL INFORMATION continued

2.4 Analysis of the ARM Ferrous segment on a 100% basis

	Iron ore division Rm	Manganese division Rm	ARM Ferrous total Rm	ARM share Rm	IFRS adjust-ment[1] Rm	Total per IFRS financial statements Rm
Year to 30 June 2021 (Reviewed)						
Sales	37 621	12 192	**49 813**	**24 907**	(24 907)	**–**
Cost of sales	(12 286)	(9 807)	**(22 093)**	**(11 046)**	11 046	**–**
Other operating income	1 329	168	**1 497**	**81**	(81)	**–**
Other operating expense	(5 970)	(1 190)	**(7 160)**	**(2 914)**	2 914	**–**
Segment result	20 694	1 363	**22 057**	**11 028**	(11 028)	**–**
Income from investments	478	13	**491**	**245**	(245)	**–**
Finance cost	(62)	(12)	**(74)**	**(37)**	37	**–**
Loss from joint venture	–	(7)	**(7)**	**(3)**	3	**–**
Capital items before tax (refer note 9)	(49)	(956)	**(1 005)**	**(502)**	502	**–**
Taxation	(6 065)	(314)	**(6 379)**	**(3 190)**	3 190	**–**
Profit after tax	14 996	87	**15 083**	**7 541**	(7 541)	**–**
Consolidation adjustment				**(43)**	43	**–**
Contribution to basic earnings	14 996	87	**15 083**	**7 498**	–	**7 498**
Contribution to headline earnings	15 046	897	**15 943**	**7 927**	–	**7 927**
Other information						
Consolidated total assets	35 662	20 806	**56 468**	**27 441**	(6 503)	**20 938**
Consolidated total liabilities	6 846	6 606	**13 452**	**2 997**	(2 997)	**–**
Capital expenditure	2 397	2 248	**4 645**	**2 221**	(2 221)	**–**
Amortisation and depreciation	1 561	775	**2 336**	**1 126**	(1 126)	**–**
Cash inflow/(outflow) from operating activities[2]	10 477	(3 968)	**6 509**	**7 255**	(7 255)	**–**
Cash outflow from investing activities	(2 464)	(2 225)	**(4 689)**	**(2 345)**	2 345	**–**
Cash outflow from financing activities	(39)	–	**(39)**	**(19)**	19	**–**
EBITDA	22 255	2 138	**24 393**	**12 154**	(12 154)	
Additional information for ARM Ferrous at 100%						
Non-current assets						
Property, plant and equipment			**29 029**		(29 029)	**–**
Investment in joint venture			**778**		(778)	**–**
Other non-current assets			**1 851**		(1 851)	**–**
Current assets						
Inventories			**5 131**		(5 131)	**–**
Trade and other receivables			**11 378**		(11 378)	**–**
Financial assets			**102**		(102)	**–**
Cash and cash equivalents			**8 198**		(8 198)	**–**
Non-current liabilities						
Other non-current liabilities			**8 199**		(8 199)	**–**
Current liabilities						
Trade and other payables			**3 511**		(3 511)	**–**
Short-term provisions			**1 423**		(1 423)	**–**
Taxation			**161**		(161)	

[1] *Includes consolidation and IFRS 11 Joint Arrangements – adjustments.*
[2] *Dividend paid amounting to R4 billion included in cash flows from operating activities.*

Refer note 2.1 and note 8 for more detail on the ARM Ferrous segment.

2 PRIMARY SEGMENTAL INFORMATION continued

2.4 Analysis of the ARM Ferrous segment on a 100% basis continued

	Iron ore division Rm	Manganese division Rm	ARM Ferrous total Rm	ARM share Rm	IFRS adjustment[1] Rm	Total per IFRS financial statements Rm
Year to 30 June 2020 (Audited)						
Sales	20 638	10 795	**31 433**	**15 717**	(15 717)	**–**
Cost of sales	(10 033)	(7 503)	**(17 536)**	**(8 768)**	8 768	**–**
Other operating income	1 235	701	**1 936**	**538**	(538)	**–**
Other operating expense	(2 267)	(1 258)	**(3 525)**	**(1 334)**	1 334	**–**
Segment result	9 573	2 735	**12 308**	**6 153**	(6 153)	**–**
Income from investments	595	15	**610**	**305**	(305)	**–**
Finance cost	(48)	(56)	**(104)**	**(53)**	53	**–**
Loss from joint venture	–	(254)	**(254)**	**(127)**	127	**–**
Capital items before tax (refer note 9)	(64)	(13)	**(77)**	**(38)**	38	**–**
Taxation	(2 730)	(764)	**(3 494)**	**(1 746)**	1 746	**–**
Profit after tax	7 326	1 663	**8 989**	**4 494**	(4 494)	**–**
Consolidation adjustment			**–**	**(44)**	44	**–**
Contribution to basic earnings	7 326	1 663	**8 989**	**4 450**	–	**4 450**
Contribution to headline earnings	7 376	1 672	**9 048**	**4 479**	–	**4 479**
Other information						
Consolidated total assets	22 002	25 132	**47 134**	**22 835**	(5 290)	**17 545**
Consolidated total liabilities	4 953	6 036	**10 989**	**2 090**	(2 090)	**–**
Capital expenditure	2 223	2 314	**4 537**	**2 173**	(2 173)	**–**
Amortisation and depreciation	1 419	637	**2 056**	**994**	(994)	**–**
Cash inflow from operating activities	4 980[2]	3 429	**8 409**	**6 080**	(6 080)	**–**
Cash outflow from investing activities	(2 099)	(2 267)	**(4 366)**	**(2 183)**	2 183	**–**
EBITDA	10 992	3 372	**14 364**	**7 147**	(7 147)	**–**
Additional information for ARM Ferrous at 100%						
Non-current assets						
Property, plant and equipment			**27 306**		(27 306)	**–**
Investment in joint venture			**1 442**		(1 442)	**–**
Other non-current assets			**1 542**		(1 542)	**–**
Current assets						
Inventories			**5 198**		(5 198)	**–**
Trade and other receivables			**5 131**		(5 131)	**–**
Financial assets			**99**		(99)	**–**
Cash and cash equivalents			**6 416**		(6 416)	**–**
Taxation			**189**		(189)	**–**
Non-current liabilities						
Other non-current liabilities			**8 303**		(8 303)	**–**
Current liabilities						
Trade and other payables			**1 813**		(1 813)	**–**
Short-term provisions			**1 024**		(1 024)	**–**

