IMPLATS
EXCELLENCE IN PGMs

Condensed consolidated interim results (reviewed)

For the six months ended
31 December 2024

Forward looking and cautionary statement

Certain statements contained in this disclosure, other than the statements of historical fact, contain forward looking statements regarding Implats' operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the platinum industry, expectations regarding metal prices, production, cash costs and other operating results, growth prospects and the outlook of Implats' operations, including the completion and commencement of commercial operations of certain of Implats' exploration and production projects, its liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation, regulatory approvals and/or legislative frameworks currently in the process of amendment, or any enforcement proceedings. Although Implats believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results may differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metal prices, levels of global demand and exchange rates and business and operational risk management. For a discussion on such factors, refer to the risk management section of the Company's integrated annual report. Implats is not obliged to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the dates of the integrated annual report or to reflect the occurrence of unanticipated events.

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27 February 2025
Johannesburg

Sponsor to Implats
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Our purpose

To create a better future

Our vision

To be the most valued and responsible metals producer, creating a better future for our stakeholders

Our values

RESPECT

- We believe in ourselves
- We work together as a team
- We take ownership of our responsibilities
- We are accountable for our actions

CARE

- We set each other up for success
- We care for the environment
- We work safely and smartly
- We make a positive contribution to society

DELIVER

- We play our A-game every day
- We go the extra mile
- We learn, adapt and grow
- We create a better future

Implats is a leading producer of platinum group metals (PGMs) structured around seven mining operations and a refining business, Impala Refining Services.

Our mining operations span the Bushveld Complex in South Africa, the Great Dyke in Zimbabwe and the Canadian Shield. Contributing approximately 20% to global primary production annually, Implats holds attributable PGM resources of 314.4 million ounces.

KEY FEATURES FOR THE SIX MONTHS

Safety and sustainability

- Five fatalities in four incidents at managed operations
- LTIFR* improved by 29% to 3.31/mmhw
- TIFR* improved by 22% to 7.10/mmhw
- Fourth consecutive inclusion in the S&P Global Sustainability Yearbook (2025)
- Commissioned 35MW solar power plant at Zimplats
- Water re-use/recycling rate improved to 58%
- No major or significant environmental incidents.

* *Per million man-hours worked.*

Operational

- Commendable performance following business restructuring
- 4% decline in Group production to 1.82Moz
  - 5% decline in managed 6E production to 1.44Moz
  - 2% higher JV 6E production of 282koz
  - 9% decrease in third-party 6E receipts to 103koz
- Refined and saleable 6E production increased 2% to 1.79Moz
- 6E sales volumes rose 5% to 1.77Moz
- Group 6E unit costs increased 3% to R20 885/oz (stock-adjusted)
- Consolidated Group capital expenditure reduced by 42% to R3.9 billion
- On track to meet FY2025 refined production and cost guidance.

Financial

- Reported financial metrics remained challenged by lacklustre rand PGM pricing
- Gross profit of R2.1 billion at a gross profit margin of 5%
- EBITDA of R6.5 billion at a margin of 15%
- Headline earnings of R1.85 billion or 206 cents per share
- Free cash flow of R639 million
- R6.7 billion in closing adjusted net cash.

Market

- Dollar revenue per 6E ounce sold down 3% to US$1 334 on weak palladium and nickel pricing
- Rand revenue per 6E ounce sold declined by 8% to R23 831
- Weak consumer and investor sentiment weighed on pricing, despite tightening near-term outlooks for platinum, palladium and rhodium, which are expected to remain in deficit in 2025.

Operating statistics

		Six months ended 31 Dec 2024	Six months ended 31 Dec 2023	Variance %
Gross refined production**				
6E	(000oz)	**1 787.7**	1 751.1	2.1
Platinum	(000oz)	**862.8**	831.9	3.7
Palladium	(000oz)	**587.1**	593.3	(1.0)
Rhodium	(000oz)	**102.0**	97.7	4.4
Nickel	(tonnes)	**8 375**	8 309	0.8
IRS metal returned (toll refined)				
6E	(000oz)	**–**	0.7	(100.0)
Platinum	(000oz)	**–**	–	–
Palladium	(000oz)	**–**	0.7	(100.0)
Rhodium	(000oz)	**–**	–	–
Nickel	(tonnes)	**596**	1 851	(67.8)
Sales volumes**				
6E	(000oz)	**1 773.3**	1 696.8	4.5
Platinum	(000oz)	**843.7**	809.5	4.2
Palladium	(000oz)	**575.6**	598.4	(3.8)
Rhodium	(000oz)	**100.7**	95.5	5.4
Nickel	(tonnes)	**5 805**	5 780	0.4
Prices achieved				
Platinum	(US$/oz)	**968**	924	4.8
Palladium	(US$/oz)	**994**	1 182	(15.9)
Rhodium	(US$/oz)	**4 627**	4 152	11.4
Nickel	(US$/t)	**15 771**	19 553	(19.3)
Consolidated statistics				
Average rate achieved	(R/US$)	**17.87**	18.75	(4.7)
Closing rate for the period	(R/US$)	**18.90**	18.36	2.9
Revenue per 6E ounce sold	(US$/oz)	**1 334**	1 376	(3.1)
Revenue per 6E ounce sold	(R/oz)	**23 831**	25 795	(7.6)
Tonnes milled ex-mine*	(000t)	**13 740**	14 313	(4.0)
Group 6E production	(000oz)	**1 821.8**	1 901.6	(4.2)
Group unit cost per 6E ounce stock-adjusted	(R/oz)	**20 885**	20 334	(2.7)
Group unit cost per 6E ounce stock-adjusted	(US$/oz)	**1 164**	1 088	(7.0)
Capital expenditure*	(Rm)	**3 945**	6 816	42.1
Stay-in-business capital	(Rm)	**2 661**	3 236	17.8
Replacement capital	(Rm)	**379**	1 420	73.3
Expansion capital	(Rm)	**905**	2 159	58.1

* *Managed operations.*

** *Includes saleable production from Impala Bafokeng and Impala Canada.*

Operating statistics

		Six months ended 31 Dec 2024	Six months ended 31 Dec 2023	Variance %
Financial performance				
Revenue	(Rm)	**42 280**	43 425	(2.6)
Gross profit	(Rm)	**2 128**	3 435	(38.0)
EBITDA**	(Rm)	**6 465**	8 435	(23.4)
Profit for the six months	(Rm)	**1 808**	1 697	6.5
Basic earnings	(Rm)	**1 867**	1 614	15.7
Headline earnings	(Rm)	**1 848**	3 264	(43.4)
Free cash flow**	(Rm)	**639**	(4 760)	113.4
Adjusted net cash**	(Rm)	**6 711**	6 432	4.3
Basic earnings per share	(cps)	**208**	180	15.6
Headline earnings per share	(cps)	**206**	365	(43.6)
Dividends per share	(cps)	**—**	—	—

** *Non-IFRS metric.*

Additional statistical information is available on the company's internet website

		Six months ended 31 Dec 2024	Six months ended 31 Dec 2023	Variance %
ESG indicators				
Fatalities	(count)	**5**	16	68.8
FIFR	(pmmhw)**	**0.070**	0.209	66.5
LTIFR	(pmmhw)**	**3.31**	4.65	28.8
TIFR	(pmmhw)**	**7.10**	9.05	21.5
Labour including capital*	(number)	**64 372**	67 973	5.3
Level 4 or 5 environmental incidents	(count)	**0**	0	—
Level 3 environmental incidents	(count)	**1**	0	—
Water consumption	(kl/t milled)	**1.02**	1.02	—
Water recycled/re-used	%	**58**	54	7.4
Energy consumption***	(GJ/t milled)	**0.80**	0.76	(5.3)
Renewable electricity consumption	(%)	**30**	40	(25.0)
Scope 1 and 2 carbon emissions	(t CO_2/t milled)	**0.16**	0.15	(6.7)
Carbon emissions avoided	(CO_2t)	**119 839**	170 000	(29.5)
Land rehabilitated	(hectares)	**22.1**	21.8	1.4

* *At December 2024.*
** *Per million man-hours worked.*
*** *Excluding remined tonnage.*

Commentary

INTRODUCTION

Implats delivered a commendable performance in the first six months of FY2025, during which it concluded a Group-wide labour restructuring and adjusted the operating parameters at several of its assets – both in response to continued low rand pricing for platinum group metals (PGMs). Operating momentum faced headwinds: water and power interruptions were experienced in southern Africa, Zimplats navigated significant activity during project commissioning, and both Impala Rustenburg and Impala Bafokeng navigated safety stoppages following loss-of-life accidents.

The imperative to reduce fatal accidents continues to receive significant attention from Implats' operational and corporate teams, and we remain steadfast in our commitment to improving this metric to better match the continued positive developments recorded in lost-time and total-injury rates.

Implats successfully advanced its suite of strategic mining, processing and energy projects designed to optimise operational efficiency and ensure the long-term sustainability of its mining and processing assets. Key highlights include the successful ramp-up to full power of Zimplats' 35MW solar plant, part of a planned 185MW solar complex, and the technical completion of Zimplats' smelter expansion and SO_2 abatement project (Phase 1) and Impala Refineries' base metals refinery (BMR) debottlenecking project.

The Group delivered an excellent environmental and sustainability performance – earning a fourth consecutive inclusion in the S&P Global Sustainability Yearbook (2025) – and, despite a challenging operating context, we continued to deliver meaningful social performance initiatives spanning infrastructure development, community wellbeing, education, skills development and inclusive procurement.

Strong operational delivery, higher sales volumes and excellent cost containment were offset by continued weakness in rand PGM pricing, which impacted Group profitability. While Implats' reported earnings metrics declined, free cash flow generation improved, and the Group maintained a strong and flexible balance sheet.

Implats generated EBITDA of R6.5 billion, headline earnings of R1.85 billion or 206 cents per share, and recorded a free cash flow of R639 million. The Group closed the period with an adjusted net cash balance of R6.7 billion and R17.8 billion in liquidity headroom. Implats is on track to deliver previously provided production and cost guidance in FY2025.

SAFETY

Implats has intensified its efforts to cultivate a safety-first culture across all operations, including actions taken to highlight caring for your own safety, holding employees accountable and improved teamwork. Our commitment to employee safety and wellbeing is supported by robust systems and processes and through effective and proactive risk management. Eliminating fatalities and life-changing injuries are core values the Group is determined to realise, in line with our vision of achieving zero harm.

The intense focus on health, safety and employee wellbeing, and disciplined execution of our safety plan, resulted in a continued overall improvement in the Group's safety performance. The disconnect between the steady reduction in the number of injuries and the severity of injuries, however, remains a key challenge. It is deeply disappointing that the safety interventions implemented thus far have not yet translated into a meaningful improvement in the Group's fatality rates.

It is with tremendous regret that management reports five fatalities in four incidents at its managed operations in the period. The fatalities resulted from a fall-of-ground incident and explosives-related incident at Impala Rustenburg, and a drowning event and winch-related incident at Impala Bafokeng's BRPM operation. The Impala board and management teams have extended their sincere condolences to those affected. Through our We Care programme, we continue to offer support to the families of the deceased: Mr Joao Jose Goma, Mr Orlando Auze Gola, Mr Fenias Boaventura Gomes, Mr Lulamile Ntamo and Mr Hilario Pedro Banze.

Due to the severity of the 11 Shaft conveyance accident that occurred in H1 FY2024, during which 13 of our colleagues tragically lost their lives, the Group's period-on-period safety indicators are not strictly comparable. For H1 FY2025, the Group's fatal-injury frequency rate (FIFR) improved 67% to 0.070/mmhw (H1 FY2024: 0.209).

Encouraging improvements were recorded in the Group's lost-time injury frequency rate (LTIFR) and the total-injury frequency rate (TIFR), which improved by 29% to 3.31/mmhw and 22% to 7.10/ mmhw, respectively (H1 FY2024: 4.65 and 9.05). Excluding injuries related to the 11 Shaft accident, the LTIFR and TIFR improved by 6% and 11%, respectively.

All regulatory, third party and internal investigations into the 11 Shaft accident have been completed. The formal Department of Mineral Resources and Energy (DMRE) enquiry into the accident started in December 2024 and will continue for an estimated 12 to 18 months.

SUSTAINABILITY

Implats is committed to ensuring responsible stewardship of natural resources, leaving a lasting positive legacy in the communities in which we operate, improving the health and wellbeing of our people and eradicating occupationally acquired ill-health, while upholding the highest ethical standards. Sustainability remains a key pillar of Implats' strategy. The Group's sustainability activities contribute towards 14 of the United Nations' Sustainable Development Goals (SDGs), which inform Implats' short to medium-term strategy and underpin our goal to create long-term value for all stakeholders.

ESG ratings and recognition

- Implats' latest annual S&P Global Corporate Sustainability Assessment score for the Dow Jones Sustainability Index (DJSI) is 66 out of 100 (2024: 61 out of 100), ranking the Group in the 96th percentile of the mining and metals industry
- In February 2025, Implats earned its fourth consecutive inclusion in S&P's Global Sustainability Yearbook (2025), a distinction reserved for top-performing companies
- The Group holds an overall BBB rating from MSCI, reflecting excellent environmental and social performances and strong governance structures
- The Carbon Disclosure Project (CDP) rates Implats at 'A-' for water security risk management and 'B' for climate change action and disclosures
- The Group remains a constituent of the FTSE4Good Index Series and the FTSE/JSE Responsible Investment Top 30 Index
- All operations, except Impala Canada, are ISO 14001:2015 certified
- Impala Refineries, Marula, Impala Bafokeng and Zimplats are ISO 45001:2018 certified
- Impala Refineries holds the London Platinum and Palladium Markets (LPPM) Responsible Sourcing Standard certificate.

Health and wellbeing

Recognising the correlation between employee health and wellbeing and the Group's objective of zero harm, Implats prioritises mitigating the impact of the primary occupational and non-occupational health risks faced by its employees. This is achieved through active engagement with the Implats Employee Wellness Programme, which offers psychosocial support, and mental and financial wellness services. Our proactive approach extends beyond employee health, encompassing the wellbeing of the communities in which we operate. This includes outreach initiatives aimed at health and wellness education, vaccination, basic diagnostic wellness days, and facilitating access to the Group's on-site medical facilities. Guided by global best practice, mental and financial wellness are a particular focus.

Further progress was made in managing the incidence of Implats' primary occupational diseases. Notably, there were no new cases of silicosis among our novice mining employees. Our occupational hygiene key indicators, specifically mine dust and diesel particulate matter, continue to be effectively controlled and adhere to industry benchmarks.

Implats adopts an integrated approach to managing HIV, given its co-occurrence with tuberculosis (TB) and we continue to make progress towards the 95/95/95 principle for managing HIV infections. The goal is to ensure that 95% of employees receive awareness training and know their HIV status; 95% of those who test positive for HIV/AIDS are

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on antiretroviral medication; and 95% of HIV-positive employees on antiretroviral medication achieve viral suppression. The continued improvement in this programme is evident in the decrease in the new infection rate. The Group recorded a 1.3% new infection rate for H1 FY2025 (H1 FY2024: 1.5%). Our well-established TB health programme maintained the Group's TB incidence rate three times below the industry benchmark. The current incidence rate is 161/100 000.

Noise-induced hearing loss (NIHL) remains a significant concern in the industry, and Implats has placed much emphasis on hearing protection programmes. A multi-disciplinary approach to reducing the impact of noise on hearing resulted in 26% fewer employees (31) being certified with NIHL in H1 FY2025. Implats supports the industry-wide 'buy and maintain quiet initiative'.

By using health technology, Implats' medical teams have enabled employees to undergo screening for non-occupational diseases. The global rise in obesity and its associated lifestyle diseases continues to be a concern. Interventions implemented include promoting healthy eating habits and increased physical activity, behavioural modification to reduce stress and weight management programmes. These interventions are conducted at our operational facilities.

Environment

Implats aims to achieve carbon neutrality by 2050, with a short-term target to reduce carbon emissions by 30% by FY2030, against FY2019 as a baseline. Excellent progress was made in increasing access to renewable energy during the six months. Zimplats commissioned the first 35MW of its intended 185MW solar power complex and, in a further positive development, the 45MW Phase 2A of the solar power project, for US$54 million, was approved in November 2024. The Group signed a five-year renewable energy supply agreement (RESA) with Discovery Green to supply wheeled wind and solar energy to its Impala Refineries operation. The RESA will supply up to 90% of Impala Refineries' electricity needs from 2026, significantly reduce its scope 2 greenhouse gas (GHG) emissions – by more than 852 000 tonnes CO_2e over the five years of the RESA – and yield cost savings.

