Interim results for the six months ended 31 December 2023

8 March 2024

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African Rainbow Minerals

“

Headline earnings for 1H F2024 decreased by 43% to R3.0 billion (1H F2023: R5.2 billion). We declared an interim dividend of R6.00 per share.

Our financial position remains robust with net cash of R8 billion at 31 December 2023.

Dr Patrice Motsepe, Executive chairman

”

Disclaimer

Throughout this presentation a range of financial and non-financial measures are used to assess the company's performance, including, but not limited to financial measures that are not defined under International Financial Reporting Standards (IFRS). These adjusted financial measures are included for illustrative purposes and are the responsibility of the Board of Directors. They should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS.

Rounding of figures may result in minor computational discrepancies.

Forward looking statements

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

Beeshoek Mine

Overview of results

Dr Patrice Motsepe

Executive chairman

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Headline earnings

ARM Ferrous

12% to

R2.8 billion

(1H F2023: R2.5 billion)

ARM Platinum

121% to

R282 million loss

(1H F2023: R1.3 billion earnings)

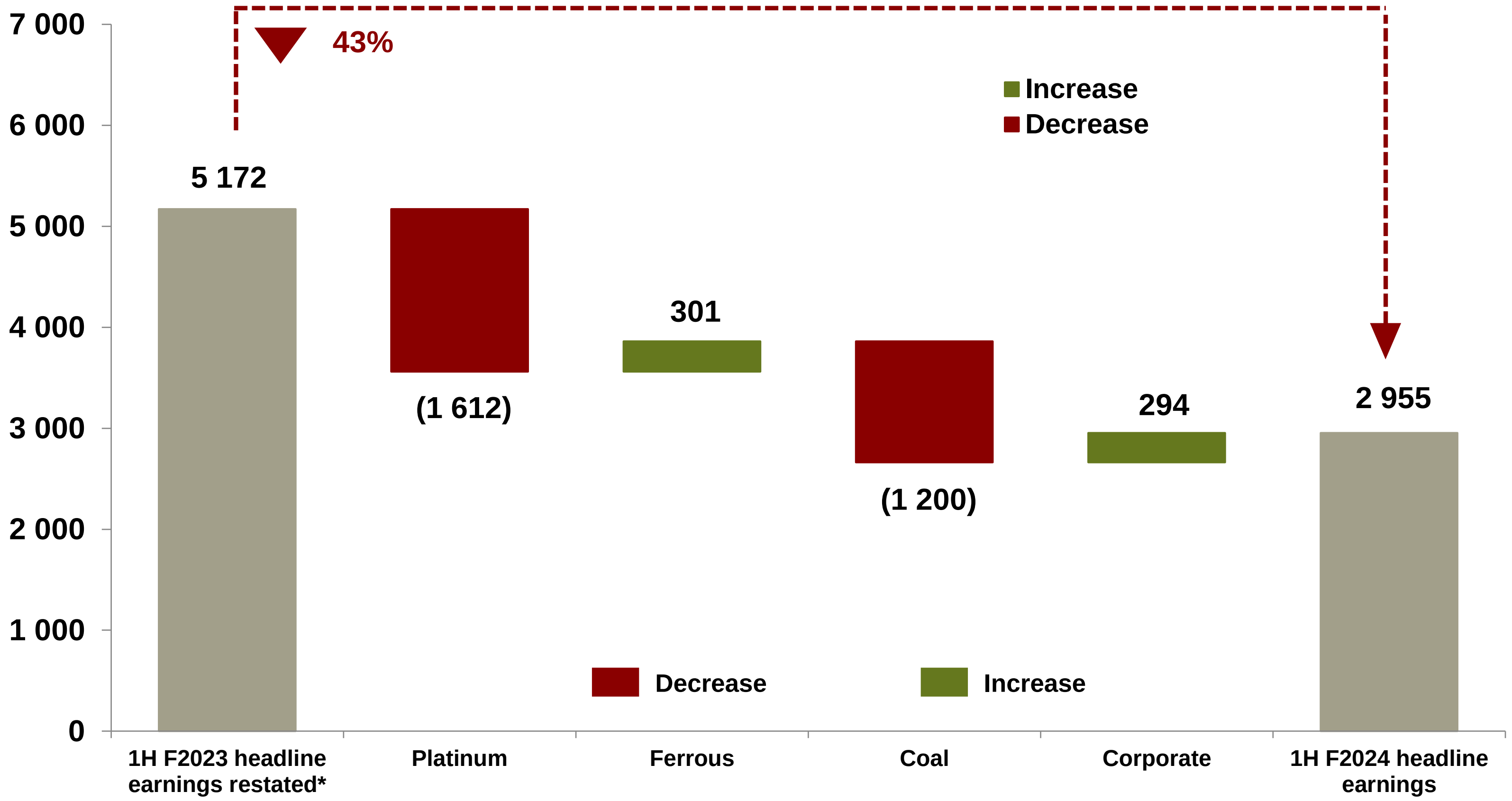
ARM Coal

85% to

R204 million

(1H F2023: R1.4 billion)