[1] *Includes consolidation and IFRS 11* Joint Arrangements *– adjustments.*
[2] *Dividend paid amounting to R3.8 billion included in cash flows from operating activities.*

Refer note 2.2 and note 8 for more detail on the ARM Ferrous segment.

2 PRIMARY SEGMENTAL INFORMATION continued

2.5 Additional information

ARM Corporate as presented in the table on pages 34 and 35 is analysed further into Machadodorp, corporate and other, and gold segments.

	Machadodorp Works Rm	Corporate and other Rm	Gold Rm	**Total ARM Corporate Rm**
Year to 30 June 2021 (Reviewed)				
Sales	136	–		**136**
Cost of sales	(149)	56		**(93)**
Other operating income[1]	7	1 740		**1 747**
Other operating expenses[1]	(130)	(926)		**(1 056)**
Segment result	(136)	870		**734**
Income from investments	–	322	82	**404**
Finance costs	(22)	(37)		**(59)**
Capital item (refer note 9)	–	(9)		**(9)**
Taxation	51	(450)		**(399)**
(Loss)/profit after tax	(107)	696	82	**671**
Non-controlling interest	–	(2)		**(2)**
Consolidation adjustments[2]	–	43		**43**
Contribution to basic losses	(107)	737	82	**712**
Contribution to headline (losses)/earnings	(107)	746	82	**721**
Other information				
Segment and consolidated assets	151	10 572	3 940	**14 663**
Segment liabilities	298	1 401		**1 699**
Cash outflow from operating activities	(4)	(3 654)	82	**(3 576)**
Cash (outflow)/inflow from investing activities	(1)	918		**917**
Cash outflow from financing activities	–	(17)		**(17)**
Capital expenditure	1	9		**10**
Amortisation and depreciation	–	8		**8**
Impairment before tax	–	9		**9**
EBITDA	(136)	878		**742**

[1] *Corporate and other includes a re-measurement loss on the loans to Modikwa and ARM Coal of R16 million and a fair value gain on the loan from Harmony of R47 million.*

[2] *Relates to fees capitalised in ARM Ferrous and reversed on consolidation.*

2 PRIMARY SEGMENTAL INFORMATION continued

2.5 Additional information continued

	Machadodorp Works Rm	Corporate and other Rm	Gold Rm	Total ARM Corporate Rm
Year to 30 June 2020 (Audited)				
Sales	49	–		**49**
Cost of sales	(142)	50		**(92)**
Other operating income[1]	5	708		**713**
Other operating expenses[1]	(133)	(799)		**(932)**
Segment result	(221)	(41)		**(262)**
Income from investments	–	334		**334**
Finance costs	(18)	(86)		**(104)**
Capital item (refer note 9)	(7)	(749)		**(756)**
Taxation	76	(172)		**(96)**
Loss after tax	(170)	(714)		**(884)**
Non-controlling interest	–	(1)		**(1)**
Consolidation adjustment[2]	–	44		**44**
Contribution to basic losses	(170)	(671)		**(841)**
Contribution to headline (losses)/earnings	(163)	78		**(85)**
Other information				
Segment and consolidated assets	89	5 994	5 366	**11 449**
Segment liabilities	370	1 210		**1 580**
Cash inflow/(outflow) from operating activities	4	(2 694)		**(2 690)**
Cash outflow from investing activities	–	(1 322)		**(1 322)**
Cash outflow from financing activities	–	(147)		**(147)**
Capital expenditure	–	4		**4**
Amortisation and depreciation	2	5		**7**
Impairment before tax	7	743		**750**
EBITDA	(219)	(36)		**(255)**

[1] *Corporate and other includes a re-measurement gain on the loans to Modikwa and ARM Coal of R68 million.*
[2] *Relates to fees capitalised in ARM Ferrous and reversed on consolidation.*

3 REVENUE AND SALES

	Reviewed F2021 Rm	Audited F2020 Rm
Sales	**19 657**	11 653
Local sales	**17 266**	9 618
Export sales	**2 391**	2 035
Revenue	**21 457**	12 386
Fair value adjustments to revenue	**792**	539
Revenue from contracts with customers	**20 665**	11 847
Sales – mining and related products	**19 273**	11 527
Penalty and treatment charges	**(408)**	(413)
Modikwa	**(2)**	(11)
Nkomati	**(58)**	(99)
Two Rivers	**(348)**	(303)
Fees received	**1 800**	733

4 IMPAIRMENT

4.1 ARM Ferrous

Property, plant and equipment

Tshenolo Iron Ore Mine

An attributable impairment loss was recognised in F2021 on property, plant and equipment for R26 million with no tax effect (F2020: R7 million before tax of R2 million). The impairment relates to the prospecting right carried at cost in the Assmang subsidiary company Tshenolo Iron Ore Mine which was written down to zero. This is accounted for in the income from joint venture in the statement of profit and loss (refer note 9).

Cato Ridge Works

An impairment loss of R514 million before tax of R144 million was recognised in F2021 on property, plant and equipment. ARM's attributable share of the impairment amounted to R257 million before tax of R72 million (refer note 9).

This impairment was due to a combination of:

- An increase in long-term manganese ore prices (market prices) (production cost)
- A decline in long-term high-carbon manganese alloys prices (sales prices)
- The strengthening of the rand to the US dollar.