During the period, carbon emission and energy use intensities deteriorated to 0.16CO_2 tonnes per tonne milled (H1 FY2024: 0.15) and 0.80GJ per tonne milled (H1 FY2024: 0.76), respectively, largely due to the increased use of coal-based electricity at Zimplats. This was due to a prolonged drought, which reduced the availability of hydropower in Zimbabwe, the increased total energy use at Zimplats as it ramped up Furnace 2, and lower Group milled volumes at managed operations.

Given the water-scarce nature of southern Africa, several projects are ongoing to improve operational water management, security and water-use efficiencies, and provide infrastructure to ensure access to clean water for employees and mine-host communities. During the period, 58% (H1 FY2024: 54%) of water consumed at the operations was re-used or recycled water, against the FY2025 target of 56%.

There were zero major (level 5) or significant (level 4) environmental incidents and one limited-impact (level 3) incident (H1 FY2024: 0, 0 and 0, respectively). No Group operation was issued a fine or non-monetary sanction for non-compliance with environmental regulations, licences or permits.

Implats continues to support the Global Industry Standard on Tailings Management (GISTM) and retains compliance in annual independent tailings review board audits of its tailings storage facilities (TSFs).

Social

The Group's social performance initiatives in the first half of FY2025 benefited more than 42 000 people and supported more than 3 000 employment opportunities. Our social performance framework is directed at four key focus areas – community wellbeing; education and skills development; enterprise and supplier development (ESD) and inclusive procurement; and infrastructure development.

Notable highlights include the launch of a R50 million regional ESD fund – the Impala Peo (seeds of change) fund will provide financial support to SMMEs from the mine communities surrounding the Group's Western Limb operations. Implats was also delighted with the matric pass rates attained

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at the schools supported by Impala Rustenburg, Impala Bafokeng and Marula, which were higher than South African provincial and national pass rates and a testament to the efficacy of the Group's school support programmes.

Eight community infrastructure projects were delivered, and a further seven infrastructure projects are under construction, while the Group's ongoing agricultural support programmes reached more than 350 farmers, aiding income generation opportunities for the participants. In addition, we have strengthened our relationships with the National Prosecuting Authority, the South African Police Service and the Minerals Council as we collaborate on gender-based violence initiatives across South Africa.

GROUP OPERATIONAL REVIEW

Following Group-wide labour restructuring and changes in operating parameters at several of its assets, Implats delivered a commendable operating performance in the first half of FY2025. Unit costs benefited from strategic actions and easing input inflation, while capital expenditure was reduced as various projects were commissioned in the period.

Tonnes milled at managed operations decreased by 4% to 13.74 million tonnes, due primarily to lower throughput at Impala Canada and Marula. 6E milled grade benefited from initiatives implemented at Impala Rustenburg and improvements at Zimplats and Impala Bafokeng, rising 1% to 3.80g/t. Managed operations' 6E volumes declined by 5% to 1.44 million ounces, mainly due to the accumulation of in-process inventory at Zimplats during the commissioning of the expanded furnace complex.

6E production from joint ventures (JVs) increased by 2% to 282 000 ounces (H1 FY2024: 276 000). Two Rivers benefited from improved operational delivery at the UG2 operations, and Mimosa delivered higher volumes despite challenges presented by intermittent regional power disruptions. 6E concentrate receipts from third parties declined by 9% to 103 000 ounces (H1 FY2024: 113 000), reflecting underlying contractual agreements.

In total, Group 6E production decreased by 4% to 1.82 million ounces (H1 FY2024: 1.90 million).

Refined 6E production, which includes saleable ounces from Impala Bafokeng and Impala Canada, increased by 2% to 1.79 million ounces (H1 FY2024: 1.75 million), benefiting from increased available processing capacity, despite intermittent interruptions to both water and power supply at Group processing facilities in the period. Implats ended H1 FY2025 with excess inventory of circa 375 000 6E ounces (H1 FY2024: 330 000; FY2024: 390 000).

In December 2024, a decision was taken to expedite the full rebuild of Furnace 3 at Impala Rustenburg, while in early February 2025, further unplanned repairs were completed at Furnace 5, resulting in constrained processing capacity in Q3 FY2025. While the commissioning of the expanded furnace complex in Zimplats offers Implats increased flexibility to navigate these events, processing constraints will slow the previously anticipated release rate of excess inventory in FY2025.

Strong cost control, easing input inflation and a lower labour complement were bolstered by rand appreciation on the translated dollar cost base of Zimplats and Impala Canada. As a result, Group unit costs per 6E ounce increased by 3% to R20 885 (H1 FY2024: R20 334).

Capital expenditure at managed operations decreased by 42% to R3.9 billion (H1 FY2024: R6.8 billion) due to lower levels of growth and replacement capital as projects neared completion and spend at Impala Canada was transferred to working costs in line with the Group's accounting policies. Stay-in-business spend of R2.7 billion, replacement capital of R379 million and expansion capital of R905 million decreased by 18%, 73% and 58%, respectively.

Impala

Impala Rustenburg navigated safety stoppages and water-supply disruptions to deliver strong operating momentum, with production in the period at a six-year high as the operation continued to reap the benefits of specific internal interventions and prior investment in asset integrity and operational flexibility.

Total development declined by 9%, in line with the planned reduction in waste development. Mineable face length increased by 2% to 25.3 kilometres,

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benefiting from structural changes and process enhancements to maintain the buffer to targeted mining flexibility of circa 25 kilometres. Tonnes milled were stable at 5.40 million tonnes (H1 FY2024: 5.39 million), negatively impacted by safety stoppages and water-supply disruptions experienced in the period. The labour complement at Rustenburg was reduced, in line with the Group-wide restructuring, and tonnes milled per employee costed improved by 5%. Milled grade benefited from reduced off-reef mining and development volumes, and increased by 3% to 4.11 6E g/t. Stock-adjusted 6E production rose 2% to 687 000 ounces (H1 FY2024: 675 000). Refined volumes benefited from a drawdown in previously accumulated in-process inventory and increased by 14% to 718 000 6E ounces (H1 FY2024: 630 000).

Total cash costs, including corporate and marketing costs, increased by 6% to R14.8 billion (H1 FY2024: R13.9 billion), and stock-adjusted unit costs rose 4.5% to R21 496 per 6E ounce (H1 FY2024: R20 569).

Capital expenditure decreased by 18% to R1.3 billion (H1 FY2024: R1.6 billion) as several mining and processing projects were completed in the period and cash preservation measures were implemented. R387 million was invested in the Rustenburg smelters and Impala Refineries in Springs (H1 FY2024: R553 million) as the BMR debottlenecking was completed in the period, and work accelerated on the new Final Metals Phase 4 upgrade at the Precious Metals Refinery.

Weaker palladium and nickel pricing was compounded by rand appreciation, offsetting the benefit of 12% higher 6E sales volumes of 669 000 ounces (H1 FY2024: 596 000). Gross profit benefited from reduced depreciation and lower royalties, but declined by 15% to R815 million (H1 FY2024: R958 million), while EBITDA was maintained at R3.1 billion. Impala generated R146 million in free cash flow (H1 FY2024: R376 million) and contributed R1.3 billion to Group headline earnings (H1 FY2024: R755 million).

Impala Refining Services (IRS)

Receipts of 6E matte and concentrates from managed operations at Zimplats and Marula decreased by 13% to 380 000 ounces (H1 FY2024: 437 000), as Marula remained challenged by constrained mining flexibility and matte production at Zimplats was impeded by inventory accumulation during the commissioning of the enlarged smelter complex. 6E receipts from our JVs – Two Rivers and Mimosa – increased by 2% to 284 000 ounces (H1 FY2024: 278 000), while third-party receipts declined by 9% to 103 000 ounces (H1 FY2024: 113 000) reflecting underlying contractual agreements. In aggregate, gross 6E receipts were 7% lower at 766 000 ounces (H1 FY2024: 828 000). Refined 6E volumes decreased by 3% to 746 000 ounces (H1 FY2024: 773 000) as the Group prioritised treating higher-grade PGM concentrates.

The cash operating costs associated with smelting, refining and marketing IRS production declined by 10% to R1.0 billion, reflecting lower refined throughput and sales and the benefit of easing consumables inflation.

6E sales volumes increased by 4% to 781 000 ounces (H1 FY2024: 753 000) on limited destocking of minor PGMs. However, softer palladium and nickel pricing and rand appreciation resulted in a 5% decline in revenue. Weaker PGM pricing and lower 6E receipts were offset by higher quantities of nickel purchased, and the cost of metals purchased decreased by 1% to R15.6 billion (H1 FY2024: R15.8 billion). IRS recorded gross profit and EBITDA of R2.4 billion (H1 FY2024: R2.7 billion) and R2.1 billion (H1 FY2024: R2.9 billion), respectively, and generated R400 million in free cash flow (H1 FY2024: R122 million), while contributing R1.6 billion to Group headline earnings (H1 FY2024: R2.2 billion).

Impala Bafokeng

Revised operating parameters yielded efficiency improvements at Impala Bafokeng. Notable improvements achieved at Styldrift were offset by production losses at BRPM due to safety stoppages following the fatal accidents.

Tonnes milled were 5% lower at 2.14 million tonnes (H1 FY2024: 2.25 million), while improved process recoveries and marginally higher grades mitigated

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the impact on metal production, resulting in stable 6E in concentrate volumes of 254 000 ounces (H1 FY2024: 254 000). Styldrift increased 6E production by 4% to 105 000 ounces (H1 FY2024: 101 000), offsetting the 5% decline in volumes at BRPM to 146 000 ounces (H1 FY2024: 153 000).

Cash costs declined by 2% to R4.9 billion (H1 FY2024: R5.0 billion). Mining inflation of 5.8% was offset by the savings achieved through revised operating parameters, reduced corporate overheads and a lower labour complement. Unit costs decreased by 2% to R19 123 per 6E ounce in concentrate (H1 FY2024: R19 598) – with the 15% lower unit cost at Styldrift offset by a 10% increase at BRPM. Capital expenditure was reduced to R460 million (H1 FY2024: R879 million) as projects were completed in the prior period and cost-containment measures came into effect. Revenue benefited from reduced fair value movements, which offset unchanged sales volumes and a 4% decrease in received revenue per 6E ounce, while the stable cost of sales resulted in a 27% reduction in the gross loss to R464 million (H1 FY2024: R634 million).

EBITDA in the prior period was negatively impacted by several once-off costs associated with the conclusion of the Royal Bafokeng Platinum (RBPlat) acquisition and improved to R216 million (H1 FY2024: loss of R544 million), while free cash flow generation of R724 million (H1 FY2024: cash outflow R2.7 billion) benefited from an additional receipt for the sale of concentrate in the period. A headline loss of R289 million was recorded (H1 FY2024: R756 million).

Zimplats

Zimplats commissioned the expanded smelter complex resulting in a temporary accumulation of concentrate inventory. Mined and milled volumes faced headwinds from lower trackless mobile machinery availability and intermittent interruptions to the power supply.

Tonnes mined decreased by 2%, while tonnes milled declined by 3% to 3.81 million tonnes (H1 FY2024: 3.91 million). 6E milled grade increased by 1% to 3.38g/t (H1 FY2024: 3.34g/t), benefiting from increased tonnage from higher-grade areas at Rukodzi and Mupani mines, and 6E concentrate volumes declined by 2% to 325 000 ounces (H1 FY2024: 331 000). The new furnace was commissioned and optimised in the period, with hot commissioning of the expanded converters in December 2024. The build-up of concentrate inventories ahead of the commissioning was compounded by the furnace inventory build-up on the 'first fill' and reached 31 000 ounces, of which circa 21 500 ounces are expected to be processed to smelter matte in H2 FY2025. Matte production declined by 15% to 280 000 6E ounces (H1 FY2024: 328 000).

Total cash costs increased by 1.5% to US$275 million (H1 FY2024: US$271 million), with US dollar mining inflation of 0.2% and higher running costs associated with the expanded smelter partially offset by labour savings. Translated costs benefited from rand appreciation and were 3% lower at R4.9 billion (H1 FY2024: R5.1 billion). Unit costs per tonne milled increased by 4% to US$72 per tonne, while stock-adjusted costs per 6E ounce in matte increased by 7% to US$885 (H1 FY2024: US$829) on lower throughput and higher smelting costs.

Capital expenditure decreased by 43% to US$110 million (H1 FY2024: US$194 million) and was 45% lower in rand terms as spend on replacement and growth projects slowed. The 35MW solar plant was commissioned in August 2024 and has reached design generation capacity. The development of a 45MW solar plant – Phase 2A of the project – was approved in the period.

Sales volumes declined by 13% to 280 000 6E ounces (H1 FY2024: 320 000). Revenue per ounce sold was negatively impacted by softer palladium and nickel pricing and was 4% lower at R22 539 per 6E ounce (H1 FY2024: R23 495). Gross profit fell to R195 million (H1 FY2024: R591 million) on lower sales revenue, higher smelting costs and inventory accumulation, while the free cash outflow moderated to R729 million from R2.1 billion in the prior period as capital expenditure slowed. Zimplats recorded a headline loss of R166 million (H1 FY2024: profit of R1.5 billion).

Commentary

Marula

Production at Marula was adversely impacted by constrained mining flexibility and the commissioning of an underground collision avoidance system. Leadership and operational changes were implemented to reverse the deterioration in Marula's performance. It is well understood that a step-change is required for the operation to deliver to its potential and return to positive free cash flow generation. The asset continues to receive significant Group management oversight and support.

Tonnes milled declined by 10% to 848 000 tonnes (H1 FY2024: 945 000), and 6E grade retraced by 5% to 4.10g/t (H1 FY2024: 4.30g/t), impacted by a higher development-to-stoping ratio amid efforts to improve mining flexibility. 6E concentrate volumes declined by 10% to 101 000 ounces (H1 FY2024: 113 000).

Mining inflation eased and costs benefited from lower volumes and a reduced labour complement following restructuring, resulting in a 2% increase to R2.1 billion (H1 FY2024: R2.1 billion). Unit costs were negatively impacted by lower volumes and rose 14% to R20 998 per 6E ounce in concentrate (H1 FY2024: R18 395). Capital expenditure decreased by 27% to R196 million (H1 FY2024: R268 million) as spend on the Phase 2 project was slowed.

6E sales volumes declined by 11%, exacerbating the impact of a 6% retracement in revenue per 6E ounce to R19 650 (H1 FY2024: R20 815), and the gross loss widened to R447 million (H1 FY2024: R238 million). Marula reported negative EBITDA of R170 million (H1 FY2024: R23 million), a free cash outflow of R220 million (H1 FY2024: R100 million), and a headline loss of R274 million (H1 FY2024: profit of R274 million).

Impala Canada

Production at Impala Canada reflected the revised operating strategy implemented in FY2024 in response to the deterioration in PGM pricing. The strategy prioritises maximum volumes of high-margin ounces over the remaining life-of-mine by reducing underground mined volumes, focusing on high-grade zones and supplementing milled volumes from existing stockpiles.

Tonnes mined declined by 17%, with tonnes milled 15% lower at 1.54 million tonnes (H1 FY2024: 1.81 million), in line with the revised production plan. Milled grade decreased by 5% to 2.84g/t (H1 FY2024: 3.00g/t), resulting in a 20% decrease in 6E concentrate production to 116 000 ounces (H1 FY2024: 144 000).

Cash costs of C$156 million (H1 FY2024: C$164 million) decreased by 5% due to easing input inflation, lower mining volumes and cost-containment initiatives. Stock-adjusted unit costs per 6E ounce in concentrate increased by 15% to C$1 360 (H1 FY2024: C$1 184), while currency appreciation mitigated the increase to 8% in rand terms to R17 628 (H1 FY2024: R16 376).

6E sales volumes decreased by 19% to 115 000 ounces (H1 FY2024: 143 000) and rand revenue retraced by 14% to R18 537 per 6E ounce sold (H1 FY2024: R21 514). The 30% decline in revenue erased the benefit of a 25% improvement in the cost of sales, and the gross loss widened to R222 million (H1 FY2024: R96 million). Free cash flow improved to R187 million (H1 FY2024: cash outflow of R23 million) with the prior period's results impacted by negative final settlement adjustments. Impala Canada reported a headline loss of R311 million (H1 FY2024: R224 million).

Two Rivers

Production at Two Rivers stabilised with improved operational delivery at the UG2 operations. The Merensky project was successfully placed on care and maintenance post-commissioning of the concentrator, and a labour restructuring was completed during the period.