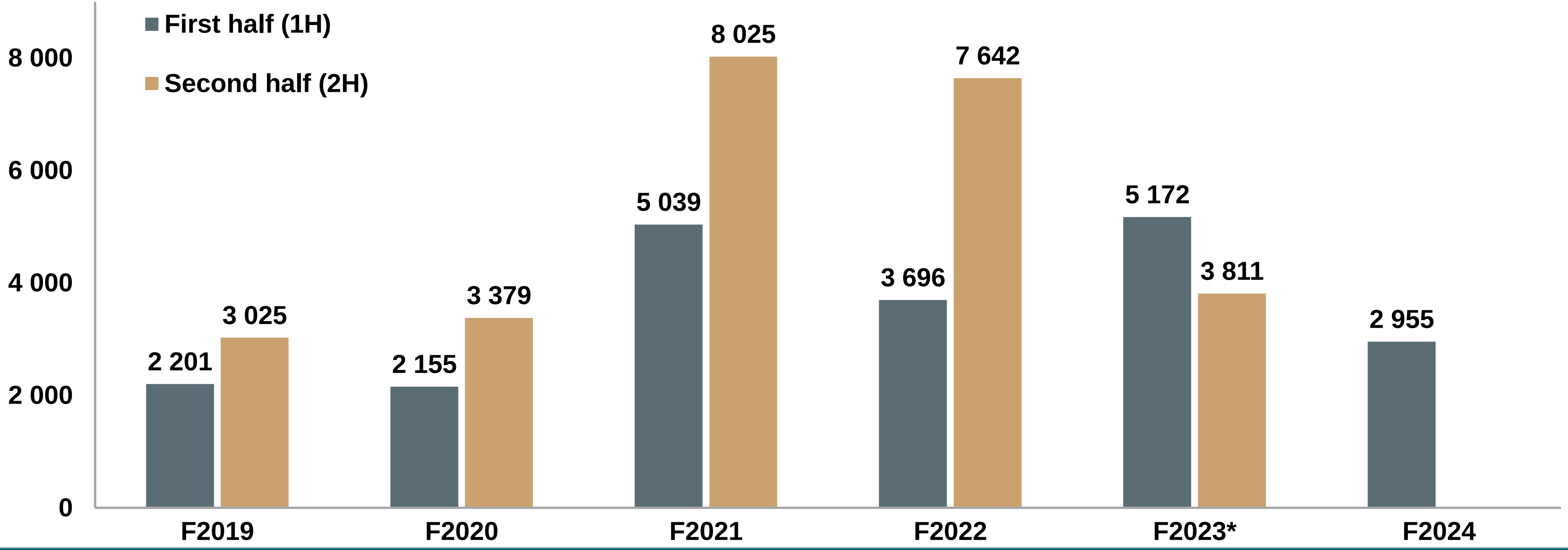
ARM Group (R million)



For a reconciliation between basic earnings and headline earnings refer to slide 40. Basic earnings include attributable impairments of R1 739 million after tax.

** Comparative information have been restated for the adoption of IFRS 17 Insurance Contracts. Refer note 15 of the interim financial statements for more information.*