Impairment indicators were identified at the Cato Ridge Works cash-generating unit (CGU). A discounted cash flow valuation was performed to determine the fair value less cost of disposal of the CGU.

The net discounted cash flow valuation resulted in a negative net present value (NPV), which resulted in the impairment of the total net asset value of Cato Ridge Works. The recoverable amount of the CGU amounted to Rnil at 30 June 2021.

The level 3 valuation model was calculated using a nominal pre-tax South African discount rate of 15.89%. The valuation period was based on two years. The short valuation period is due to the CGU generating negative cash flows from year one in the impairment model.

4 IMPAIRMENT continued

4.1 ARM Ferrous continued

Property, plant and equipment continued

The following assumptions were used in the valuation model:

		F2022	F2023
Manganese Ore Price Assumptions (37% and 44%)	US$/dmtu CIF	**4.82 – 5.16**	5.10 – 5.54
HCFeMn Export Lumpy USA 77	US$/mt Ex Whse (USA)	**1 384**	1 268
HCFeMn Export Lumpy EUR 77	US$/mt DDP (Europe)	**1 236**	1 193
HCFeMn Export Lumpy OTH 77	US$/mt DDP (China)	**1 150**	1 226
Exchange rates			
US$/ZAR	ZAR nominal	**14.82**	14.94
EUR/ZAR	ZAR nominal	**18.37**	18.92
US$/EUR	EUR nominal	**0.81**	0.81

Investments

Cato Ridge Alloys

An impairment of R97 million with no tax effect was recognised on Assmang's equity-accounted investment in Cato Ridge Alloys. ARM's attributable share of the impairment amounted to R48 million with no tax effect (refer note 9).

This impairment was due to a combination of:

- A decline in long-term medium-carbon manganese alloys prices
- The strengthening of the rand against the US dollar.

A discounted cash flow valuation was performed to determine the fair value less cost of disposal of the investment.

The level 3 valuation model was calculated using a nominal pre-tax South African discount rate of 15.89%. The valuation period was based on two years. The short valuation period is due to Cato Ridge Alloys generating losses from year one in the impairment model.

The following assumptions were used in the valuation model for the equity investment:

		F2022	F2023
HC FeMn Molten metal purchase price	ZAR/mt	**14 505**	14 785
MCFeMn Lumpy USA 80	US$/mt CIF (US)	**1 883**	1 826
MCFeMn Export Lumpy OTH 80	US$/mt CIF (US)	**1 629**	1 652
MCFeMn Export Lumpy EUR 80	EUR/mt DDP	**1 568**	1 447
Exchange rates			
US$/ZAR	ZAR nominal	**14.82**	14.94
EUR/ZAR	ZAR nominal	**18.37**	18.92
US$/EUR	EUR nominal	**0.81**	0.81

4 IMPAIRMENT continued

4.1 ARM Ferrous continued

Investments continued

Sakura

An impairment loss of R337 million with no tax effect was recognised on Assmang's equity-accounted investment, Sakura Ferroalloys Sdh Bhd. ARM's attributable share of the impairment loss amounted to R169 million with no tax effect (refer note 9).

This impairment was due to a combination of:

- A consistent decline in the long-term manganese alloys prices
- Lower sale volumes compared to prior year forecast.

A discounted cash flow valuation was performed to determine the fair value less cost of disposal of the investment. The valuation was performed in Malaysian Ringgit (MYR) and in terms of IFRS. The recoverable amount of the attributable investment amounted to R200 million at 31 December 2020, with no further impairment recognised at 30 June 2021.

The level 3 valuation model was calculated over a 15-year period with no terminal value assumptions at the end of year 15. A pre-tax Malaysian discount rate of 10.33% was used in the impairment calculation. The MYR valuation was converted to South African rand using an exchange rate of R3.62 at 31 December 2020.

The following assumptions were used in the valuation model:		**F2022**	F2023	F2024	F2025
Manganese ore price assumptions – 44% Mn	US$/dmtu CIF	**4.42**	4.46	4.80	5.08
Manganese ore price assumptions – 36%-38% Mn	US$/dmtu CIF	**4.16**	4.09	4.43	4.61
Manganese alloy price assumptions – US import	US$/mt DDP	**1 178**	1 248	1 306	1 338
Manganese alloy price assumptions – Europe spot	US$/mt DDP	**1 033**	1 077	1 116	1 144
Exchange rates					
US$/MYR	MYR nominal	**4.15**	4.15	4.10	4.00
US$/EUR	EUR nominal	**0.85**	0.87	0.84	0.82

4.2 ARM Coal

Cash-generating units

Impairment losses were recognised in F2020 in the GGV and PCB cash-generating units. ARM's attributable share of the impairment losses amounted to R1 680 million before tax and R1 524 million after tax (refer note 9), with no further impairment recognised at 30 June 2021.

Details of the impairments were included in the financial results ended 30 June 2020, which can be found on **www.arm.co.za.**

Other impairment losses were recognised in F2020 on property, plant and equipment for R4 million before tax of R1 million (refer note 9). These were accounted for in the income from associate line in the statement of profit or loss.

4.3 Venture Building Trust

An impairment loss was recognised in F2021 on property, plant and equipment of R9 million with no tax effect (refer note 9).

4.4 Machadodorp Works

An impairment loss was recognised in F2020 on property, plant and equipment for R7 million with no tax effect (refer note 9).