Tonnes milled declined by 2% to 1.79 million tonnes (H1 FY2024: 1.82 million), with higher UG2 ore volumes offsetting lower Merensky volumes. Milled grade was stable at 3.09g/t (H1 FY2024: 3.10g/t), while improved processing yields resulted in a 1% increase in 6E concentrate production to 153 000 ounces (H1 FY2024: 151 000).

Total cash costs increased by 7% to R2.4 billion (H1 FY2024: R2.2 billion), with mining inflation exacerbated by higher trackless maintenance costs and expanded UG2 production volumes. Stock-

Commentary

adjusted unit costs per 6E ounce in concentrate (which include the cost of the Merensky stockpile milled) increased by 7% to R16 475 per ounce (H1 FY2024: R15 464). Capital expenditure decreased by 70% to R577 million (H1 FY2024: R1.9 billion) as spend on the Merensky project slowed.

Sales volumes were stable at 153 000 6E ounces, while revenue per 6E ounce sold fell 7% to R19 888 per ounce (H1 FY2024: R21 284), impacted by weaker dollar pricing and rand appreciation. Revenue benefited from reduced fair value adjustments, while lower depreciation charges buffered the cost of sales. Gross profit declined by 11% to R314 million (H1 FY2024: R351 million). Two Rivers recorded a profit of R149 million and contributed R47 million to Group headline earnings.

Mimosa

Mimosa delivered a commendable operating performance, demonstrating strong cost containment and production gains despite a complex operating context and intermittent power interruptions.

Tonnes milled increased by 3% to 1.47 million tonnes (H1 FY2024: 1.42 million), offsetting the impact of slightly lower milled grade, which decreased by 1% to 3.61g/t (H1 FY2024: 3.63g/t), yielding a 3% improvement in 6E concentrate production of 129 000 ounces (H1 FY2024: 125 000).

Cash costs increased by 2% to US$134 million (H1 FY2024: US$131 million) and were 1% lower in rand terms, as cost-containment efforts helped counter high domestic currency inflation. Unit costs per tonne milled and per 6E ounce in concentrate were stable at US$92 (H1 FY2024: US$92) and US$1 043 (H1 FY2024: US$1 046), respectively. Capital expenditure fell by 51% to US$29 million, with spend in the prior period elevated by the TSF project – the TSF and the Gorge dam were successfully commissioned at the end of H1 FY2025.

6E sales volumes increased by 5% to 130 000 ounces, but lower received dollar pricing for platinum, palladium and nickel negatively impacted revenue per ounce, which declined by 13% to R23 294 per 6E ounce (H1 FY2024: R26 745). Revenue was buffered by fair value gains in the period and improved by 11%, while cost containment and rand appreciation resulted in a 1% improvement in the reported cost of sales. Gross profit of R43 million improved from a gross loss of R319 million in the prior period. Mimosa reported a net loss of R175 million, and the share of loss to Implats headline earnings was R135 million.

MINERAL RESOURCES AND MINERAL RESERVES

Changes in Implats' attributable Mineral Resource and Mineral Reserve estimate were limited to production depletion in the period. Implats' attributable Mineral Resource estimate decreased by 0.7% to 314.4 million 6E ounces and the attributable Mineral Reserve estimate decreased by 3.0% to 53.0 million 6E ounces, relative to the Group's Mineral Resources and Mineral Reserves statement at the end of June 2024. The Mineral Resource and Mineral Reserve statement for the year ended 30 June 2025 will provide detailed updated estimates.

FINANCIAL REVIEW

Group profitability remained challenged by lacklustre rand PGM pricing. The benefit of strong operational delivery, higher sales volumes and cost containment were negated by lower revenue. While Implats' reported earnings declined, free cash flow generation improved, and the Group maintained a strong and flexible balance sheet with closing adjusted net cash and adequate liquidity headroom.

Revenue of R42.3 billion was 3% or R1.1 billion lower than the prior comparable period:

- 6E sales volumes increased by 5% to 1.77 million ounces, resulting in a 2% or R1.0 billion increase in revenue. Platinum and rhodium sales increased by 4% and 5% to 844 000 ounces and 101 000 ounces, respectively. Palladium sales were impacted by lower output at Impala Canada and declined by 4% to 576 000 ounces
- Lower dollar metal prices resulted in a 1% or R367 million reduction in revenue, with weaker achieved palladium and nickel pricing accounting for a R2.0 billion and R411 million decline in revenue, respectively, partially offset by higher

Commentary

rhodium (R909 million), platinum (R693 million) and gold (R539 million) revenue. Additional sales of ruthenium in the period also impacted total US dollar revenue per 6E ounce sold, which declined by 3% to US$1 334 (H1 FY2024: US$1 376)
- The achieved rand exchange rate strengthened by 5% to R17.87/US$ (H1 FY2024: R18.75/US$), resulting in a 5% or R2.1 billion decrease in revenue. Rand appreciation compounded the impact of soft US dollar metal pricing, and rand revenue decreased by 8% to R23 831 per 6E ounce sold (H1 FY2024: R25 795)
- Moderate changes in metal prices resulted in a R358 million lower variance in revenue from fair value movements at Impala Bafokeng and Impala Canada.

Cost of sales was stable at R40.2 billion:
- Cash costs increased by 1% or R312 million to R29.7 billion. Group mining inflation of 4.6% accounted for R1.4 billion, which was largely offset by lower labour costs following a Group-wide restructuring and the R341 million benefit of the translation of foreign subsidiaries' costs at a stronger rand
- The cost of metals purchased increased by 14% or R940 million, as softer rand PGM pricing was offset by higher volumes of nickel purchases
- Depreciation decreased by 18% or R748 million, with lower charges at Impala Canada and Impala Rustenburg following impairments in FY2024, and the benefit of the translation of charges at both Impala Canada and Zimplats at a stronger exchange rate
- Royalties declined by R241 million, in line with lower profitability and the impairment of the prepaid royalty in FY2024
- The increase in stock of R2.1 billion was largely impacted by higher quantities of refined metal, the lock-up of ore and matte at Zimplats following the commissioning of its new smelter, and the stock write-on of 27 000 6E ounces (R823 million) to in-process inventories following the annual stocktake. This was partially offset by the release of in-process metal by the Impala smelters.

Stock-adjusted unit costs increased by 3% or R551 per 6E ounce to R20 885:
- Group mining inflation of 4.6% at managed operations contributed R909 per ounce to the unit cost increase, as input pricing pressure eased across Implats' operating geographies. Management continues to drive cost savings across the Group
- Inflation of 5.8% at South African operations moderated from 6.5% in the prior comparable period, with US dollar inflation of 0.2% and Canadian dollar inflation of 1.8% at Zimplats and Impala Canada, respectively
- The lower labour complement following a Group-wide restructuring resulted in a R401 per 6E ounce benefit to unit costs, while the translation impact of the stronger rand on the cost base at Zimplats and Impala Canada resulted in a further R188 per 6E ounce benefit
- Stock-adjusted production volumes at managed operations declined by 2%, with higher production at Impala Rustenburg offset by weaker volumes at Impala Canada and Marula. This was countered by a 4% increase in gross refined volumes on the back of improved processing availability and resulted in a R194 per ounce increase in reported unit costs.

The Group generated a gross profit of R2.1 billion (H1 FY2024: R3.4 billion) at a gross profit margin of 5% (H1 FY2024: 8%).

Profit in the prior comparable period was impacted by two once-off, non-cash items relating to impairments of property, plant and equipment at each of Impala Canada and the Two Rivers JV (included in income from associates). There were no impairments in the period under review.

There was a negligible impact on earnings from net foreign exchange losses of R12 million (H1 FY2024: R255 million) and net finance costs of R29 million (H1 FY2024: net finance income of R93 million), with a period-end exchange rate of R18.90/US$ (H1 FY2024: R18.36/US$) and lower net finance income due to lower cash balances.

Other income benefited from the receipt of insurance proceeds of R434 million and fair value gains on rehabilitation investments, while in the prior comparable period, expenses were impacted by costs associated with concluding the acquisition of RBPlat. The loss from earnings at both JVs – Mimosa and Two Rivers – moderated to R87 million from R495 million in the prior period,

Commentary

when an impairment of R987 million (after tax) was included at Two Rivers. Implats recorded EBITDA of R6.5 billion (H1 FY2024: R8.4 billion) at an EBITDA margin of 15% (H1 FY2024: 19%).

The tax charge of R736 million resulted in an effective tax rate of 29% (H1 FY2024: R175 million and 9%). The tax rate and charge in the prior period benefited from a deferred tax credit at Zimplats.

Basic earnings increased to R1.9 billion or 208 cents per share, from R1.6 billion and 180 cents per share – profitability in the prior period was reduced by impairments. Headline earnings of R1.8 billion or 206 cents per share were 43% and 44% lower, respectively. The weighted average number of shares in issue increased to 898.05 million from 894.75 million in the prior period.

Net cash from operating activities of R3.6 billion increased from R1.3 billion – cash flow in the prior comparable period was impeded by prepayments associated with capital projects at Zimplats, a timing delay in the payment for sale of concentrates at Impala Bafokeng of R1.0 billion, and R0.9 billion in transaction costs associated with the RBPlat acquisition. In the current period, Impala Bafokeng received its June 2024 revenue payment in early July 2024, while tax refunds of R0.5 billion also benefited cash flow generation, helping counter the working capital impact of higher Group in-process and refined inventory.

Capital cash outflows declined by 44% to R3.8 billion (H1 FY2024: R6.8 billion) due to lower levels of growth and replacement capital as projects neared completion and spend at Impala Canada was transferred to working costs. Implats recorded a free cash flow of R639 million (H1 FY2024: R4.8 billion outflow). Implats received R175 million in dividends (H1 FY2024: R20 million) from JVs and associates, while dividend payments totalling R9 million were made to non-controlling interests at Impala Chrome (H1 FY2024: R304 million). The Group incurred R567 million on purchasing Implats shares for the long-term incentive plans, and a net R87 million was spent on the repayment of borrowings, resulting in a R38 million net decrease in cash.

Zimplats' US$60 million (R1.1 billion) 12-month revolving borrowing base facility remained in use, with an additional R85 million in total short-term local currency (ZWG) accessed. Deferred revenue associated with the Impala Bafokeng gold streaming facility (R1.6 billion) and the PIC housing loan (R1.4 billion) resulted in gross closing debt of R4.1 billion, excluding R834 million in finance leases (H1 FY2024: gross debt of R3.5 billion). Closing net cash balances of R9.6 billion comprised cash and cash equivalents of R9.9 billion net of a Zimplats bank overdraft of R340 million. Due to limited recourse to Implats, the PIC loan is excluded from debt calculations for the purpose of covenants, resulting in closing adjusted debt of R2.8 billion (excluding the bank overdraft of R340 million) and closing adjusted net cash of R6.7 billion (H1 FY2024: R6.4 billion).

At the end of the period, the Group had undrawn, dual-tranche revolving credit facilities (RCFs) of R6.5 billion and US$93.8 million in place, resulting in liquidity headroom of R17.8 billion.

Implats' capital allocation framework aims to sustain and grow meaningful value for all stakeholders and provide attractive returns to shareholders, while maintaining financial flexibility for the Group.

During the period, Implats incurred a cash outflow of R2.9 billion on stay-in-business and replacement capital, with a further R0.6 billion spent on acquiring shares for the Implats share incentive schemes. After adjusting for foreign exchange translation losses, the Group realised an adjusted free cash inflow of R1.0 billion.

The Group's dividend policy is premised on returning a minimum of 30% of adjusted free cash flow, pre-growth capital and cash outflows. However, given constrained free cash flow generation due to persistent low PGM prices, the uncertain macroeconomic environment due to new political dispensations, and still-elevated working capital as we navigate reduced processing capacity utilisation during smelting facility repair projects, no interim dividend has been declared. The board will reassess a dividend declaration at year end. In H1 FY2025, R0.9 billion in cash was allocated to growth and investment by funding investment in

Commentary

expansion projects at our mining and processing operations, with residual cash flow used to fund operational and capital requirements.

PGM MARKET REVIEW (calendar years unless otherwise stated)

Negative revisions to the peer-group production profile, softer-than-expected secondary supplies and higher investment demand resulted in tighter-than-expected PGM markets in 2024. Each of platinum, palladium and rhodium are expected to remain in deficit in 2025. However, the deficits are expected to moderate, with higher forecast battery electric vehicle (BEV) penetration and a lower rate of global industrial capacity expansion expected. While primary supply is expected to be stable, secondary scrap is expected to drive gross supply gains in 2025.

Consumer and investor sentiment remains cautious. Precious metal pricing continues to be heavily influenced by the global macroeconomic outlook, with political and geopolitical developments taking centre stage. Gold and silver pricing has materially outperformed both platinum and palladium, with investor focus firmly centred on these deep and liquid markets.

The potential impact of tariffs, persistent geopolitical tensions and the increasingly divergent outlook for growth, inflation and interest rates across major economies, continue to present risks to the global macroeconomic outlook. After a year of better-than-expected outcomes, downside risks are once again being highlighted and overt optimism is cautioned.

Platinum pricing remained largely rangebound between US$900 and US$1 000 per ounce during 2024. There were limited announcements regarding supply curtailment, and the news flow on demand drivers was similarly lacklustre. Trading volumes and pricing were heavily dictated by macroeconomic headlines in the period. Rand depreciation continues to place pressure on platinum pricing, while a narrowing of the price premium to palladium has resulted in revisions to medium-term switching forecasts. Trump-administration policies, while supportive of a longer tail for catalysed vehicle production, have the potential to limit financial support for hydrogen development in the US.

Tightening market fundamentals will require a drawdown in above-ground stocks and should lend medium-term price support.

Palladium pricing continued to be negatively impacted by a confluence of factors, including the continued flow of Russian primary supply, significant speculative trading on NYMEX (the New York Mercantile Exchange) and a seeming disregard for fundamental sector news flow. While the revised production profiles at North American palladium operations led to some short covering, a lack of enacted sanctions initiated a re-loading of short positioning into year end.

Rhodium pricing was largely uneventful in 2024, stabilising after several years of significant volatility, which included steep gains and equally steep declines. Secondary scrap availability and the trading behaviour of autocat recyclers continue to heavily influence physical market liquidity, with fabricators managing the market to limit volatility and keep pricing changes to the minimum to restore confidence in industrial end users.

Automotive

The sales outlook for the global light vehicle (LV) market is for modest expansion over the medium term. Sales volumes in the key markets in 2024 were all comfortably higher on an annual basis. In the US, sales were at the best level since the pandemic, at 16 million vehicles, and Western European sales improved slightly from previous lacklustre results. China's car market performed well as government incentives, scrappage subsidies, and strong demand for both plug-in hybrid vehicles (PHEVs) and BEVs helped aid consumer demand. In total, Global Data expects LV sales growth of 2% in 2024 and 1% in 2025.

Global Data estimates the BEV share of global LV sales reached 10.5 million units (14% of market share), representing annual growth of 13% – a significant slowing from the 30% growth delivered in 2023. It is now clear that Europe saw negligible regional BEV expansion in 2024, with North American growth of 9% also looking anaemic given the significant subsidies available to electric vehicle (EV) buyers. China remained the global driver of residual BEV expansion, with annual growth of

Commentary

15% (and 60% market share) of global LV BEV sales. Globally, BEV growth was comprehensively outstripped by growth in hybrid sales including both PHEV and range-extended EVs. After a year of stagnation, BEV growth is expected to accelerate again in 2025, eroding PGM demand offtake. That said, US President Donald Trump's commitment to roll back strict emissions legislation in the US (which effectively enforces reduced BEV market share) and remove EV tariffs could shift the profile of North American penetration. Meanwhile, changes in EU CO_2 penalties proposed in 2025 could ease pressure on struggling regional OEMs to prioritise BEV sales and result in positive revisions to the catalysed LV forecast.

The pace of global LV production through 2024 softened as deeper stock management and affordability challenges in Europe and North America helped offset incentive-led output boosts in China. In aggregate, Global Data estimates LV production contracted by 1% in 2024. For 2025, the uncertainty surrounding trade tariffs and an anticipated stabilisation in demand result in a modest 1.6% forecast increase to 91.9 million units, with 2% growth pencilled in for 2026. The beginning of 2025 is marked by heightened uncertainty, and vehicle pricing will continue to play a crucial role in consumer purchasing decisions and production outcomes.

The global medium and heavy truck market is forecast to grow by around 2% in 2025 after an anticipated fall of circa 2.6% in 2024. The market remained affected by weak freight fundamentals and softer construction activity, combined with still-elevated interest rates and persistent global economic policy uncertainty. The outlook for 2025 is for mild improvement, with fiscal stimulus in both the US and China expected to boost demand, and truck production is expected to rise by 1% in 2025.

