

Operational reviews continued

Harmony Gold

Key features for F2021

Headline earnings per share increased **699%** to **923 cents per share**

Total dividend per share of **137 cents**



	Unit	F2021	F2020
Gold produced	Kg	47 755	37 863
	000oz	1 535 352	1 217 323
Cash operating costs	R/kg	600 592	553 513
	US\$/oz	1 213	1 099
Financial performance			
Revenue	R million	41 733	29 245
Costs of sales	R million	(35 657)	(25 908)
Impairment of assets	R million	(1 124)	–
Gross profit	R million	6 076	3 337
Net profit/(loss) for the year	R million	5 590	(850)
Total headline earnings/(loss)	Cents per share	923	(154)
Total capital expenditure	R million	5 142	3 610
Market performance			
Average gold price received	R/kg	851 045	735 569
	US\$/oz	1 719	1 461
Market capitalisation	R billion	32.5	43.3

Financial and operational performance

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

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

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

Harmony's financial performance for F2021 reflects a net profit increase of 758% to R5 590 million compared to a

net loss of R850 million in F2020. Headline earnings improved to 923 cents per share compared with a headline loss of 154 cents per share for F2020.

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

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

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

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

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