		Reviewed F2021 Rm	Audited F2020 Rm
5	**DEFERRED TAX**		
	Deferred tax assets		
	Opening balance	**–**	485
	Investment in Harmony recognised in other comprehensive income	**64**	(416)
	Other	**210**	(69)
	Deferred tax assets on the statement of financial position	**274**	–
	Deferred tax liabilities		
	Opening balance	**2 085**	1 517
	Investment in Harmony recognised in other comprehensive income	**(255)**	255
	Two Rivers	**691**	333
	Modikwa	**271**	292
	ARM Coal	**(8)**	(211)
	Other	**184**	(101)
	Deferred tax liabilities on the statement of financial position	**2 968**	2 085

		Reviewed 30 June 2021 Rm	Restated 30 June 2020 Rm	Restated 1 July 2019 Rm
6	**LOANS AND LONG-TERM RECEIVABLES**			
	ARM Coal	**40**	48	53
	Glencore South Africa	**–**	–	–
	Total	**40**	48	53

ARM Coal, an entity jointly controlled by ARM Limited (51%) and Glencore Operations South Africa (Pty) Ltd (GOSA) (49%), in prior periods recorded an amount payable by GOSA to ARM Coal of R452 million (ARM's attributable portion: R230 million) as a long-term receivable (receivable).

At the date of the previous year-end results, GOSA had not agreed the outstanding balance of the receivable and ARM Coal was at that time unable to provide sufficient evidence to validate this receivable in its accounting records. Details of this and the resulting qualification were included in the audited financial statements for the financial year ended 30 June 2020, which can be found on **www.arm.co.za**.

ARM has since completed the investigation and the entries which gave rise to the long-term receivable have been identified and agreed between ARM Coal, GGV and GOSA.

The results of the investigation concluded that all the items included in the ARM Coal long-term receivable were indeed receivables, however, R283 million should have been classified as trade and other receivables and R53 million should have been included in the long-term borrowings rather than being accounted for as long-term receivables in the statement of financial position.

Management have accounted for the above as a prior period error in terms of IAS 8.

6 LOANS AND LONG-TERM RECEIVABLES continued

The restatement had no impact on the statement of profit or loss, statement of comprehensive income and the statement of cash flows. The error has been corrected by restating each of the following affected line items in the statement of financial position for the prior periods as follows:

	Restated Year ended 30 June 2020 Rm	Restated Year starting 1 July 2019 Rm
STATEMENT OF FINANCIAL POSITION		
Loans and long-term receivables		
Previously reported balance	278	283
Reclassification	(230)	(230)
Restated balance	48	53
Long-term borrowings		
Previously reported balance	1 512	1 095
Reclassification	53	53
Restated balance	1 565	1 148
Trade and other receivables		
Previously reported balance	3 023	2 743
Reclassification	283	283
Loans and long-term receivables	230	230
Long-term borrowings	53	53
Restated balance	3 306	3 026
PRIMARY SEGMENTAL INFORMATION		
ARM Coal: Segment assets, including investment in associate		
Previously reported balance	3 375	4 962
Reclassification	53	53
Restated balance	3 428	5 015
ARM Coal: Segment liabilities		
Previously reported balance	1 748	1 319
Reclassification	53	53
Restated balance	1 801	1 372

		Reviewed F2021 Rm	Audited F2020 Rm
7	**INVESTMENT IN ASSOCIATE**		
	Through ARM's 51% investment in ARM Coal and ARM's 10% direct investment, the group holds a 20.2% investment in the Participative Coal Business (PCB) of Glencore Operations South Africa Proprietary Limited (GOSA).		
	Opening balance	**795**	1 837
	Share of (loss)/profit for the current year	**(260)**	33
	Loss for the current year	**(296)**	(246)
	Re-measurement of loans (refer note 16)	**36**	279
	Movement in loans	**(1)**	46
	Impairment on investment (refer note 4 and 9)	**–**	(1 121)
	Closing balance	**534**	795

		Reviewed F2021 Rm	Audited F2020 Rm
8	**INVESTMENT IN JOINT VENTURE**		
	The investment relates to ARM Ferrous and consists of Assmang as a joint venture which includes iron ore and manganese.		
	Opening balance	**17 545**	16 702
	Net income for the period[1]	**7 498**	4 450
	Income for the period	**7 541**	4 494
	Consolidation adjustment	**(43)**	(44)
	Foreign currency translation reserve	**(105)**	143
	Less: Cash dividend received for the period	**(4 000)**	(3 750)
	Closing balance	**20 938**	17 545

Refer note 2.1 and 2.4 for more detail on the ARM Ferrous segment.

[1] *Includes expected credit losses recorded of R81 million less tax of R1 million (F2020: R74 million less tax of R1 million).*

9 CAPITAL ITEMS

	Reviewed F2021 Rm	Audited F2020 Rm
Impairment loss on property, plant and equipment – Machadodorp Works (refer note 4)	–	(7)
Loss on sale of Lubambe – other	–	(6)
Impairment loss on property, plant and equipment and intangible assets – ARM Coal	–	(559)
Impairment loss on investment in 20.2% PCB – ARM (refer note 4)	–	(1 121)
Impairment loss of property, plant and equipment – Venture Building Trust	**(9)**	–
Capital items per statement of profit or loss before taxation effect	**(9)**	(1 693)
Impairment loss on property, plant and equipment accounted for directly in associate – ARM Coal (refer note 4)	–	(4)
Impairment loss on property, plant and equipment accounted for directly in joint venture – Assmang (refer note 4)	**(283)**	(7)
Impairment loss on investment in Sakura accounted for directly in joint venture – Assmang (refer note 4)	**(169)**	–
Impairment loss on investment in Cato Ridge accounted for directly in joint venture – Assmang (refer note 4)	**(48)**	–
Loss on sale on property, plant and equipment accounted for directly in joint venture – Assmang	**(2)**	(31)
Capital items before taxation effect	**(511)**	(1 735)
Taxation accounted for in joint venture – impairment loss of property, plant and equipment and intangible assets – Assmang	**72**	–
Taxation accounted for in joint venture – loss on disposal of property, plant and equipment – Assmang	**1**	9
Taxation accounted for in associate – impairment loss – ARM Coal	–	1
Taxation on impairment loss of property, plant and equipment and intangible assets – ARM Coal	–	156
Total	**(438)**	(1 569)