Industrial

The chemical, glass, electrical, biomedical and petroleum sectors drive industrial demand for PGMs, with annual demand impacted by capacity utilisation rates and changes in installed capacity. Industrial demand for both platinum and palladium is expected to have eased in 2024 and, while still elevated, will ease further in 2025 as the pace of capacity expansions in the chemical sector slows. Rhodium industrial demand was undercut by weak glass demand in 2022 and 2023 as alloys were adjusted on change-outs to higher platinum content in response to record pricing, and industrial demand is set to recover in the medium term as this phenomenon fades.

Platinum demand from the hydrogen economy reached circa 85 000 ounces in 2024, is expected to increase by almost 50% to 124 000 ounces in 2025, and continue a path of steady growth as the markets for electrolysis, storage and both stationary and transport fuel cells develop. At present, demand is dominated by stationary and portable fuel cell demand, but electrolysis is expected to become the market driver in the near term, before the ramp-up in both heavy and light-duty fuel cell electric vehicles drives medium and longer-term growth.

Hydrogen adoption encountered notable headwinds in the final months of 2024 – the sector faced financial pressures and tepid market momentum. Leading firms tempered investment, citing escalating costs and challenging market conditions, and high-profile projects were shelved due to funding shortfalls. Policy clarity on hydrogen imperatives and the alignment of newly formed governments should help steady the outlook over the course of 2025.

Jewellery

Platinum jewellery demand expanded modestly in 2024, with better-than-expected growth in Western, Indian and Japanese markets offsetting a further contraction in the Chinese market, where slow domestic economic growth, weak consumer sentiment and high gold pricing dampened retail sales. In Europe, a clear response to the persistent price differential of platinum versus white gold in the bridal and mass-market segments underpinned growth. In the US, normalising engagement numbers, price differentials and still-robust consumer sentiment and trade support resulted in a further expansion in platinum fabrication. India saw a rebound in demand growth as import duties on precious metals were reduced, and strong promotional efforts bolstered offtake. Some stock replenishment in China, the still-material price differential to white gold, strong structural growth in

Commentary

India and stable demand off an elevated base in the US should support further a moderate expansion in jewellery demand in 2025.

Investment

2024 was characterised by lacklustre investor conviction regarding the outlook for PGMs. The unfavourable economic backdrop to commodities, in general, was compounded by still-high global interest rates and a strong dollar. Speculative trading and futures positioning heavily influenced price performance in both platinum and palladium and was at odds with reported physical investment flows for both ETFs and bars and coins during the year, which increased for both metals during the period, tightening market balances.

Implats' definition of the investment market includes ETF flows and net bar and coin purchases. In 2024, a rebound in purchasing of platinum ETFs and robust Chinese purchases of large platinum investment bars helped offset weakness in Japanese bar buying and lacklustre Western bar and coin purchases, resulting in a total net platinum investment of circa 572 000 ounces. Palladium and rhodium investment markets are far more modest in size, and the Group estimates net ETF purchases of 242 000 ounces of palladium and negligible sales of less than 1 000 ounces of rhodium, respectively, in 2024.

Supplies

PGM mine supply continues to reflect operational constraints across most key producing geographies, exacerbated by poor producer economics due to weak PGM pricing. Refined supply in 2024 was bolstered by the destocking of previously accumulated in-process inventory, while Russian output benefited from the shorter-than-expected duration of planned processing maintenance. Primary supply is expected to be stable for platinum and rhodium in 2025, but will retrace for palladium, as production profiles at North American operations were revised down in response to weak pricing.

Secondary PGM supply stabilised in 2024, but expectations for growth were trimmed through the year as collection rates again failed to rebound to the extent expected. The cost and complexity of collecting, funding and transporting spent catalyst material remains high, and there are divided opinions on the extent to which catalyst 'hoarding' has occurred. The pace of secondary supply expansion is a key driver of easing markets in 2025 and is premised on a recovery in both Western outturn and growth in the nascent Chinese market.

OUTLOOK

The start of 2025 has seen global markets reflect renewed bets on a stronger-for-longer dollar and higher-for-longer interest rates as the domestic growth outlook in the US has continued to improve. As the world waits for US policies under a Trump administration to unfold and settle, policymakers and central banks are being challenged to operate amid ongoing geopolitical uncertainty while facing their own domestic fiscal dynamics.

The global macroeconomic outlook faces downside risks, including those associated with the impact of tariffs and geopolitical tensions, and the outlook for growth, inflation and interest rates across the major economies is increasingly divergent.

Anecdotal evidence indicates that destocking by automotive and industrial end users of PGMs is slowing. Implats continues to receive robust requests for spot material from our customer base. In addition, a continued deferral of the expected recovery in recycling flows and secondary supply is tightening near-term market outlooks for each of platinum, palladium and rhodium. Despite these price-supportive developments, both business and investor confidence and dollar pricing remain anaemic, with a lack of conviction in the underlying demand outlook. PGM rand revenue remains rangebound, and South African producer economics are strained.

Commentary

Implats remains focused on delivering safe and profitable production – operational planning and capital investment are structured to enhance the competitive positioning of each asset to maximise returns and limit the use of the balance sheet to cross-subsidise loss-making operations. Weak rand PGM pricing for much of the past year has resulted in pressure on operating margins and free cash flow potential. We have taken decisive action and continue to develop and evolve our response to the reality presented by the sharp downturn in the sector. The majority of our operations delivered well in the period under review, but the challenges at some may require additional interventions and adjustments to future operating parameters.

Guidance

Group production in FY2025 will be supported by strong delivery at Impala Rustenburg, Impala Bafokeng, Mimosa and Two Rivers, together with the expected partial unwind of accumulated inventory at Zimplats – countering the weak performance at Marula and the tapering production profile at Impala Canada. Group smelting rates in Q3 FY2025 have been constrained by required maintenance and repairs at two Impala Rustenburg furnaces, which will moderate the pace of excess inventory destocking in FY2025.

Group 6E refined and saleable production and unit cost guidance are maintained between 3.45 million and 3.65 million ounces and between R21 000 and R22 000 per 6E ounce on a stock-adjusted basis, respectively. The forecast for Group capital expenditure has been lowered, with spend at Impala Canada transferred to working costs, and is now expected to be between R7.0 billion and R8.0 billion, including growth capital of between R1.0 billion and R1.2 billion.

Area	Unit	Actual FY2024	Previous guidance FY2025	New guidance FY2025
Refined and saleable production	6E koz	**3 378**	3 450 – 3 650	3 450 – 3 650
Group production	6E koz	**3 654**	3 500 – 3 700	3 500 – 3 700
Impala, stock-adjusted refined	6E koz	**1 284**	1 250 –1 300	1 250 –1 300
Zimplats, stock-adjusted matte	6E koz	**646**	630 – 660	630 – 660
Impala Bafokeng, concentrate	6E koz	**483**	490 – 530	490 – 530
Two Rivers, concentrate	6E koz	**291**	270 – 300	270 – 300
Impala Canada, concentrate	6E koz	**281**	250 – 270	220 – 250
Mimosa, concentrate	6E koz	**255**	240 – 260	240 – 260
Marula, concentrate	6E koz	**223**	230 – 250	200 – 220
IRS (third party)	6E koz	**191**	150 – 170	170 – 190
Group unit cost	R/oz 6E	**20 922**	21 000 – 22 000	21 000 – 22 000
Group capex	Rm	**14 003**	8 000 – 9 000	7 000 – 8 000
Exchange rate	R/US$	**18.71**	18.25	18.25
	C$/US$	**1.35**	1.33	1.40

The forecast financial information on which the above guidance is based has not been reviewed and reported on by Implats' external auditors.

Approval of the condensed consolidated interim financial statements

The directors of Impala Platinum Holdings Limited (Implats, the Company or the Group) are responsible for the maintenance of adequate accounting records and the preparation of the condensed consolidated interim financial statements and related information in a manner that fairly presents the state of the affairs of the Company. These condensed consolidated interim financial statements are prepared in accordance with the Listings Requirements of the JSE Limited, the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards, the requirements of International Accounting Standards (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the Companies Act (71 of 2008) and incorporate full and responsible disclosure in line with the accounting policies of the Group which are supported by prudent judgements and estimates.

The condensed consolidated interim financial statements have been prepared under the supervision of the chief financial officer, Ms M Kerber, CA(SA).

The directors are additionally responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the condensed consolidated interim financial statements, and to prevent and detect material misstatement and loss.

The condensed consolidated interim financial statements have been prepared on a going-concern basis as the directors believe that the Group will continue to be in operation in the foreseeable future.

The condensed consolidated interim financial statements as set out on pages 20 to 62 have been approved by the board of directors and are signed on their behalf by:

NDB Orleyn
Chairman

NJ Muller
Chief executive officer

Johannesburg

27 February 2025

Independent auditor's review report on interim financial statements

TO THE SHAREHOLDERS OF IMPALA PLATINUM HOLDINGS LIMITED

We have reviewed the condensed consolidated interim financial statements of Impala Platinum Holdings Limited, as set out on pages 20 to 62, which comprise the condensed consolidated statement of financial position as at 31 December 2024 and the condensed consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE INTERIM FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, (IAS) 34, *Interim Financial Reporting,* the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (ISRE 2410). ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained. The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Impala Platinum Holdings Limited for the six months ended 31 December 2024 are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting,* the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Signed by:
Deloitte & Touche
E09FB7715245430...

Deloitte & Touche
Registered Auditor
Per: Sphiwe Stemela
Partner

27 February 2025

5 Magwa Crescent
Waterfall City
Waterfall, 2090
Docex 10, Johannesburg

Condensed consolidated statement of profit or loss and other comprehensive income

	Notes	**Six months ended 31 December 2024 (Reviewed) Rm**	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Revenue	5	**42 280**	43 425	86 398
Cost of sales	6	**(40 152)**	(39 990)	(80 931)
Gross profit		**2 128**	3 435	5 467
Impairment	7	**—**	(701)	(21 852)
IFRS 2 charge on B-BBEE transaction	18	**—**	—	(1 932)
Other income	8	**698**	468	1 170
Other expenses	9	**(154)**	(673)	(1 289)
Finance income		**403**	547	1 076
Finance costs		**(432)**	(454)	(960)
Net foreign exchange transaction losses		**(12)**	(255)	(924)
Share of loss of equity-accounted entities	12	**(87)**	(495)	(1 182)
Profit/(loss) before tax		**2 544**	1 872	(20 426)
Income tax (expense)/credit	16	**(736)**	(175)	3 275
Profit/(loss) for the period		**1 808**	1 697	(17 151)
Other comprehensive income/(loss), comprising items that may subsequently be reclassified to profit or loss:				
Exchange differences on translating foreign operations		**1 741**	(1 125)	(1 432)
Deferred tax thereon		**(32)**	559	673
Other comprehensive income/(loss), comprising items that will not be subsequently reclassified to profit or loss:				
Financial assets at fair value through other comprehensive income		**63**	16	32
Deferred tax thereon		**(20)**	—	—
Actuarial loss on post-employment medical benefit		**—**	—	(3)
Deferred tax thereon		**—**	—	1
Total other comprehensive income/(loss)		**1 752**	(550)	(729)
Total comprehensive income/(loss)		**3 560**	1 147	(17 880)
Profit/(loss) attributable to:				
Owners of the Company		**1 867**	1 614	(17 313)
Non-controlling interests		**(59)**	83	162
		1 808	1 697	(17 151)
Total comprehensive income/(loss) attributable to:				
Owners of the Company		**3 425**	1 184	(17 882)
Non-controlling interests		**135**	(37)	2
		3 560	1 147	(17 880)
Earnings/(loss) per share (cents)				
Basic		**208**	180	(1 929)
Diluted		**207**	180	(1 924)

For headline earnings per share refer to note 21.

The notes on pages 25 to 62 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of financial position

	Notes	**As at 31 December 2024 (Reviewed) Rm**	As at 31 December 2023 (Reviewed) Rm	As at 30 June 2024 (Audited) Rm
ASSETS				
Non-current assets				
Property, plant and equipment	10	**65 653**	72 166	63 502
Investment property		**84**	88	86
Goodwill	11	**3 523**	9 870	3 523
Investments in equity-accounted entities	12	**10 453**	11 433	10 305
Financial assets at fair value through other comprehensive income		**756**	677	693
Environmental rehabilitation investments	13	**2 949**	2 599	2 776
Other financial assets		**1 238**	1 267	1 275
Prepayments and other assets	14	**198**	3 295	208
		84 854	101 395	82 368
Current assets				
Inventories	15	**28 667**	27 029	26 578
Trade and other receivables		**10 201**	10 000	11 826
Current tax receivable	16	**384**	1 175	791
Other financial assets		**37**	39	34
Prepayments and other assets	14	**1 899**	3 898	1 729
Cash and cash equivalents		**9 946**	9 188	9 629
		51 134	51 329	50 587
Total assets		**135 988**	152 724	132 955
EQUITY AND LIABILITIES				
Equity				
Share capital	17	**30 827**	31 090	31 096
Retained earnings		**46 136**	63 235	44 276
Foreign currency translation reserve		**14 836**	13 474	13 321
Share-based payment reserve	18	**2 133**	191	2 221
Other components of equity		**528**	469	485
Equity attributable to owners of the Company		**94 460**	108 459	91 399
Non-controlling interests		**5 352**	5 187	5 226
Total equity		**99 812**	113 646	96 625
LIABILITIES				
Non-current liabilities				
Deferred tax	16	**13 240**	17 557	13 332
Provisions		**3 290**	2 801	2 855
Deferred revenue		**1 248**	1 238	1 259
Borrowings	19	**1 835**	2 107	1 912
Other financial liabilities		**—**	4	—
Other liabilities		**105**	140	128
		19 718	23 847	19 486
Current liabilities				
Trade and other payables		**13 262**	12 816	14 798
Current tax payable	16	**774**	611	173
Provisions		**55**	96	55
Deferred revenue		**304**	147	240
Borrowings	19	**1 592**	963	1 429
Bank overdraft		**340**	469	—
Other financial liabilities		**49**	45	49
Other liabilities		**82**	84	100
		16 458	15 231	16 844
Total liabilities		**36 176**	39 078	36 330
Total equity and liabilities		**135 988**	152 724	132 955

The notes on pages 25 to 62 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity

	Share capital Rm	Retained earnings Rm	Foreign currency translation reserve Rm
Balance at 30 June 2023 (Audited)	25 819	74 175	13 920
Shares issued	5 172	—	—
Acquisition of shares in Royal Bafokeng Platinum from non-controlling interest	—	(10 937)	—
Shares purchased – long-term incentive plans	(401)	—	—
Transfer of reserves	500	(75)	—
Share-based compensation expense	—	—	—
Deferred tax on share-based compensation liability	—	(55)	—
Total comprehensive income/(loss)	—	1 614	(446)
Profit for the period	—	1 614	—
Other comprehensive (loss)/income	—	—	(446)
Dividends paid	—	(1 487)	—
Balance at 31 December 2023 (Reviewed)	31 090	63 235	13 474
Shares purchased – long-term incentive plans	(38)	—	—
Transfer of reserves	44	(30)	—
Share-based compensation expense	—	—	—
IFRS 2 charge on B-BBEE transaction (note 18)	—	—	—
Total comprehensive (loss)/income	—	(18 929)	(153)
(Loss)/profit for the period	—	(18 927)	—
Other comprehensive (loss)/income	—	(2)	(153)
Balance at 30 June 2024 (Audited)	**31 096**	**44 276**	**13 321**
Shares purchased – long-term incentive plans	**(567)**	**—**	**—**
Transfer of reserves	**298**	**(7)**	**—**
Share-based compensation expense	**—**	**—**	**—**
Total comprehensive income/(loss)	**—**	**1 867**	**1 515**
Profit/(loss) for the period	**—**	**1 867**	**—**
Other comprehensive income	**—**	**—**	**1 515**
Dividends paid	**—**	**—**	**—**
Balance at 31 December 2024 (Reviewed)	**30 827**	**46 136**	**14 836**

The consolidated statement of changes in equity above excludes the treasury shares held in term of the Group's long-term incentive plans.

