

Operational reviews

Harmony Gold Mining Company Limited

KEY FEATURES FOR F2023

Headline earnings per share increased 60% to 800 cents per share

Final dividend per share of 75 cents

F2023 production, grade and cost guidance met, demonstrating consistency

Growing investment in copper, a future-facing metal

Decarbonisation through renewable energy, with phase 1 of 30MW renewable solar power now commissioned

	Unit	F2023	F2022
Gold produced	Kg	45 651	46 236
	000oz	1 467 715	1 486 517
Cash operating costs	R/kg	735 634	701 024
	US\$/oz	1 288	1 434
Financial performance			
Revenue	R million	49 275	42 645
Costs of sales	R million	(39 535)	(41 927)
Impairment of assets	R million	–	(4 433)
Gross profit	R million	9 740	718
Net profit/(loss) for the year	R million	4 883	(1 012)
Total headline earnings	Cents per share	800	499
Total capital expenditure	R million	7 640	6 214
Market performance			
Average gold price received	R/kg	1 032 646	894 218
	US\$/oz	1 808	1 829
Market capitalisation	R million	48 982	32 041



Financial and operational performance

ARM's investment in Harmony was positively revalued by R2 037 million in F2023 (F2022: R59 million loss) as the Harmony share price increased by 52% from R51.97 per share at 30 June 2022 to R79.25 per share at 30 June 2023. The Harmony investment is therefore reflected on the ARM statement of financial position at R5 918 million (F2022: R3 881 million) based on its share price.

Gains and losses 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.

Subsequent to year end, Harmony declared a final dividend of 75 cents per share.

Harmony's financial performance in F2023 reflects a net profit of R4 883 million compared to a net loss of R1 012 million in F2022. Headline earnings per share increased 60% to 800 cents for F2023 from 499 cents for F2022.

Group revenue for the period increased by 16% to R49 275 million from R42 645 million in F2022 mainly due to higher underground recovered grades which increased by 8% to 5.78g/t in F2023 from

5.37g/t in F2022. This was further supported by the higher average gold price received which increased by 15% to R1 032 646/kg (US\$1 808/oz) in F2023 from R894 218/kg (US\$1 829/oz) in the previous reporting period.

Harmony's production in F2023 was steady, decreasing by 1% to 45 651kg (1 467 715oz) from 46 236kg (1 486 517oz) in F2022. However, adjusting for the closure of the Bambanani operation at the end of F2022, group production increased by 2% or 848kg (27 270oz) year on year. Production was mainly driven by an excellent operating performance from the South African underground operations and an 18% or 663kg (21 316oz) increase in the Hidden Valley operation production.

Maintaining a robust and flexible balance sheet with strong liquidity is prudent as Harmony expands internationally. With the acquisition of Eva Copper on 16 December 2022, net debt/EBITDA increased from 0.1 to 0.6 times. Due to the strong cash flows generated throughout the financial year, Harmony has repaid debt of R2 045 million (US\$115 million) since December 2022, resulting in net debt/EBITDA of 0.2 times at the end of the financial year.

Harmony's results for the year ended 30 June 2023 can be found on its website: www.harmony.co.za.