		Reviewed F2021 Rm	Audited F2020 Rm
10	**EARNINGS PER SHARE**		
	Headline earnings (R million)	**13 064**	5 534
	Headline earnings per share (cents)	**6 688**	2 850
	Basic earnings per share (cents)	**6 464**	2 042
	Diluted headline earnings per share (cents)	**6 621**	2 807
	Diluted basic earnings per share (cents)	**6 399**	2 011
	Number of shares in issue at end of year (thousands)	**224 453**	223 326
	Weighted average number of shares (thousands)	**195 333**	194 188
	Weighted average number of shares used in calculating diluted earnings per share (thousands)	**197 314**	197 170
	Net asset value per share (cents)	**17 908**	14 365
	EBITDA (R million)	**12 227**	3 923
	Interim dividend declared (cents per share)	**1 000**	500
	Dividend declared after year end (cents per share)	**2 000**	700
	Reconciliation to headline earnings (R million)		
	Basic earnings attributable to equity holders of ARM	**12 626**	3 965
	– Impairment loss on property, plant and equipment and intangible assets – ARM Coal	**–**	559
	– Impairment loss on property, plant and equipment in associate – ARM Coal	**–**	4
	– Impairment loss on property, plant and equipment in joint venture – Assmang	**283**	7
	– Loss on sale of property, plant and equipment in joint venture – Assmang	**2**	31
	– Impairment loss on investment in Sakura accounted for directly in joint venture – Assmang	**169**	–
	– Impairment loss on investment in Cato Ridge Works accounted for directly in joint venture – Assmang	**48**	–
	– Impairment loss on property, plant and equipment – Venture Building Trust	**9**	–
	– Impairment loss of property, plant and equipment – Machadodorp Works	**–**	7
	– Impairment loss on investment in 20.2% PCB – ARM	**–**	1 121
	– Loss on sale of Lubambe – other	**–**	6
		13 137	5 700
	– Taxation accounted for in joint venture – impairment loss at Assmang	**(72)**	–
	– Taxation accounted for in joint venture – loss on disposal of fixed assets at Assmang	**(1)**	(9)
	– Taxation accounted for in associate – impairment loss at ARM Coal	**–**	(157)
	Headline earnings	**13 064**	5 534

		Reviewed F2021 Rm	Audited F2020 Rm
11	**OTHER INVESTMENTS**		
	Harmony[1]	**3 940**	5 366
	Opening balance	**5 366**	2 370
	Fair value (loss)/gain in other comprehensive income	**(1 426)**	2 996
	Guardrisk[2]	**36**	30
	Preference shares	**1**	1
	Richards Bay Coal Terminal[3]	**233**	238
	Closing balance	**4 210**	5 635

[1] *This is a level 1 valuation in terms of IFRS 7 and 9.*
[2] *This is a level 2 valuation in terms of IFRS 7 and 9.*
Fair value based on the net asset value of the cell captive.
[3] *This is a level 3 valuation in terms of IFRS 7 and 9.*

Richards Bay Coal Terminal (RBCT)

The fair value of the RBCT investment was determined by calculating the present value of the future wharfage cost savings by being a shareholder in RBCT as opposed to the wharfage payable by non-shareholders. The fair value is most sensitive to wharfage cost. The current RBCT valuation is based on a wharfage cost differential ranging between R42/tonne and R48/tonne (F2020: R42/tonne and R46/tonne). If increased by 10% this would result in a R23 million (F2020: R24 million) increase in the valuation on the RBCT investment.

If decreased by 10% this would result in a R23 million (F2020: R24 million) decrease in the valuation on the RBCT investment. The valuation is calculated based on the duration of the RBCT lease agreement with Transnet SOC Limited to 31 December 2038, using a pre-tax discount rate of 19.1% (F2020: 19.4%).

	Reviewed F2021 Rm	Audited F2020 Rm
Opening balance	**238**	251
Fair value loss	**(5)**	(13)
Closing balance	**233**	238

12 TRADE AND OTHER RECEIVABLES

The increase in trade and other receivables is largely as a result of an increase in revenue during the reporting period.

Trade and other receivables contain provisional pricing features linked to commodity prices and exchange rates, which have been designated to be measured at fair value through profit or loss because of the embedded derivative. This is a level 2 valuation in terms of IFRS.

Trade and other receivables include a contract asset from Assmang of R1 156 million (F2020: Rnil). The contract asset resulted from revised fee arrangements whereby fees received from Assmang only become payable following receipt by Assmang from the relevant customer.

Trade and other receivables have been restated (refer note 6).

		Reviewed F2021 Rm	Audited F2020 Rm
13	**FINANCIAL ASSETS**		
	Investments in fixed deposits		
	Current financial assets[1]		
	– ARM Corporate	**–**	1 074
	– ARM Finance Company SA[2]	**161**	–
	– Two Rivers	**30**	25
	– Modikwa	**203**	105
	– Nkomati	**59**	51
	– Mannequin Captive Cell (Cell AVL 18) (refer note 23.2)	**61**	39
	– Other	**9**	15
		523	1 309
	Non-current financial assets[1]		
	– ARM Coal (investment in fixed deposit)	**46**	41
	– Mannequin Captive Cell (Cell AVL 18) (refer note 23.2)	**145**	189
	– Modikwa	**1**	–
	– Venture Building Trust	**1**	–
		193	230
	Total	**716**	1 539

[1] *Cash and cash equivalents were invested in fixed deposits with maturities longer than three months to achieve better returns. When these investments mature, to the extent that amounts are not re-invested in new investments with maturities of longer than three months, they will again form part of cash and cash equivalents. The carrying amounts of the financial assets shown above approximate their fair value.*

[2] *During F2021 ARM Finance Company SA invested R173 million in fixed deposits with maturities longer than three months. The amount was translated at the 30 June 2021 closing exchange rate resulting in a foreign currency translation loss of R12 million.*

The following guarantees issued are included in financial assets:

- Guarantees issued by Two Rivers to DMRE, Eskom and BP Oil amounting to R30 million (F2020: R25 million)
- Guarantees issued by Nkomati to DMRE and Eskom amounting to R59 million (F2020: R51 million)
- Guarantees issued by Modikwa to DMRE and Eskom amounting to R164 million (F2020: R105 million)
- Guarantees issued by ARM Coal to DMRE amounting to R46 million (F2020: R41 million).