The notes on pages 25 to 62 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated statement of changes in equity

		Attributable to:		
Share-based payment reserve Rm	**Other components of equity Rm**	**Owners of the Company Rm**	**Non-controlling interests Rm**	**Total equity Rm**
480	453	114 847	11 188	126 035
—	—	5 172	—	5 172
—	—	(10 937)	(5 666)	(16 603)
—	—	(401)	—	(401)
(425)	—	—	—	—
136	—	136	3	139
—	—	(55)	3	(52)
—	16	1 184	(37)	1 147
—	—	1 614	83	1 697
—	16	(430)	(120)	(550)
—	—	(1 487)	(304)	(1 791)
191	469	108 459	5 187	113 646
—	—	(38)	—	(38)
(14)	—	—	—	—
108	—	108	—	108
1 936	—	1 936	—	1 936
—	16	(19 066)	39	(19 027)
—	—	(18 927)	79	(18 848)
—	16	(139)	(40)	(179)
2 221	**485**	**91 399**	**5 226**	**96 625**
—	**—**	**(567)**	**—**	**(567)**
(291)	**—**	**—**	**—**	**—**
203	**—**	**203**	**—**	**203**
—	**43**	**3 425**	**135**	**3 560**
—	**—**	**1 867**	**(59)**	**1 808**
—	**43**	**1 558**	**194**	**1 752**
—	**—**	**—**	**(9)**	**(9)**
2 133	**528**	**94 460**	**5 352**	**99 812**

Condensed consolidated statement of cash flows

	Notes	**Six months ended 31 December 2024 (Reviewed) Rm**	Six months ended 31 December 2023 (Restated Reviewed[1]) Rm	Year ended 30 June 2024 (Audited) Rm
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from operations	20	**4 137**	2 423	8 666
Finance costs paid		**(130)**	(256)	(480)
Income tax paid	16	**(376)**	(855)	(1 245)
Net cash inflow from operating activities		**3 631**	1 312	6 941
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital expenditure net of changes in prepayments on property, plant and equipment		**(3 647)**	(6 641)	(12 291)
Purchase of property, plant and equipment		**(3 823)**	(6 797)	(13 980)
Decrease in prepayments on property, plant and equipment		**176**	156	1 689
Proceeds from sale of property, plant and equipment		**36**	35	119
Acquisition of interest in other equity-accounted investments	12	**(14)**	(117)	(134)
Investments in environmental rehabilitation financial assets		**—**	—	(22)
Finance income received		**385**	528	1 014
Dividends received		**175**	20	249
Other		**59**	(14)	14
Net cash outflow from investing activities		**(3 006)**	(6 189)	(11 051)
CASH FLOWS FROM FINANCING ACTIVITIES				
Acquisition of Royal Bafokeng Platinum from non-controlling interests[1]		**—**	(11 431)	(11 431)
Purchase of shares for long-term incentive plans		**(567)**	(401)	(439)
Proceeds from borrowings	19	**81**	654	1 123
Repayments of borrowings	19	**(26)**	(23)	(79)
Repayments of lease liabilities	19	**(142)**	(151)	(282)
Dividends paid to shareholders of the Company		**—**	(1 487)	(1 487)
Dividends paid to non-controlling interests		**(9)**	(304)	(304)
Net cash outflow from financing activities		**(663)**	(13 143)	(12 899)
Net decrease in cash and cash equivalents		**(38)**	(18 020)	(17 009)
Cash and cash equivalents at the beginning of the period		**9 629**	26 820	26 820
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies		**15**	(81)	(182)
Cash and cash equivalents at the end of the period		**9 606[2]**	8 719[2]	9 629

[1] *The comparative has been restated to correct presentation. The 'Acquisition of Royal Bafokeng Platinum from non-controlling interests' of R11 431 million was incorrectly presented as a cash outflow from investing activities and has now been reclassified and presented as a cash outflow from financing activities. Refer to note 26.*

[2] *Cash and cash equivalents comprise cash of R9 946 million (December 2023: R9 188 million) as well as the bank overdraft of R340 million (December 2023: R469 million).*

The notes on pages 25 to 62 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

1. GENERAL INFORMATION

Impala Platinum Holdings Limited (Implats, the Company or the Group) is a leading producer of platinum group metals (PGMs). Implats is structured around seven mining operations and Impala Refining Services (IRS), a refining business. The mining operations are located on the Bushveld Complex in South Africa, the Great Dyke in Zimbabwe – the two most significant PGM-bearing ore bodies in the world – and the Canadian Shield, a prominent layered igneous complex domain for PGMs.

Implats has its primary listing on the JSE Limited (JSE) and a secondary listing on A2X Markets in South Africa, as well as a level 1 American Depositary Receipt programme in the United States of America.

The condensed consolidated interim financial statements were approved for issue on 27 February 2025 by the board of directors.

The condensed consolidated interim financial statements for the six months ended 31 December 2024 were reviewed, but not audited, by the Group's statutory auditors, Deloitte & Touche.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the period ended 31 December 2024 have been prepared in accordance with the Listings Requirements of the JSE, the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the Companies Act (71 of 2008) and the requirements of International Accounting Standards (IAS) 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 30 June 2024, which were prepared in accordance with IFRS Accounting Standards, and the commentary included in these interim results.

The condensed consolidated interim financial statements were prepared under the historical cost convention except for certain financial assets, financial liabilities and derivative financial instruments which are measured at fair value and liabilities for cash-settled share-based payment arrangements which are measured using a binomial option pricing model.

Sustainability and climate change-related disclosures

Implats adheres to existing legislation and financial reporting frameworks. The Group additionally notes the current developments in corporate sustainability reporting, particularly in relation to their financial impacts. Implats supports the ongoing work of the IFRS International Sustainability Standards Board (ISSB) towards achieving this goal through its published sustainability disclosure standards, whose impact on the Group is currently being evaluated.

Climate change and other sustainability-related matters were considered to the extent that these have materially impacted the carrying amounts of assets and liabilities, cash flows or the related estimates and judgements contained in the condensed consolidated interim financial statements and have been disclosed in the relevant notes. Other climate and sustainability-related disclosures are available in the accompanying management commentary in the front pages of these interim results.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

2. BASIS OF PREPARATION continued

The condensed consolidated interim financial information is presented in South African rand (ZAR), which is the Company's functional currency.

The following foreign currency exchange rates were used to prepare the condensed consolidated interim financial statements:

	Six months ended 31 December 2024 (Reviewed)	Six months ended 31 December 2023 (Reviewed)	Year ended 30 June 2024 (Audited)
US$[1]/ZAR			
Closing rate	**18.90**	18.36	18.19
Average rate	**17.95**	18.69	18.71
C$[2]/ZAR			
Closing rate	**13.13**	13.81	13.31
Average rate	**12.99**	13.84	13.81
US$/ZWG[3]			
Closing rate	**25.80**	—	13.70
Average rate	**20.00**	—	13.44
US$/ZW$[4]			
Closing rate	**—**	6 192.40	—
Average rate	**—**	5 281.37	—

[1] *United States dollar.*
[2] *Canadian dollar.*
[3] *Zimbabwe Gold.*
[4] *Zimbabwean dollar.*

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

3. ACCOUNTING POLICIES

The principal accounting policies and methods used by the Group are consistent with those of the most recent annual financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed consolidated interim financial statements, are disclosed in the notes where necessary and indicated with the EJ.

The following amendments to standards are not yet effective and were early adopted by the Group on 1 July 2024:

Amendments to IFRS 9 and IFRS 7 – *Amendments to the Classification and Measurement of Financial Instruments*

- The amendments to IFRS 9 and IFRS 7 add requirements relating to the derecognition of financial liabilities settled through electronic transfers, the assessment of contractual cash flow characteristics for classifying financial assets, as well as disclosures of information relating to equity investments measured at fair value through other comprehensive income
- The amendments are effective for annual periods beginning on or after 1 January 2026, with early application permitted
- The amendments did not have an impact on these condensed consolidated interim financial statements.

Amendments to IFRS 9 and IFRS 7 – *Contracts Referencing Nature-dependent Electricity*

- The amendments to IFRS 9 include additional factors that clarify the use of own-use requirements for contracts referencing nature-dependent electricity, as well as permitting hedge accounting for these contracts
- The amendments to IFRS 7 introduce additional disclosure requirements for nature-dependent renewable electricity contracts
- The amendments are effective for annual periods beginning on or after 1 January 2026, with early application permitted
- The amendments did not have an impact on these condensed consolidated interim financial statements.

The following new standard is not yet effective and was not early adopted by the Group on 1 July 2024:

IFRS 18 – *Presentation and Disclosure in the Financial Statements*

- This new standard replaces IAS 1 – *Presentation of Financial Statements*
- IFRS 18 introduces new presentation and disclosure requirements of additional totals in the statement of profit or loss, a new note which discloses management-defined performance measures and enhancements to the requirements for aggregation and disaggregation
- The new standard is effective for annual periods beginning on or after 1 January 2027, with early application permitted
- IFRS 18 is expected to impact the presentation and disclosure of the condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

4. SEGMENT INFORMATION

Refer to note 1 for an overview of Implats' operations.

The Group identified Mining, Impala Refining Services (IRS) and 'All other segments' as reportable segments.

Management has defined the operating segments based on the business activities and management structure within the Group. Management considers factors such as the nature of the products and services, as well as the geographical location of operations in their judgement to identify reportable segments.

Revenue flows

The Group's segments generate revenues from the respective geographical locations in which they operate. The 'All other segments' segment includes the Group's equity-accounted entities, Mimosa and Two Rivers.

- Impala mines and refines its own metal inventories and sells externally to third parties. Sales are disaggregated geographically in the revenue note (note 5)
- Impala Canada and Impala Bafokeng sell their mined PGM concentrate to one customer each in North America and South Africa, respectively
- IRS, a division of Impala, is dedicated to the refining of metal concentrate purchases built up by Implats. Situated in Springs, some 35km east of Johannesburg in South Africa, IRS provides smelting and refining services through offtake agreements with Group companies (except Impala Canada and Impala Bafokeng) and third parties
- The Marula and Zimplats mining segment revenues are made intra-group to IRS, which ultimately sells the refined metal externally to the third parties disaggregated geographically as indicated in note 5.

Sales to the two largest customers amounted to 10% and 8% (December 2023: 12% and 9%) (June 2024: 11% and 8%) of total revenue, from Impala and IRS.

Capital expenditure comprises additions to property, plant and equipment (note 10).

The measure of profit or loss for reportable segments is profit after tax, which is reconciled to the consolidated profit after tax. The basis of accounting for reportable segments is consistent with the Group's consolidated financial statements.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

4. SEGMENT INFORMATION continued

	Six months ended 31 December 2024 (Reviewed)		Six months ended 31 December 2023 (Reviewed)		Year ended 30 June 2024 (Audited)	
	Revenue Rm	**Profit/(loss) after tax Rm**	Revenue Rm	Profit/(loss) after tax Rm	Revenue Rm	(Loss)/profit after tax Rm
Mining						
Impala	**15 589**	**1 286**	14 875	774	30 880	(17 053)
Impala Bafokeng	**5 117**	**(289)**	4 977	(845)	9 729	(1 992)
Marula	**1 969**	**(282)**	2 106	(133)	4 321	(311)
Zimplats	**6 061**	**(136)**	7 023	1 192	14 402	1 671
Impala Canada	**2 130**	**(309)**	3 025	(920)	5 580	(1 932)
Impala Refining Services	**18 968**	**1 597**	20 022	2 160	39 162	3 801
All other segments	**381**	**(7)**	463	(515)	875	(1 355)
Reconciliation						
Consolidation adjustments to revenue and inventory	**(7 935)**	**(52)**	(9 066)	(16)	(18 551)	20
	42 280	**1 808**	43 425	1 697	86 398	(17 151)

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

4. SEGMENT INFORMATION continued

	Six months ended 31 December 2024 (Reviewed)			Six months ended 31 December 2023 (Reviewed)			Year ended 30 June 2024 (Audited)		
	Capital expenditure Rm	**Total assets Rm**	**Total liabilities Rm**	Capital expenditure Rm	Total assets Rm	Total liabilities Rm	Capital expenditure Rm	Total assets Rm	Total liabilities Rm
Mining									
Impala	**1 311**	**45 189**	**18 693**	1 603	63 601	21 005	3 102	44 241	18 338
Impala Bafokeng	**460**	**17 524**	**9 283**	879	18 593	5 838	1 437	18 712	6 692
Marula	**196**	**5 102**	**1 531**	268	5 635	1 608	497	5 540	1 682
Zimplats	**1 978**	**47 820**	**13 944**	3 627	44 894	12 364	8 225	45 462	12 922
Impala Canada	**–**	**2 972**	**4 881**	439	4 137	4 777	742	3 130	4 744
Impala Refining Services	**–**	**31 510**	**17 216**	–	28 950	18 373	–	30 200	17 846
All other segments	**–**	**31 735**	**15 823**	–	27 551	15 254	–	27 402	16 106
	3 945	**181 852**	**81 371**	6 816	193 361	79 219	14 003	174 687	78 330
Intercompany balances eliminated	**–**	**(45 217)**	**(45 212)**	–	(40 146)	(41 013)	–	(41 457)	(42 328)
Inventory adjustments	**–**	**(647)**	**–**	–	(491)	–	–	(275)	–
Deferred tax	**–**	**–**	**17**	–	–	872	–	–	328
	3 945	**135 988**	**36 176**	6 816	152 724	39 078	14 003	132 955	36 330

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

4. SEGMENT INFORMATION continued

	Six months ended 31 December 2024 (Reviewed)								
	Impala Rm	Impala Bafokeng Rm	Marula Rm	Zimplats Rm	Impala Canada Rm	IRS Rm	All other segments Rm	Inter-segment revenue Rm	Total Rm
Revenue from									
Platinum	**6 101**	**2 074**	**585**	**2 026**	**96**	**6 319**	**–**	**(2 611)**	**14 590**
Palladium	**3 021**	**913**	**594**	**1 713**	**1 600**	**4 626**	**–**	**(2 307)**	**10 160**
Rhodium	**3 471**	**1 075**	**586**	**857**	**–**	**3 784**	**–**	**(1 442)**	**8 331**
Nickel	**469**	**286**	**26**	**595**	**–**	**886**	**–**	**(621)**	**1 641**
By-products	**2 527**	**825**	**220**	**1 114**	**443**	**3 183**	**414**	**(1 368)**	**7 358**
Commodity price adjustments	**–**	**(56)**	**(40)**	**(244)**	**(9)**	**–**	**–**	**284**	**(65)**
Gold streaming	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**95**	**95**
Treatment charges	**–**	**–**	**(2)**	**–**	**–**	**–**	**(33)**	**35**	**–**
Treatment income	**–**	**–**	**–**	**–**	**–**	**170**	**–**	**–**	**170**
	15 589	**5 117**	**1 969**	**6 061**	**2 130**	**18 968**	**381**	**(7 935)**	**42 280**

	Six months ended 31 December 2023 (Reviewed)								
	Impala Rm	Impala Bafokeng Rm	Marula Rm	Zimplats Rm	Impala Canada Rm	IRS Rm	All other segments Rm	Inter-segment revenue Rm	Total Rm
Revenue from									
Platinum	5 578	2 106	653	2 276	142	6 178	–	(2 929)	14 004
Palladium	3 635	1 118	835	2 463	2 457	5 967	–	(3 298)	13 177
Rhodium	2 914	962	623	846	–	3 660	–	(1 469)	7 536
Nickel	528	353	34	815	–	1 233	–	(849)	2 114
By-products	2 220	744	248	1 123	480	2 804	503	(1 348)	6 774
Commodity price adjustments	–	(369)	(284)	(500)	(54)	–	–	784	(423)
Gold streaming	–	63	–	–	–	–	–	–	63
Treatment charges	–	–	(3)	–	–	–	(40)	43	–
Treatment income	–	–	–	–	–	180	–	–	180
	14 875	4 977	2 106	7 023	3 025	20 022	463	(9 066)	43 425

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

4. SEGMENT INFORMATION continued

	Year ended 30 June 2024 (Audited)								
	Impala Rm	Impala Bafokeng Rm	Marula Rm	Zimplats Rm	Impala Canada Rm	IRS Rm	All other segments Rm	Inter-segment revenue Rm	Total Rm
Revenue from									
Platinum	11 563	4 020	1 315	4 612	262	11 710	–	(5 928)	27 554
Palladium	6 642	1 958	1 509	4 515	4 457	10 977	–	(6 025)	24 033
Rhodium	6 477	1 980	1 287	1 829	–	7 313	–	(3 117)	15 769
Nickel	1 233	635	64	1 564	–	2 436	–	(1 628)	4 304
By-products	4 965	1 571	489	2 350	972	6 369	951	(2 912)	14 755
Commodity price adjustments	–	(435)	(338)	(468)	(111)	–	–	806	(546)
Gold streaming	–	–	–	–	–	–	–	172	172
Treatment charges	–	–	(5)	–	–	–	(76)	81	–
Treatment income	–	–	–	–	–	357	–	–	357
	30 880	9 729	4 321	14 402	5 580	39 162	875	(18 551)	86 398

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

5. REVENUE

		Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
5.1	**Disaggregation of revenue by category**			
	Sale of goods			
	Platinum	**14 590**	14 004	27 554
	Palladium	**10 160**	13 177	24 033
	Rhodium	**8 331**	7 536	15 769
	Nickel	**1 641**	2 114	4 304
	By-products	**7 358**	6 774	14 755
		42 080	43 605	86 415
	Commodity price adjustments	**(65)**	(423)	(546)
	Revenue from gold streaming[1]			
	Deferred revenue recognised	**88**	57	160
	Variable consideration	**7**	6	12
	Revenue from services			
	Toll refining	**170**	180	357
		42 280	43 425	86 398
5.2	**Analysis of revenue by destination**			
	Main products (Pt, Pd, Rh and Ni)			
	Asia	**13 769**	13 400	26 127
	North America	**6 441**	8 137	15 441
	South Africa	**5 767**	6 983	13 545
	Western Europe	**8 651**	7 869	15 980
		34 628	36 389	71 093
	By-products			
	Asia	**2 290**	2 045	4 426
	Australia	**76**	60	153
	Bermuda	**95**	63	172
	North America	**952**	1 060	2 047
	South Africa	**2 708**	2 274	5 054
	Western Europe	**1 361**	1 354	3 096
		7 482	6 856	14 948
	Toll refining			
	North America	**—**	1	1
	Rest of Africa	**168**	175	349
	South Africa	**2**	4	7
		170	180	357
		42 280	43 425	86 398

[1] *Impala Bafokeng entered into a gold-streaming agreement with Triple Flag International Limited (Triple Flag) whereunder Triple Flag made an advance payment of US$145 million to Impala Bafokeng Resources, to be repaid through future delivery of the gold credits directly linked with the gold production from its mining operations (excluding Styldrift II and the Impala royalty areas). Altogether, 2 911 (December 2023: 3 327) (June 2024: 6 270) gold ounces were delivered during the period. The deferred revenue balance is R1 552 million (December 2023: R1 385 million) (June 2024: R1 499 million).*

Additional disclosure of revenue per reportable segment is contained in note 4.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

6. COST OF SALES

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Production costs			
On-mine operations	**20 880**	20 678	41 291
Processing operations	**6 742**	6 405	12 887
Refining and selling	**1 309**	1 295	2 480
Depreciation of operating assets	**3 490**	4 238	8 044
Other costs			
Metals purchased	**7 729**	6 789	13 534
Increase in metal inventories	**(2 058)**	(2 061)	(1 850)
Royalty expenses	**739**	980	1 750
Corporate costs	**803**	1 044	1 892
Chrome operation – cost of sales	**209**	247	443
Share-based compensation and other	**309**	375	460
	40 152	39 990	80 931
The following disclosure items are included in cost of sales:			
Repairs and maintenance expenditure on property, plant and equipment	**2 762**	2 706	5 743
Cost of inventories sold[1]	**39 236**	40 695	81 097

[1] *The cost of inventories sold excludes the net realisable value adjustment of R165 million (December 2023: R755 million) (June 2024: R361 million) disclosed in note 15.*

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

7. IMPAIRMENT

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Impairment of non-financial assets is made up of the following:			
Impairment – property, plant and equipment (note 10)	**—**	701	12 258
Impairment – goodwill (note 11)	**—**	—	6 347
Impairment – prepaid royalty (note 14)	**—**	—	3 247
	—	701	21 852

8. OTHER INCOME

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Insurance proceeds – business interruption	**434**	—	300
Fair value gain on foreign exchange rate collars	**—**	228	222
Fair value gain on environmental rehabilitation investments	**163**	84	231
Tax penalties – credit (note 16.2)	**—**	—	159
Profit on sale and leaseback of houses	**15**	15	30
Profit on disposal of property, plant and equipment	**15**	21	30
Insurance proceeds – asset damage	**—**	27	27
Other	**71**	93	171
	698	468	1 170

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

9. OTHER EXPENSES

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Restructuring costs	**–**	53	488
Acquisition-related costs – RBPlat	**–**	198	204
Acquisition-related costs – RBPlat acceleration of IFRS 2 share-based payments	**–**	213	214
Non-production-related corporate costs	**74**	53	151
Exploration expenditure	**4**	72	88
Loss on disposal of property, plant and equipment	**5**	7	9
Auditor's remuneration	**9**	17	52
Other	**62**	60	83
	154	673	1 289
Auditor's remuneration comprises:	**9**	17	52
Audit services including interim review	**9**	17	52
Other services	**–**	–	–

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

10. PROPERTY, PLANT AND EQUIPMENT

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Carrying value – opening balance	**63 502**	71 176	71 176
Capital expenditure[1]	**3 825**	6 802	13 988
Right-of-use assets capitalised	**122**	19	23
Depreciation (note 6)[1]	**(3 492)**	(4 243)	(8 052)
Impairment (note 7)	**–**	(701)	(12 258)
Disposals and scrapping	**(26)**	(21)	(98)
Environmental rehabilitation adjustment	**284**	25	2
Interest capitalised	**43**	4	47
Exchange differences	**1 395**	(895)	(1 326)
Carrying value – closing balance	**65 653**	72 166	63 502

[1] *Includes depreciation of R2 million (December 2023: R5 million) (June 2024: R8 million) which was capitalised to the cost of property, plant and equipment.*

Impairment – Impala Rustenburg mining operation

In the prior financial year, Impala performed a recoverability assessment of its Impala Rustenburg mining operation due to a lower PGM price profile, as well as changes to the mine life. The assessment resulted in an impairment of R10 626 million to property, plant and equipment and an offsetting impact on deferred tax of R2 869 million resulting in a post-tax loss of R7 757 million. The recoverable amount of the Impala Rustenburg mining cash-generating unit (CGU) at June 2024 of R21 026 million was determined based on its fair value less costs of disposal. The recoverable amount is based on future discounted cash flows (value in use of the CGU), including an *in situ* 4E ounce value for mineral resources outside the approved mine plan. This is a level 3 valuation in terms of the fair value hierarchy. No impairment was recognised in the current period.

EJ

The key financial assumptions used in the recoverable amount calculations were:

- An overall long-term real basket price per 6E ounce sold of R29 750 (December 2023: R28 700 in 2025 equivalent terms) (June 2024: R28 200 in 2025 equivalent terms) adjusted for the individual asset or CGU's prill split
- A long-term pre-tax real discount rate range of 19% to 24% (December 2023: 19% to 26%) (June 2024: 10% to 26%) and long-term post-tax real discount rate range of 8.7% to 17% (December 2023: 10% to 18%) (June 2024: 10% to 12%) for the various CGUs in the Group
- *In situ* resource valuation of between US$2.00 to US$12.00 (December 2023: US$2.00 and US$12.00) (June 2024: US$2.00 and US$12.00) per 4E ounce depending on whether the resource is inferred, indicated and measured.

Notes to the condensed consolidated interim financial statements

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10. PROPERTY, PLANT AND EQUIPMENT continued

Impairment – Canada

In the prior financial year, Impala Canada performed a recoverability assessment of its Lac des Iles mine due to a lower palladium price profile and changes to the mine life and mineral reserves estimates. The assessment resulted in the impairment of property, plant and equipment of R1 632 million (C$120 million) (December 2023: R701 million (C$51 million)) and an offsetting impact on deferred tax of Rnil (C$nil) (December 2023: Rnil (C$nil)) which resulted in a post-tax loss of R1 632 million (C$120 million) (December 2023: R701 million (C$51 million)). The recoverable amount of the CGU at June 2024 of Rnil (C$nil) (December 2023: R1 448 million (C$105 million)) was determined based on its fair value less costs of disposal. This is a level 3 valuation in terms of the fair value hierarchy. No impairment was recognised in the current period.

EJ

The key financial assumptions for the CGU used in the recoverable amount calculations were:

- An overall long-term real palladium price per ounce of US$1 000 (December 2023: US$1 250) (June 2024: US$970)
- A long-term post-tax real discount rate range of 8% to 9% (December 2023: 19% to 26%) (June 2024: 10% to 11%).

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Right-of-use assets included in property, plant and equipment			
Land and buildings	**208**	283	237
Refining plants	**166**	80	72
Other assets	**69**	124	96
	443	487	405
Capital commitments in respect of property, plant and equipment			
Commitments contracted for	**2 684**	8 040	3 060
Approved expenditure not yet contracted	**10 906**	15 893	9 985
	13 590	23 933	13 045
Less than one year	**6 094**	8 642	6 930
Between one and five years	**7 496**	15 291	6 115

Capital expenditure will be funded through internally generated funds and from borrowings, where necessary. All right-of-use assets are encumbered by leases and no other fixed assets are pledged as collateral.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

11. GOODWILL

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Cost	**14 114**	14 114	14 114
Accumulated impairment	**(10 591)**	(4 244)	(10 591)
Carrying amount	**3 523**	9 870	3 523

The goodwill of R14 114 million arose on the acquisition of Impala Bafokeng (formerly Royal Bafokeng Platinum) on 30 May 2023 and was impaired by R4 244 million in June 2023 to its recoverable amount of R9 870 million. The carrying amount of R9 870 million was allocated to the relevant cash-generating units (CGUs), with R6 347 million allocated to the Impala Rustenburg mining CGU, R3 333 million to the Impala Refining Services (IRS) CGU and R190 million (post-impairment) to the Impala Bafokeng CGU, respectively.

Subsequently, in June 2024, the goodwill allocated to the Impala Rustenburg mining CGU of R6 347 million was impaired in full as part of the impairment of the Impala Rustenburg mining operation. No impairment was recognised in the current period. Refer to note 10.

EJ

Impairment of goodwill

Goodwill is assessed for impairment as part of the specific CGUs to which the goodwill was allocated. The recoverable amount of these CGUs was determined using fair value less costs to sell. The fair value less costs to sell was determined based on estimates of future discounted cash flows (DCFs) of the latest adjusted life-of-mine (LoM) plans using updated assumptions on metal prices, rand foreign exchange rates and inflation. A risk-adjusted discount rate was used, taking into account specific risks relating to the CGU where cash flows had not been adjusted for the risk.

Mineral resources outside the approved mine plans are valued based on the *in situ* 4E ounce value. Comparable market transactions are used as a source of evidence adjusting specifically for the nature of each underlying ore body and the prevailing platinum price.

All the above estimates are subject to risks and uncertainties including achievement of mine plans, future metal prices and exchange rates. It is therefore possible that changes may occur which may affect the recoverability of the Impala, IRS and Impala Bafokeng's CGUs.

The key financial assumptions used in the recoverable amount calculations were:
- An overall long-term real basket price per 6E ounce sold of R29 750 (December 2023: R28 700 in 2025 equivalent terms) (June 2024: R28 200 in 2025 equivalent terms) adjusted for the CGU's prill split
- A long-term pre-tax real discount rate of 24% (December 2023: 26%) (June 2024: 26%) and long-term post-tax real discount rate of 17% (December 2023: 18%) (June 2024: 12%)
- *In situ* resource valuation of between US$2.00 to US$12.00 (December 2023: US$2.00 and US$12.00) (June 2024: US$2.00 and US$12.00) per 4E ounce depending on whether the resource is inferred, indicated and measured.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

12. INVESTMENTS IN EQUITY-ACCOUNTED ENTITIES

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Summary balances			
Joint ventures			
Mimosa[1]	**5 356**	6 297	5 248
AP Ventures	**1 088**	1 139	1 093
Associates			
Two Rivers[1]	**3 717**	3 646	3 649
Individually immaterial associates and joint ventures	**292**	351	315
Total investments in equity-accounted entities	**10 453**	11 433	10 305
Summary movement			
Beginning of the period	**10 305**	12 525	12 525
Share of loss[1]	**(19)**	(989)	(1 773)
Acquisition of interests in other equity-accounted investments	**14**	117	134
Exchange differences	**238**	(200)	(242)
Dividends received	**(85)**	(20)	(339)
End of the period	**10 453**	11 433	10 305
Share of loss of equity-accounted entities is made up as follows:			
Share of loss	**(19)**	(989)	(1 773)
Unrealised (loss)/profit in inventory movements	**(68)**	494	591
Total share of loss of equity-accounted entities	**(87)**	(495)	(1 182)

[1] *Share of loss includes Rnil (December 2023: R987 million) (June 2024: R1 673 million) (after tax) impairment losses comprising an impairment of Rnil (December 2023: R1 352 million) (June 2024: R2 378 million) of property, plant and equipment and its related deferred tax credit of Rnil (December 2023: R365 million) (June 2024: R705 million) from Mimosa and Two Rivers. Refer to note 21.*

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for the six months ended 31 December 2024

13. ENVIRONMENTAL REHABILITATION INVESTMENTS

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Guarantee investments – Guardrisk	**2 551**	2 247	2 395
Guarantee investments – Centriq Insurance Company Limited	**177**	149	170
Environmental trust deposits	**221**	203	211
	2 949	2 599	2 776

EJ

Financial assets measured at fair value through profit or loss

Fair value measurements reflect the view of market participants under current market conditions taking into account climate-related risks, geopolitical and other economic factors. Refer to note 24 for financial instrument risk disclosures.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

14. PREPAYMENTS AND OTHER ASSETS

	Notes	**Six months ended 31 December 2024 (Reviewed) Rm**	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Royal Bafokeng Nation (RBN) prepaid royalty	14.1	**–**	3 399	–
Prepayments on property, plant and equipment	14.2	**774**	2 502	924
Business-related prepaid expenditure	14.3	**1 108**	1 033	788
Employee housing benefit	14.4	**215**	259	225
		2 097	7 193	1 937
Current		**1 899**	3 898	1 729
Non-current		**198**	3 295	208

14.1 Royal Bafokeng Nation (RBN) prepaid royalty

In March 2007, the Group agreed to pay the RBN all future royalties due to them, effectively discharging any further obligation to pay royalties. In turn, the RBN purchased shares through Royal Bafokeng Impala Investment Company and Royal Bafokeng Tholo Investment Holding Company, giving them a 13.2% holding in the Company at the time. The RBN subsequently sold their shareholding in the Company. During the previous financial year, the carrying amount of the prepaid royalty (R3 247 million) was impaired in full as part of the impairment of the Impala Rustenburg mining operation.

14.2 Prepayments on property, plant and equipment

Property, plant and equipment prepayments mainly relate to amounts prepaid on capital equipment at Zimplats for the smelter expansion and SO_2 abatement plant projects, replacement mines, duty and value added tax on capital equipment, trackless mining machinery, power supply and tailings dam extension.

14.3 Business-related prepaid expenditure

The business-related prepaid expenditure mainly relates to amounts prepaid on operating activities at Zimplats for power supply, import duty, as well as other consumables.

14.4 Employee housing benefit

The current year movement in the employee housing benefit comprised an increase of R8 million (December 2023: R14 million) (June 2024: R22 million) for additional houses sold to employees, an amortisation charge of R10 million (December 2023: R11 million) (June 2024: R22 million), and reversals of R8 million (December 2023: R8 million) (June 2024: R39 million) as a result of agreements being terminated.

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15. INVENTORIES

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Mining metal			
Refined metal	**3 867**	3 765	2 380
In-process metal	**9 377**	8 015	8 664
	13 244	11 780	11 044
Purchased metal[1]			
Refined metal	**3 122**	3 593	3 404
In-process metal	**9 292**	8 360	9 200
	12 414	11 953	12 604
Total metal inventories	**25 658**	23 733	23 648
Stores and materials inventories	**3 009**	3 296	2 930
	28 667	27 029	26 578

[1] *The fair value exposure on purchased metal was designated as a hedged item and is included in the calculation of the cost of inventories. The fair value exposure relates to adjustments made to commodity prices and US dollar exchange rates from the date of delivery until the final pricing date as per the relevant contract.*

The net realisable value (NRV) adjustment included in the inventory value is impacted by the prevailing metal prices at the reporting date. The current period adjustment of R165 million (December 2023: R755 million) (June 2024: R361 million) comprised R35 million (December 2023: R264 million) (June 2024: R65 million) for refined metal inventory and R130 million (December 2023: R491 million) (June 2024: R296 million) for in-process metal inventory.

Purchased metal consists of Impala Refining Services inventory.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

15. INVENTORIES continued

EJ

Significant accounting estimates and judgements

Inventory valuation

Metals classification between main and by-products is determined based on an assessment of the relative metal content for each segment. The relative metal content of Impala Canada, mining on the Canadian Shield, differs materially from what is mined in the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe.