Other financial assets include trust funds of R9 million (F2020: R15 million).

		Reviewed F2021 Rm	Audited F2020 Rm
14	**CASH AND CASH EQUIVALENTS**		
	Total cash at bank and on deposit	**8 865**	4 970
	– African Rainbow Minerals Limited	**7 739**	3 294
	– ARM BBEE Trust	**4**	66
	– ARM Finance Company SA	**81**	295
	– ARM Platinum Proprietary Limited	**538**	1 217
	– ARM Treasury Investments Proprietary Limited	**42**	41
	– Nkomati	**106**	1
	– Two Rivers Platinum Proprietary Limited	**329**	21
	– Other cash at bank and on deposit	**26**	35
	Total cash set aside for specific use	**806**	745
	– Mannequin Captive Cell (Cell AVL 18)[1]	**681**	644
	– Rehabilitation trust funds[1]	**44**	45
	– Other cash set aside for specific use[1]	**81**	56
	Total as per statement of financial position	**9 671**	5 715
	Less: Overdrafts (refer note 15)	**(16)**	(203)
	Total as per statement of cash flows	**9 655**	5 512

Cash at bank and on deposit earns interest at floating rates based on daily bank deposit rates.

[1] *Cash set aside for specific use in respect of the group includes:*

- *Mannequin Captive Cell is used as part of the group insurance programme. The cash held in the cell is invested in highly liquid investments and is used to settle claims as and when they arise as part of the risk finance retention strategy*
- *The trust funds of R6 million (F2020: R12 million)*
- *African Rainbow Mineral Limited of R35 million (F2020: Rnil)*
- *Guarantees issued by ARM Coal to DMRE amounting to R44 million (F2020: R41 million)*
- *Guarantees issued by Two Rivers to DMRE, Eskom and BP Oil amounting to Rnil (F2020: R4 million)*
- *Guarantees issued by Nkomati to DMRE and Eskom amounting to R40 million (F2020: R44 million).*

		Reviewed 30 June 2021 Rm	Restated[1] 30 June 2020 Rm
15	**BORROWINGS**		
	Long-term borrowings are held as follows:		
	ARM Coal Proprietary Limited (partner loans)[1]	**707**	1 016
	ARM BBEE Trust (loan from Harmony Gold)[2]	**217**	316
	African Rainbow Minerals Limited (lease liability)	**–**	2
	Anglo Platinum Limited (lease liability)	**29**	39
	Two Rivers Platinum Proprietary Limited (lease liability)	**152**	192
		1 105	1 565
	Short-term borrowings		
	African Rainbow Minerals Limited (lease liability)	**4**	3
	Anglo Platinum Limited (partner loans)	**–**	67
	Anglo Platinum Limited (lease liability)	**30**	23
	ARM Coal Proprietary Limited (partner loans)[1]	**307**	–
	ARM Coal (lease liability)	**1**	6
	Two Rivers Platinum Proprietary Limited (lease liability)	**6**	111
		348	210
	Overdrafts (refer note 14)		
	Nkomati Mine	**–**	26
	Two Rivers Platinum Proprietary Limited	**–**	150
	Other	**16**	27
		16	203
	Overdrafts and short-term borrowings – interest bearing	**57**	413
	– non-interest bearing	**307**	–
	Overdrafts and short-term borrowings	**364**	413
	Total borrowings	**1 469**	1 978

The carrying amounts of the financial liabilities shown above approximate their fair value.

[1] *Long-term borrowings have been restated (refer note 6). During F2021 R307 million was transferred to short-term borrowings.*

[2] *On 28 June 2021 ARM and Harmony advanced new loans to the ARM BBEE Trust. The proceeds from the new loans were used to settle the old loans. This resulted in a gain for the ARM BBEE Trust. The new loans carry interest at zero percent, subject to the lenders reserving the right to charge interest in the future. The new loans are fully repayable on or before 30 June 2035. Earlier payments are at the discretion of the ARM BBEE Trust.*

	Reviewed F2021 Rm	Audited F2020 Rm
16 RE-MEASUREMENT AND FAIR VALUE GAINS AND LOSSES		
ARM Coal		
Included in other operating income and (loss)/income from associate are re-measurements with no tax effect in both years relating to the GGV and PCB loans. The gain and loss is as a result of a re-measurement of debt between ARM and Glencore Operations South Africa Proprietary Limited (GOSA) and ARM Coal Proprietary Limited.		
The re-measurement adjustments are as follows:		
Other operating income increase (re-measurement gain on loans) – ARM Coal segment	**206**	206
– ARM Corporate segment	**(153)**	(59)
Re-measurement gain in operating income	**53**	147
Income from associate (re-measurement gain on loans) (refer note 7)	**36**	279
Net ARM Coal re-measurement gain	**89**	426
The re-measurements are as a result of changes in the future repayment cash flows applied to the net present value calculations. The discount rate used in the calculation of the re-measurement is 10%. A US$1 increase in commodity prices would decrease the re-measurement gain by R17 million (F2020: R6 million). A US$1 decrease in commodity prices would increase the re-measurement gain by R17 million (F2020: R17 million). This a level 3 valuation in terms of IFRS 13.		
Modikwa		
The re-measurement loss in Modikwa of R143 million (F2020: R135 million loss) is partially eliminated against a re-measurement gain in ARM Company of R137 million (F2020: R127 million). The net re-measurement gain attributable to ARM being R18 million (F2020: R15 million).		
The re-measurement adjustments are as follows:		
Other operating expense increase	**(6)**	(8)
ARM Platinum segment (re-measurement loss)	**(143)**	(135)
ARM Corporate segment (re-measurement gain)	**137**	127
Non-controlling interest	**24**	23
Net Modikwa re-measurement gain	**18**	15
The re-measurements are as a result of changes in the future repayment cash flows applied to the net present value calculations. The discount rate used in the calculation of the re-measurement is 5%. This a level 3 valuation in terms of IFRS 13.		
ARM BBEE Trust (loan from Harmony)		
Included in other operating income for F2021 is a fair value gain of R47 million (F2020: Rnil). The gain is as a result of the new loans advanced to the ARM BBEE Trust by Harmony.		
The fair value gains are as follows:		
Other operating income increase (fair value gain on loan) – ARM Corporate segment	**47**	–
Net ARM BBEE Trust fair value gain	**47**	–