For purposes of inventory valuation, the southern African operations treat platinum, palladium, rhodium and nickel as main products and other precious and base metals produced, as by-products.

Impala Canada's mining and processing activities do not form part of the southern African operations' production process and its inventory is valued independently. Impala Canada classifies palladium as a main product and all other precious and base metals as by-products for inventory valuation purposes.

The average unit cost of normal pre-smelter production for mining metal is determined by dividing mining production cost with mining output on a 12-month rolling-average basis. The normal cost of purchased metal is measured based on the acquisition cost determined on a six-month rolling-average basis. The refining cost per unit (further conversion through smelter, base metal refinery (BMR) and precious metal refinery (PMR)) is determined by dividing normal refining costs with total output (both mining and purchased) on a 12-month rolling-average basis.

Refined ruthenium and iridium metal quantities on hand are valued using the lower of the actual stock quantity and three-months' sales quantity.

In-process metal estimate adjustments

Quantities of recoverable metal are reconciled to the quantity and grade of ore input as well as the quantities of metal actually recovered (metallurgical balancing). The nature of this process inherently limits the ability to precisely monitor recoverability levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time. The Group conducts periodic counts (usually annually) at the refineries to assess the accuracy of inventory quantities. Based on these counts, changes in engineering estimates of metal contained in-process resulted in a pre-tax increase in metal inventory of R823 million (December 2023: R943 million) (June 2024: R968 million). Tolerances of up to 2% of annual throughput of the main products are regarded as normal levels of estimation uncertainty in the measurement of work-in-progress quantities.

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16. TAXATION

16.1 Deferred tax

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Deferred tax liabilities	**13 240**	17 557	13 332

The total deferred tax movement for the period is mainly attributed to an increase of R316 million in foreign currency and translation differences of foreign subsidiaries which was offset by various temporary difference movements of R408 million.

EJ

Unrecognised temporary differences

There are unrecognised temporary differences of R8 100 million (December 2023: R6 253 million) (June 2024: R8 271 million) in the Group, relating to certain subsidiaries. These comprise:

- Unredeemed capex of R5 554 million (December 2023: R2 202 million) (June 2024: R5 689 million)
- Capital losses of R1 287 million (December 2023: R3 388 million) (June 2024: R1 287 million)
- Assessed losses of R636 million (December 2023: R456 million) (June 2024: R553 million)
- Fair value of assets and liabilities of R268 million (December 2023: R207 million) (June 2024: R348 million)
- Other of R355 million (December 2023: Rnil) (June 2024: R394 million).

Reversal of these temporary differences is currently uncertain, therefore deferred tax has not been provided.

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for the six months ended 31 December 2024

16. TAXATION continued

16.2 Current tax

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Current tax payable	**774**	611	173
Current tax receivable	**(384)**	(1 175)	(791)
Net current tax payable/(receivable)	**390**	(564)	(618)
Reconciliation			
Beginning of the period	**(618)**	(817)	(817)
Income tax expense	**1 170**	1 225	1 844
Payments made during the period	**(376)**	(855)	(1 245)
Tax penalties and interest received/(paid)	**216**	(165)	(165)
Interest accrued	**–**	–	(72)
Interest and penalties receivable	**–**	–	(159)
Exchange differences	**(2)**	48	(4)
End of the period	**390**	(564)	(618)

16.3 Tax rate reconciliation

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
The tax on the Group's profit differs as follows from the theoretical charge that would arise using the basic tax rate of 27% (December 2023: 27%) (June 2024: 27%) for South African companies:			
Normal tax for companies on profit/(loss) before tax	**687**	505	(5 515)
Adjusted for:			
Withholding taxes on undistributed profits	**–**	(1 305)	(1 474)
Disallowable expenditure	**140**	265	2 625
Change in tax rate – Zimbabwean tax	**–**	322	322
Effect of after-tax share of profit from equity-accounted entities	**24**	134	319
Other	**(115)**	254	448
Income tax expense/(credit)	**736**	175	(3 275)
Effective tax rate (%)	**29**	9	16

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

16. TAXATION continued

16.4 Income tax expense/(credit)

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Current tax	**1 170**	1 225	1 844
Deferred tax	**(434)**	(1 050)	(5 119)
Income tax expense/(credit)	**736**	175	(3 275)

17. SHARE CAPITAL

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Share capital	**30 827**	31 090	31 096

Number of ordinary shares in issue outside the Group

	Six months ended 31 December 2024 (Reviewed) Million	Six months ended 31 December 2023 (Reviewed) Million	Year ended 30 June 2024 (Audited) Million
Number of ordinary shares issued	**904.37**	904.37	904.37
Treasury shares	**(7.54)**	(4.40)	(4.62)
Number of ordinary shares issued outside the Group	**896.83**	899.97	899.75
The movement of ordinary shares was as follows:			
Beginning of the period	**899.75**	863.04	863.04
Shares issued for long-term incentive plans	**2.40**	2.88	3.08
Shares purchased for long-term incentive plans	**(5.32)**	(3.92)	(4.34)
Shares issued on acquisition of interest in RBPlat (note 12)	**—**	37.97	37.97
End of the period	**896.83**	899.97	899.75

The authorised share capital of the Company consists of 1 044.01 million (December 2023: 1 044.01 million) (June 2024: 1 044.01 million) ordinary no par value shares. The authorised but unissued share capital is 139.64 million (December 2023: 139.64 million) (June 2024: 139.64 million) ordinary no par value shares and remains under the control of the directors.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

18. SHARE-BASED PAYMENT RESERVE

	Six months ended 31 December 2024 (Reviewed) Million	Six months ended 31 December 2023 (Reviewed) Million	Year ended 30 June 2024 (Audited) Million
B-BBEE transaction share-based payment reserve	**1 936**	—	1 936
Equity-settled share-based compensation	**197**	191	285
Total share-based payment reserve	**2 133**	191	2 221
Reconciliation			
Beginning of the period	**2 221**	480	480
Shares issued – B-BBEE transaction	**—**	—	4
IFRS 2 charge on B-BBEE transaction	**—**	—	1 932
Transfer of reserves	**(291)**	(425)	(439)
Share-based compensation expense	**203**	136	244
End of the period	**2 133**	191	2 221

Broad-based black economic empowerment (B-BBEE)

During the prior year, Implats concluded a broad-based black economic empowerment (B-BBEE) transaction which resulted in an aggregate 13% B-BBEE ownership at Impala Platinum Limited (Impala), which owns Impala Rustenburg and Impala Refineries assets, and Impala Bafokeng, through its wholly owned subsidiary, Impala Bafokeng Resources (Pty) Limited (IBR). The B-BBEE equity ownership at Impala and IBR is held through the use of an employee share ownership trust (ESOT) and a community share ownership trust (CSOT), each holding 4%, as well as a strategic empowerment consortium, the Siyanda-led Bokamoso Consortium, holding another 5%. The purchase consideration due by the Impala CSOT and the IBR ESOT and CSOT was funded by interest-free vendor loans from Impala and IBR which will be repaid by 35% of future dividends receivable. The purchase consideration due by the Bokamoso Consortium was funded by way of a R100 million equity injection and vendor funding by Impala and IBR of the remaining amount at market-related coupon rates. The vendor funding will be repaid by 70% of future dividends. The transaction resulted in an IFRS 2 charge of R1 932 million during the prior year. This charge represented the difference between the fair values of the interests in Impala and IBR and the fair values of the consideration received from the B-BBEE shareholders. The non-controlling interest resulting from the B-BBEE transaction will only be recognised once the loans are repaid.

EJ

The key financial assumptions for the IFRS 2 charge on the B-BBEE transaction calculation were:

- An overall long-term real basket price per 6E ounce of R27 470
- A long-term real post-tax discount rate of 12% and a long-term real pre-tax discount rate of 16%
- An estimated dividend yield range of 4% to 13% for Impala over the next 11 years and 1.5% to 8% for IBR over the next 25 years
- An estimated historical equity volatility of 50.2%
- A minority discount of between 12% to 20%
- If the dividend yield was to increase by 5%, the IFRS 2 charge would increase by approximately R110 million. Conversely, a decrease by 5% would result in the IFRS 2 charge decreasing by approximately R300 million
- If the historical equity volatility was to increase by 5%, the IFRS 2 charge would increase by approximately R80 million. Conversely, a decrease by 5% would result in the IFRS 2 charge decreasing by approximately R77 million.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

19. BORROWINGS

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Lease liabilities	**834**	977	853
PIC housing facility	**1 374**	1 450	1 396
Bank borrowings	**1 219**	643	1 092
Total borrowings	**3 427**	3 070	3 341
Current	**1 592**	963	1 429
Non-current	**1 835**	2 107	1 912
Reconciliation			
Beginning of the period	**3 341**	2 590	2 590
Proceeds from borrowings	**81**	654	1 123
Capital repayments of borrowings	**(26)**	(23)	(79)
Capital repayments of lease liabilities	**(142)**	(151)	(282)
Interest repayments	**(123)**	(103)	(245)
Leases capitalised	**122**	19	23
Interest accrued	**137**	104	271
Amortisation of fair value adjustment to PIC housing facility	**(12)**	—	(24)
Modification to lease liabilities	**—**	(5)	—
Exchange differences	**49**	(15)	(36)
End of the period	**3 427**	3 070	3 341

Bank borrowings

Standard Bank of South Africa

Implats entered into a revolving borrowing base facility of R1 134 million (US$60 million) with Standard Bank of South Africa Limited in the prior year. The facility bears interest at the Secured Overnight Financing Rate plus 285 basis points per annum which is paid quarterly, with a tenor of 12 months. The facility was fully drawn at the end of the period.

FBC Crown bank of Zimbabwe Limited

Implats entered into a revolving short-term loan facility of R99 million (ZWG135 million) with FBC Crown Bank of Zimbabwe Limited with interest of 40% per annum to fund its working capital requirements. R22 million (ZWG30 million) was drawn at the end of the period. The facility allows for multiple drawdowns with each drawdown limited to a maximum repayment of 180 days. The facility expires on 31 December 2025.

Ecobank of Zimbabwe Limited

Implats entered into a revolving short-term loan facility of R93 million (ZWG127 million) with Ecobank of Zimbabwe Limited with interest of 40% per annum to fund its working capital requirements. R63 million (ZWG85 million) was drawn at the end of the period. The facility allows for multiple drawdowns with each drawdown limited to a maximum repayment of 180 days. The facility expires on 30 November 2025.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

19. BORROWINGS continued

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Facilities			
Committed revolving credit facilities			
South African rand tranche	**6 545**	6 545	6 545
US dollar tranche – US$93.8 million (December 2023: US$93.8 million) (June 2024: US$93.8 million)	**1 772**	1 722	1 707
Credit facilities – Impala Bafokeng	**–**	3 008	3 008
	8 317	11 275	11 260

Implats has a committed revolving credit facility with various financial institutions consisting of a R6.5 billion South African rand tranche (December 2023: R6.5 billion) (June 2024: R6.5 billion) and a US$93.8 million US dollar tranche (December 2023: US$93.8 million) (June 2024: US$93.8 million).

The committed revolving credit facility of R6.5 billion bears interest at the three-month Johannesburg Interbank Acceptance Rate (JIBAR) plus a margin and utilisation fee of between 210 and 260 basis points, subject to the level of utilisation and the total net debt to earnings before interest, tax, depreciation and amortisation (EBITDA) levels of the Group. The facility has an accordion option to increase the facility by an additional R4.2 billion (December 2023: R2.2 billion) (June 2024: R2.2 billion). In the prior year, the facility was extended for another year and will mature on 24 February 2026. The facility was undrawn at the end of the period.

During the current period, the committed revolving credit facility was amended to include Impala Bafokeng Resources as an additional guarantor to the facility agreement and the accordion option was increased from R2.2 billion to R4.2 billion.

The US dollar tranche of the committed revolving credit facility of US$93.8 million (December 2023: US$93.8 million) (June 2024: US$93.8 million) bears interest at the three-month Secured Overnight Financing Rate plus a credit adjustment spread, margin and a utilisation fee of between 211 and 251 basis points, subject to the level of utilisation and the total net debt to EBITDA levels of the Group. The facility has an accordion option to increase the facility by an additional US$37.5 million (December 2023: US$37.5 million) (June 2024: US$37.5 million). During the prior year, the facility was extended for another year and will mature on 24 February 2026. The facility was undrawn at the end of the period.

The R3 billion Impala Bafokeng credit facilities comprising a revolving credit facility of R2 billion which bore interest at JIBAR plus 250 basis points, as well as a general banking facility of R1 billion which bore interest at the prime rate less 140 basis points and the associated security were cancelled in the current period.

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for the six months ended 31 December 2024

20. CASH GENERATED FROM OPERATIONS

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Profit/(loss) before tax	**2 544**	1 872	(20 426)
Adjusted for:			
Impairment	**–**	701	21 852
IFRS 2 charge on B-BBEE transaction (note 18)	**–**	–	1 932
Depreciation	**3 490**	4 238	8 044
Amortisation of prepaid royalty	**–**	173	325
Finance income	**(403)**	(547)	(1 076)
Finance costs	**432**	454	960
Share of loss of equity-accounted entities (note 12)	**87**	495	1 182
Net realisable value adjustment on metal inventory	**(196)**	(2 124)	(2 518)
Employee benefit provisions	**–**	–	(7)
Share-based compensation	**173**	(480)	(348)
Environmental rehabilitation and other provisions	**10**	(60)	(126)
Foreign currency differences	**417**	276	803
Profit on disposal of property, plant and equipment (note 8)	**(15)**	(21)	(30)
Loss on disposal of property, plant and equipment (note 9)	**5**	7	9
Deferred profit on sale and leaseback of houses (note 8)	**(15)**	(15)	(30)
Deferred revenue	**(88)**	(57)	(160)
Amortisation of fair value adjustment to PIC housing facility	**(12)**	–	(24)
Employee housing benefit	**–**	–	(21)
Fair value gain on environmental rehabilitation and other investments	**(170)**	(88)	(240)
Fair value gain on foreign exchange rate collars (note 8)	**–**	(228)	(222)
Tax penalties received/(paid)	**160**	(165)	(165)
Tax interest and penalties receivable	**–**	–	(159)
	6 419	4 431	9 555
Changes in working capital:			
Decrease/(increase) in trade and other receivables	**1 315**	1 162	(588)
(Increase)/decrease in inventories	**(1 896)**	1	938
Decrease in trade and other payables	**(1 701)**	(3 171)	(1 239)
Cash generated from operations	**4 137**	2 423	8 666

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

21. HEADLINE EARNINGS

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Profit/(loss) attributable to owners of the Company	**1 867**	1 614	(17 313)
Remeasurement adjustments:			
Impairment – property, plant and equipment (note 10)	**–**	701	12 258
Impairment – goodwill on RBPlat acquisition (note 11)	**–**	–	6 347
Impairment – prepaid royalty (note 14.1)	**–**	–	3 247
Profit on disposal of property, plant and equipment and profit on sale and leaseback of houses	**(30)**	(36)	(60)
Loss on disposal of property, plant and equipment (note 9)	**5**	7	8
Earnings adjustments from equity-accounted entities (note 12)	**–**	1 352	2 378
Insurance proceeds – asset damage	**–**	(21)	(21)
Total tax effects of adjustments	**6**	(353)	(4 433)
Headline earnings	**1 848**	3 264	2 411
Headline earnings used in the calculation of diluted earnings per share	**1 848**	3 264	2 411

	Six months ended 31 December 2024 (Reviewed) Million	Six months ended 31 December 2023 (Reviewed) Million	Year ended 30 June 2024 (Audited) Million
Weighted average number of ordinary shares in issue for basic and headline earnings per share	**898.05**	894.75	897.36
Adjusted for:			
Dilutive potential ordinary shares relating to long-term incentive plan	**2.20**	1.59	2.49
Weighted average number of ordinary shares for diluted basic and headline earnings per share	**900.25**	896.34	899.85
Headline earnings per share (cents)			
Basic	**206**	365	269
Diluted	**205**	364	268

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

22. CONTINGENT LIABILITIES, GUARANTEES AND UNCERTAIN TAX MATTERS

Contingent liabilities and guarantees

As at 31 December 2024, the Group had contingent liabilities in respect of matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

The Group has issued guarantees of R37 million (December 2023: R51 million) (June 2024: R41 million) in respect of liabilities held by companies in the Group. Guarantees of R4 580 million (December 2023: R3 878 million) (June 2024: R4 018 million) have been issued by third parties and financial institutions on behalf of the Group consisting mainly of guarantees to the Department of Mineral Resources (DMR) for R3 558 million (December 2023: R3 270 million) (June 2024: R3 487 million).