The fair value at initial recognition is as a result of the difference in the stipulated interest rate the lender may charge in the future in the new loan agreement and the interest rate the ARM BBEE Trust would have to pay if the loan was advanced in an open market. The discount rate used in the calculation of the fair value is 9.04%.

The carrying amounts of the financial liabilities approximate their fair value.

Notes to the condensed group financial statements continued

for the year ended 30 June 2021

		Reviewed F2021 Rm	Audited F2020 Rm
17	**OTHER OPERATING INCOME**		
	Management fees	**1 800**	733
	Insurance income	**92**	84
	Realised foreign exchange gains	**1**	9
	Royalties received	**173**	80
	Loan fair value gain (refer note 16)	**47**	–
	Loan re-measurement gains (refer note 16)	**53**	147
	Other	**212**	107
	Total	**2 378**	1 160
18	**OTHER OPERATING EXPENSES**		
	Provisions	**233**	574
	Mineral royalty tax	**1 215**	381
	Staff cost	**317**	347
	Loan re-measurement loss (refer note 16)	**6**	8
	Consulting fees	**58**	33
	Share-based payments expense	**220**	211
	Insurance	**105**	95
	Research and development	**105**	115
	Other	**458**	286
	Total	**2 717**	2 050
19	**(LOSS)/INCOME FROM ASSOCIATE**		
	Loss (before re-measurement on loans)	**(296)**	(246)
	Loan re-measurement gain (refer note 16)	**36**	279
	Total	**(260)**	33
20	**TAXATION**		
	South African normal taxation – current year	**2 411**	758
	– mining	**1 880**	589
	– non-mining	**531**	169
	– prior year	**(6)**	(64)
	Deferred taxation	**928**	382
	Total taxation	**3 333**	1 076
21	**CASH GENERATED FROM OPERATIONS**		
	Cash generated from operations before working capital changes	**13 107**	5 055
	Working capital changes	**(5 305)**	(1 189)
	Movement in inventories	**54**	(3)
	Movement in receivables	**(4 630)**	(157)
	Movement in payables and provisions	**(729)**	(1 029)
	Cash generated from operations	**7 802**	3 866

		Reviewed F2021 Rm	Audited F2020 Rm
22	**COMMITMENTS**		
	Commitments in respect of future capital expenditure, which will be funded from operating cash flows and by utilising available cash and/or borrowing resources, are summarised below:		
	Commitments		
	Commitments in respect of capital expenditure:		
	Approved by directors		
	– contracted for	**677**	228
	– not contracted for	**126**	–
	Total commitments	**803**	228
23	**PROVISIONS**		
	Long-term provisions		
	Opening balance	**1 953**	1 599
	Machadodorp Works restoration and decommissioning provision	**1**	52
	Nkomati restoration and decommissioning provision	**42**	322
	Two Rivers restoration and sterilisation provision	**(65)**	20
	ARM Coal restoration and decommissioning provision	**93**	46
	African Rainbow Minerals Silicosis provision	**(43)**	(130)
	Other	**(98)**	44
	Closing balance	**1 883**	1 953
23.1	**Nkomati restoration and decommissioning provision[1]**		
	Long-term provisions		
	Opening balance	**525**	203
	Provision for the period[1]	**(13)**	370
	Transfer from/(to) short-term provisions	**34**	(63)
	Unwinding of discount rate	**21**	15
	Closing balance	**567**	525
	Short-term provision		
	Opening balance	**63**	–
	Transfer (to)/from long-term provisions	**(34)**	63
	Closing balance	**29**	63
	Total Nkomati restoration and decommissioning provision	**596**	588

[1] *Nkomati ceased mining operations on 14 March 2021. The mine is currently under care and maintenance.*

		Reviewed F2021 Rm	Audited F2020 Rm
23	**PROVISIONS continued**		
23.2	**Silicosis and tuberculosis class action provision**		
	Long-term provision		
	The provision movement is as follows:		
	Opening balance	**189**	319
	Settlement payments	**–**	(92)
	Interest unwinding	**16**	25
	Demographic assumptions changes	**(3)**	(12)
	Transfer to short-term provisions	**(56)**	(51)
	Closing balance	**146**	189
	Short-term provision		
	Opening balance	**51**	–
	Settlement payments	**(47)**	–
	Transfer from long-term provisions	**56**	51
	Closing balance	**60**	51
	Total silicosis and tuberculosis class action provision	**206**	240

ARM has a contingency policy in this regard which covers environmental site liability and silicosis liability with Guardrisk Insurance Company Limited (Guardrisk). In turn, Guardrisk has reinsured the specified risks with Mannequin Insurance PCC Limited – Cell AVL 18, Guernsey which cell captive is held by ARM.

Following the High Court judgment previously reported, the Tshiamiso Trust was registered in November 2019. As part of the settlement a guarantee of R304 million was issued by Guardrisk on behalf of ARM in favour of the Tshiamiso Trust on 13 December 2019 (refer note 13).