Uncertain tax matters

Implats is subject to income taxes under the various income tax regimes in the countries in which it operates. The Group has filed, and continues to file, all the required income tax returns and to pay the taxes, as reasonably determined, to be due. In some jurisdictions tax authorities are yet to complete all their annual assessments and the income tax assessments, where completed by the tax authorities, remain subject to further examination within prescribed periods. Significant judgement is required in determining the Group's provisions for income taxes due to the complexity of legislation, which is often subject to interpretation. As a result, disputes can arise with the tax authorities over the interpretation or application of legislation in respect of the Group's tax affairs within the country involved and the outcome of these claims and disputes cannot be predicted with certainty. On tax matters which are particularly complex or require judgement in applying, management has obtained and will continue to obtain, independent legal and/or tax practitioner opinions which inform and support the tax positions adopted.

Implats' companies are involved in tax queries, litigation and disputes with various tax authorities in the normal course of business. A detailed review is performed regularly on each matter and a provision is recognised, where appropriate. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially reported, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Regardless of whether potential economic outflows of matters have been assessed as probable or possible, individually significant matters are disclosed below.

South Africa

At 31 December 2024, the Group had an unresolved historical tax matter relating to deductions at one of its South African operations. The South African Revenue Service (SARS) had issued an additional assessment relating to this matter which the Group had lodged an appeal to the Tax Court. The Tax Court found in favour of SARS. Management is in the process of lodging an appeal to the High Court to settle this matter. Should the Group be successful in its appeal, it could result in a tax credit of up to R741 million (December 2023: R695 million) (June 2024: R718 million) including interest.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

22. CONTINGENT LIABILITIES, GUARANTEES AND UNCERTAIN TAX MATTERS continued

Zimbabwe

Foreign currency taxes

Zimplats has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. The fiscal legislation in Zimbabwe is volatile, highly complex and subject to interpretation. From time to time, Zimplats is subject to a review of its historic income tax returns and in connection with such reviews, disputes can arise with the Zimbabwe Revenue Authority (ZIMRA) over the interpretation and/or application of certain legislation.

Significant judgement is required in determining the provision for income taxes due to the complexity and differences of interpretation of fiscal legislation, and application which may require determination through the courts. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Zimplats recognises liabilities for anticipated tax audit issues and uncertain tax positions based on estimates of whether additional taxes will be due. The assessment is based on objective, unbiased interpretation of the fiscal legislation, informed by specialist independent tax and legal advice. Where ZIMRA as the tax authority makes an assessment that differs from that determined and initially recorded by the Company, such difference in computation will impact the income tax expenses and liabilities in the period in which such determination is made.

Irrespective of whether potential economic outflows of matters have been assessed as probable or possible, individually significant matters are included as follows to the extent that disclosure does not prejudice the Company.

Matters before the courts

Zimplats filed legal proceedings in the Special Court for Income Tax Appeals and the Supreme Court of Zimbabwe in relation to various historical income tax matters. During the current period, the Supreme Court of Zimbabwe ruled in favour of ZIMRA in respect of one of the tax matters. The ruling did not have any financial impact as Zimplats has on a without prejudice basis, settled the disputed liabilities involved in these cases.

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23. RELATED PARTY TRANSACTIONS

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Associates			
Two Rivers			
Transactions with related party:			
Purchases of metal concentrates	**2 831**	2 327	5 160
Period-end balances arising from transactions with related party:			
Payable to associate	**1 942**	1 942	1 867
Makgomo Chrome			
Transactions with related party:			
Tailings fee expense	**31**	43	80
Sale of metal concentrates	**31**	43	80
Friedshelf			
Transactions with related party:			
Interest accrued	**30**	39	73
Repayments	**127**	117	239
Period-end balances arising from transactions with related party:			
Borrowings – lease liabilities[1]	**522**	707	619
Joint venture			
Mimosa			
Transactions with related party:			
Refining fees	**168**	175	349
Interest received	**32**	15	34
Purchases of metal concentrates	**2 885**	2 440	5 003
Period-end balances arising from transactions with related party:			
Payable to joint venture, net of advance	**220**	824	1 168

[1] *Friedshelf finance leases have an effective interest rate of 10.2%.*

There is no contractual relationship governing the Group's transactions with Mimosa. These are conducted through an intermediary. For accounting purposes, and to demonstrate the economic substance of the transactions, they are disclosed as related party transactions, as though the Group had transacted directly with Mimosa.

Fixed and variable key management compensation was R141 million (December 2023: R196 million) (June 2024: R257 million).

24. FINANCIAL INSTRUMENTS

Background

The impact of external factors such as climate change, geopolitical tensions and other global and domestic economic factors are deemed to be priced into the valuation of financial instruments, which for the Group, mostly relates to securities price risk and commodity price risk used in the level 1 and 2 fair valuation techniques as determined by the market.

The level 3 valuation techniques were adjusted by amending the cash flows associated with the discounted cash flow (DCF) valuations to factor in impacts of the various micro and macro-economic factors where applicable. The outcome of these considerations and the resulting adjustments are reflected in the respective carrying amounts of the financial assets and financial liabilities measured at fair value.

Notes to the condensed consolidated interim financial statements

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24. FINANCIAL INSTRUMENTS continued

The following table summarises the Group's classification of financial instruments:

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Financial assets – carrying amount			
Financial assets at amortised cost	**15 301**	14 405	15 602
Other financial assets[1]	**1 194**	1 230	1 235
Environmental rehabilitation investments (note 13)	**221**	203	211
Trade receivables	**1 663**	1 991	2 307
Other receivables[2]	**2 079**	1 589	2 014
Employee receivables	**198**	204	206
Cash and cash equivalents	**9 946**	9 188	9 629
Financial assets at fair value through profit or loss (FVPL)	**7 238**	7 868	8 166
Environmental rehabilitation investments (note 13)	**2 728**	2 396	2 565
Other financial assets	**81**	76	74
Trade receivables	**4 429**	5 396	5 527
Financial assets at fair value through other comprehensive income (FVOCI)	**756**	677	693
Total financial assets	**23 295**	22 950	24 461
Financial liabilities – carrying amount			
Financial liabilities at amortised cost	**11 106**	9 920	11 842
Borrowings (note 19)	**3 427**	3 070	3 341
Other financial liabilities	**49**	49	49
Trade payables	**7 067**	6 244	8 341
Other payables	**223**	88	111
Bank overdraft	**340**	469	—
Financial liabilities at FVPL	**3 465**	4 032	4 142
Trade payables – metal purchases	**3 465**	4 032	4 142
Trade payables at FVPL	**4 832**	4 755	4 640
Advance payments on metal purchases[3]	**(1 367)**	(723)	(498)
Total financial liabilities	**14 571**	13 952	15 984

[1] *Other financial assets consist mainly of 20-year employee housing loans secured by life cover and disability cover of the employees and have a market-related effective weighted average interest rate of 11.6% (December 2023: 11.6%) (June 2024: 11.6%).*

[2] *Other receivables are mainly comprising state royalties receivable of R546 million (December 2023: R555 million) (June 2024: R594 million), housing assets of R406 million (December 2023: R409 million) (June 2024: R394 million) and Zimplats contractors receivable of R200 million (December 2023: R226 million) (June 2024: R264 million).*

[3] *Advances are carried at amortised cost.*

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24. FINANCIAL INSTRUMENTS continued

Fair value hierarchy

The table below represents significant financial instruments measured at fair value at the reporting date. The calculation of fair value requires various inputs into the valuation methodologies used. The source of the inputs used affects the reliability and accuracy of the valuations. Significant inputs have been classified into the hierarchical levels in line with IFRS 13 valuations.

Level 1 – Quoted prices in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices that are observable for the asset or liability (directly or indirectly).
Level 3 – Inputs for the asset or liability that are unobservable.

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm	**Fair value hierarchy**	**Valuation technique and key inputs**
Financial assets at FVOCI	**756**	677	693		
Waterberg	**571**	510	501	Level 3	*In situ* 4E valuation method Real long-term US dollar exchange rate and metal prices Declared resources
Other	**185**	167	192	Level 3	DCF Risk-free South African rand interest rate
Financial assets at FVPL	**7 238**	7 868	8 166		
Environmental rehabilitation investments – Guardrisk (note 13)	**2 551**	2 247	2 395	Level 2	Market prices for listed investments
Environmental rehabilitation investments – Centriq Insurance Company Limited (note 13)	**177**	149	170	Level 2	Shareholders Weighted Top 40 Index on the JSE

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24. FINANCIAL INSTRUMENTS continued

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm	**Fair value hierarchy**	**Valuation technique and key inputs**
Financial assets at FVPL continued					
Other financial assets – housing insurance investment	**81**	70	74	Level 3	Market prices for listed investments and reliance on an external valuer for DCF models for unlisted investments
Other financial assets – foreign exchange rate collars	**–**	6	–	Level 2	Black Scholes valuation technique using quoted market exchange rates, volatility and risk-free South African rand interest rate
Trade receivables	**4 429**	5 396	5 527	Level 2	Quoted market metal prices and exchange rates
Financial liabilities at FVPL	**4 832**	4 755	4 640		
Trade payables at FVPL	**4 832**	4 755	4 640	Level 2	Quoted market metal prices and exchange rates

There were no transfers between fair value hierarchy levels during the reporting period.

The fair value of Waterberg was determined using the *in situ* 4E valuation method (significant unobservable input) using metal prices of between US$2.00 to US$12.00 (December 2023: US$2.00 and US$12.00) (June 2024: US$2.00 and US$12.00) per 4E ounce depending on whether the resource is inferred, indicated and measured. A slight increase in the comparable transaction used in the *in situ* 4E valuation method would result in a significant increase in fair value, and vice versa.

The carrying amount of financial assets and liabilities which are not carried at fair value, is a reasonable approximation of their fair value.

Notes to the condensed consolidated interim financial statements

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24. FINANCIAL INSTRUMENTS continued

Reconciliation of level 3 fair value measurements

	Waterberg Rm	Other Rm	Total Rm
Balance at 30 June 2023 (Audited)	506	221	727
Income recognised in profit or loss	—	4	4
Income recognised in other comprehensive income	4	12	16
Balance at 31 December 2023 (Reviewed)	510	237	747
Income recognised in profit or loss	—	4	4
(Loss)/income recognised in other comprehensive income	(9)	25	16
Balance at 30 June 2024 (Audited)	**501**	**266**	**767**
Income recognised in profit or loss	**—**	**7**	**7**
Income/(loss) recognised in other comprehensive income	**70**	**(7)**	**63**
Balance at 31 December 2024 (Reviewed)	**571**	**266**	**837**

Cash and cash equivalents exposure by country and currency

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Exposure by currency is as follows:			
Bank balances – South African rand	**6 108**	5 032	4 932
Bank balances – US dollar[1]	**1 678**	3 131	3 238
Bank balances – Canadian dollar	**990**	338	724
Bank balances – Zimbabwe Gold (December 2023: Zimbabwean dollar)[2]	**816**	207	721
Bank balances – Other currencies	**14**	11	14
	9 606	8 719	9 629
Exposure by country is as follows:			
South Africa	**7 793**	6 623	7 354
Zimbabwe – US dollar[1]	**(333)**	518	392
Europe	**299**	595	306
Canada	**1 017**	764	842
Zimbabwe – Zimbabwe Gold (December 2023: Zimbabwean dollar)[2]	**816**	207	721
Asia	**13**	11	13
Australia	**1**	1	1
	9 606	8 719	9 629

[1] Cash and cash equivalents exposures are net of the bank overdraft of R340 million (December 2023: R469 million) (June 2024: Rnil).

[2] The Zimbabwean dollar (ZW$) was replaced by the Zimbabwe Gold (ZWG) in April 2024.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

24. FINANCIAL INSTRUMENTS continued

Collateral – Triple Flag

As security for the gold stream, Triple Flag has the following security:

- A guarantee from Impala Bafokeng Platinum Limited guaranteeing the due payment and performance of all present and future obligations under the stream, with recourse under that guarantee limited to the shares that Impala Bafokeng holds in Impala Bafokeng Resources
- First ranking security over essentially all of Impala Bafokeng Resources' property and assets including mortgage bonds over land, notarial bonds over movable assets and a cession in security over bank accounts and cash balances, insurances, book debts and intercompany loans, receivables and rights under certain material contracts.

Fair value hedge accounting

The Group has a hedging strategy and accounting policy to manage the fair value risk (commodity price and foreign currency exchange risk) to which purchased metal (note 15), the hedged item, is exposed. The financial instrument used to hedge this risk is trade payables related to metal purchases, included in trade payables, measured at fair value through profit or loss. The fair value movements on this financial liability have been designated to hedge the price and foreign currency exchange risk on purchased metal inventory.

To the extent that the hedging relationship is effective, that is, to the extent that an economic relationship exists between the hedged item and hedging instrument, the fair value gains and losses on both the hedged item and hedging instrument are offset against each other. Where the hedge is ineffective, the gains and losses on trade payables and purchased metal inventory are recognised in profit or loss in other income and other expenses respectively.

The effects of the fair value hedge are as follows:

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Hedging instrument			
Trade payables at fair value through profit or loss – metal purchases			
Carrying amount	**4 832**	4 755	4 640
Fair value gain used to determine hedge effectiveness	**(37)**	(743)	(871)
Hedged item			
Purchased metal inventory			
Purchased metal inventory exposed to fair value movement	**4 832**	4 755	4 640
Change in fair value of hedged instrument used to determine hedge effectiveness	**37**	743	871
Accumulated fair value hedge gain included in metal purchases in respect of closing inventory[1]	**58**	167	216

[1] *Relates to metal purchases that were still in the refining process at the end of the period.*

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Dividends

The Company has a dividend policy which is aligned with the Company's capital allocation framework which prioritises the Company's commitment to providing sustainable and attractive returns to shareholders while retaining a strong and flexible balance sheet and sufficiently capitalising the business to allow the Group to take advantage of future value-accretive growth opportunities. The dividend policy recommends a minimum payout of 30% of free cash flow, pre-growth capital for the period. However, at the time of the dividend declaration, the board will consider market conditions, the balance sheet position and the Company's forecast funding requirements and exercise its discretion in determining the final quantum of the dividend. This allows the board to adjust the minimum threshold through the cycle depending on the capital allocation priorities and enable the board to pay out much higher ratios at the top of the PGM cycle.

Implats' capital allocation framework aims to sustain and grow meaningful value for all stakeholders and provide attractive returns to shareholders, while maintaining financial flexibility for the Group.

During the period, Implats incurred a cash outflow of R2.9 billion on stay-in-business and replacement capital with a further R0.6 billion spent on acquiring shares for the Implats share incentive schemes. After adjusting for foreign exchange translation losses, the Group realised an adjusted free cash inflow of R1.0 billion.

The Group's dividend policy is premised on returning a minimum of 30% of adjusted free cash flow, pre-growth capital and cash outflows. However, given constrained free cash flow generation due to persistent low PGM prices, the uncertain macro-economic environment due to new political dispensations and still-elevated working capital as we navigate reduced processing capacity utilisation during smelting facility repair projects, no interim dividend has been declared for the six-month period ended 31 December 2024.

	Six months ended 31 December 2024 (Reviewed) Rm	Six months ended 31 December 2023 (Reviewed) Rm	Year ended 30 June 2024 (Audited) Rm
Dividends paid:			
Final dividend No 99 for 2023 per ordinary share	**–**	1 487	1 487
	–	1 487	1 487

Other events occurring after the reporting period

The directors are not aware of any other subsequent events which materially impact the condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

for the six months ended 31 December 2024

26. RESTATEMENT DUE TO CHANGE IN CLASSIFICATION IN THE STATEMENT OF CASH FLOWS

The 'Acquisition of Royal Bafokeng Platinum from non-controlling interests' of R11 431 million was incorrectly presented as a cash outflow from investing activities and has now been reclassified to a cash outflow from financing activities. The previous presentation was restated as follows:

	Six months ended 31 December 2023 As reported Rm	Reclassification Rm	Six months ended 31 December 2023 Restated Rm
Acquisition of Royal Bafokeng Platinum from non-controlling interests	(11 431)	11 431	—
Net cash outflow from investing activities	(17 620)	11 431	(6 189)
Acquisition of Royal Bafokeng Platinum from non-controlling interests	—	(11 431)	(11 431)
Net cash outflow from financing activities	(1 712)	(11 431)	(13 143)

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EXCELLENCE IN PGMs

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