Details of the provision were discussed in the 30 June 2020 financial results, which can be found on **www.arm.co.za**.

24 RELATED PARTIES

The company in the ordinary course of business enters into various sale, purchase, service and lease transactions with subsidiaries, associated companies, joint ventures and joint operations. Transactions between the company, its subsidiaries and joint operations related to fees, insurances, dividends, rentals and interest are regarded as intra-group transactions and eliminated on consolidation.

	Reviewed F2021 Rm	Audited F2020 Rm
Amounts accounted in the statement of profit or loss relating to transactions with related parties		
Subsidiaries		
Impala Platinum – sales	**11 992**	6 173
Joint operations		
Rustenburg Platinum Mines – sales[1]	**4 924**	3 093
Glencore International AG – sales[1]	**884**	837
Norilsk Nickel – management fees	**13**	–
Glencore Operations SA – management fees	**68**	–
Joint venture		
Assmang Proprietary Limited		
– Management fees	**1 770**	730
– Dividends received	**4 000**	3 750
Amounts outstanding at year end (owing to)/receivable by ARM on current account		
Joint venture		
Assmang – debtor	**1 156**	110
Joint operations		
Rustenburg Platinum Mines – debtor[1]	**1 755**	660
Norilsk Nickel – creditor	**–**	(4)
Norilsk Nickel – debtor	**67**	61
Rustenburg Platinum Mines – short-term borrowings[1]	**–**	(66)
Glencore Operations SA – long-term borrowings[2]	**(707)**	(1 016)
Glencore Operations SA – short-term borrowings[2]	**(307)**	–
Glencore Operations SA – trade and other receivables[2]	**218**	383
Glencore International AG – trade and other receivables[1]	**120**	55
Glencore Operations SA – loans and long-term receivables[2]	**–**	–
Subsidiary		
Impala Platinum – debtor	**4 324**	1 812
Impala Platinum – dividend paid	**1 219**	566

[1] *These transactions and balances for joint operations do not meet the definition of a related party as per IAS 24 but have been included to provide additional information.*

[2] *Comparative information has been restated. Refer note 6 for more detail.*

25 CONTINGENT LIABILITIES

Nkomati

The Nkomati Mine closure may have a potential exposure regarding rehabilitation and management of water post-closure. There are uncertainties regarding the ongoing assessment of long-term water management measures, and anticipated amendments to the existing Water Use Licence (WUL). Technical studies towards providing an integrated water management plan are underway. The results of the studies will be used as input towards a risk assessment that is required to apply for an amended WUL, such as applying for authorised water discharges. The WUL conditions are not yet known and the subsequent potential water resource impact liability as part of the mine rehabilitation and closure process is uncertain. The obligation will be recognised when it is probable and can be reliably estimated.

The environmental rehabilitation provision at 30 June 2021 is the best independent estimate and is based on the most reliable information currently available. It will be re-assessed on an ongoing basis as engineering designs evolve and new information becomes available, as well as when approvals of a revised environmental management plan and water use licence are secured.

ARM Coal

The South African Revenue Services (SARS) disallowed Glencore Operations South Africa (Pty) Ltd (GOSA) diesel rebates for the period 2011 to 2013 on the basis that the diesel was not considered to be used in the primary production activities in the mining process. GOSA lost the SARS internal appeal process and took the matter to the High Court. The matter was heard in the High Court, which ruled in favour of GOSA. SARS, however, appealed the ruling through the Supreme Court of Appeal (SCA). The dispute was heard on 27 May 2021 and judgment was handed down on 10 August 2021 where the SCA ruled in favour of SARS.

The ruling has an impact on ARM's investment in the PCB associate for diesel rebates accounted for from 2011 to date. The portion of the diesel rebates that is not considered to be used in the primary production activities in the mining process, will have to be repaid if already received or written off if receivable at 30 June 2021. This financial effect of the SCA ruling is still to be quantified wherein an exercise will be undertaken to split the activities between primary and non-primary production activities in the mining process. The obligation will be recognised once the quantum can be reliably estimated.

No provision had been recognised previously due to the High Court ruling as evidence that the outcome would be positive.

There have been no other significant changes in the contingent liabilities of the group as disclosed since 30 June 2020 annual financial statements.

For a detailed disclosure on contingent liabilities, refer to ARM's annual financial statements for the year ended 30 June 2020 available on the group's website **www.arm.co.za**.

26 EVENTS AFTER REPORTING DATE

Subsequent to year end ARM received a dividend from Assmang of R3 500 million.

Harmony declared a final dividend of 27 cents per share, bringing their total dividend for F2021 to 137 cents per share. At 30 June 2021 and at the date of this report, ARM owned 74 665 545 Harmony shares.

No other significant events have occurred subsequent to the reporting date that could materially affect the reported results.

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Forward-looking statements

Certain statements in this report constitute forward-looking statements that are neither reported financial results nor other historical information. They include but are not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. Such forward-looking statements may or may not take into account and may or may not be affected by known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include among others: economic, business and political conditions in South Africa; decreases in the market price of commodities; hazards associated with underground and surface mining; labour disruptions; changes in government regulations, particularly environmental regulations; changes in exchange rates; currency devaluations; inflation and other macro-economic factors; and the impact of the COVID-19 pandemic. These forward-looking statements speak only as of the date of publication of these pages. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of these pages or to reflect the occurrence of unanticipated events.

Directors

Dr PT Motsepe (Executive Chairman), MP Schmidt (Chief Executive Officer), F Abbott*, M Arnold**, TA Boardman*, AD Botha*, JA Chissano (Mozambican)*, WM Gule*, AK Maditsi*, J Magagula, TTA Mhlanga, HL Mkatshana, PJ Mnisi*, DC Noko*, Dr RV Simelane*, JC Steenkamp**

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