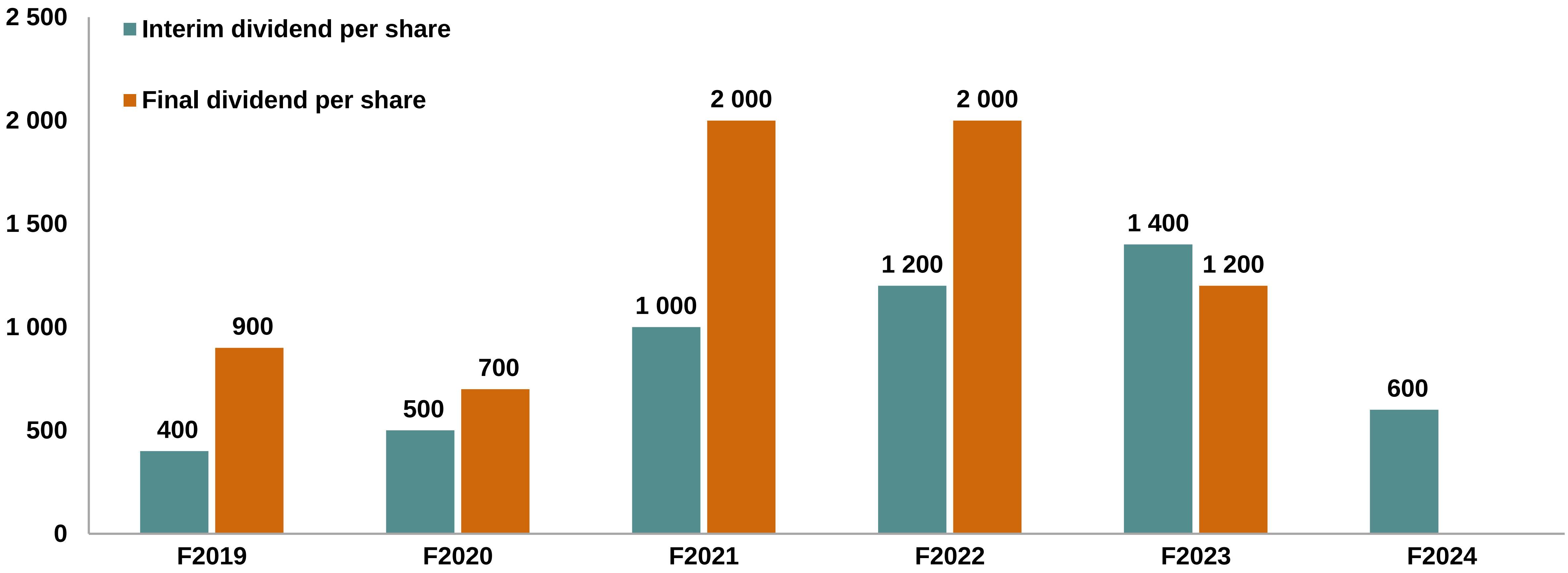
Six-monthly headline earnings (R million)



Total annual:	5 226	5 534	13 064	11 338	8 983	

For a reconciliation between basic earnings and headline earnings refer to slide 40. Basic earnings include attributable impairments of R1 739 million after tax.
** F2023 headline earnings were restated as a result of the adoption of IFRS 17. Refer to note 15 of the interim financial statements for more details.*

Dividends per share (cents)



Total annual:	1 300	1 200	3 000	3 200	2 600	

We are committed to balancing growth and dividends while maintaining a robust financial position.

Dividends received*

Dividends received from Assmang

14% to R3 billion

(1H F2023: R3.5 billion)

Post 31 December 2023, Assmang declared a dividend of R4 billion (100% basis).
ARM's attributable portion of this dividend was R2 billion.

Distributions received from ARM Coal

87% to R153 million

(1H F2023: R1 144 million)

Distributions received as part settlement for loans owed by ARM Coal to ARM. Post 31 December 2023, ARM received R48 million from ARM Coal as part settlement for shareholder loans owed to ARM and R440 million as a dividend.

Dividends received from Modikwa Mine

100% to nil

(1H F2023: R500 million)

Dividends received from Two Rivers Mine

100% to nil

(1H F2023: R432 million)

** The dividend received from Harmony amounted to R56 million (1H F2023: R17 million).*
Post 31 December 2023, Harmony declared an interim dividend of 147 cents per share.

Safety and health

African Rainbow Minerals

Lost Time Injury Frequency Rate (LTIFR)*

14% to 0.24

(1H F2023: 0.28)

* LTIFR per 200 000-man hours

Total Recordable Injury Frequency Rate (TRIFR)**

19% to 0.50

(1H F2023: 0.62)

** TRIFR includes the number of fatal injuries, number of lost time injuries and number of medical cases

Fatalities

Zero fatalities

(1H F2023: 1 fatality at Two Rivers Mine)

Safety highlights

- **Modikwa** achieved **2 million fatality-free shifts** and **Two Rivers** achieved **1 million fatality-free shifts.**
- **Black Rock, Beeshoek and Cato Ridge Works** are more than **14 years fatality free.**

We remain committed to creating and maintaining a safe and healthy working environment.

ARM
African Rainbow Minerals

STRATEGY

DELIVER COMPETITIVE RETURNS AND CREATE SUSTAINABLE VALUE FOR ALL STAKEHOLDERS

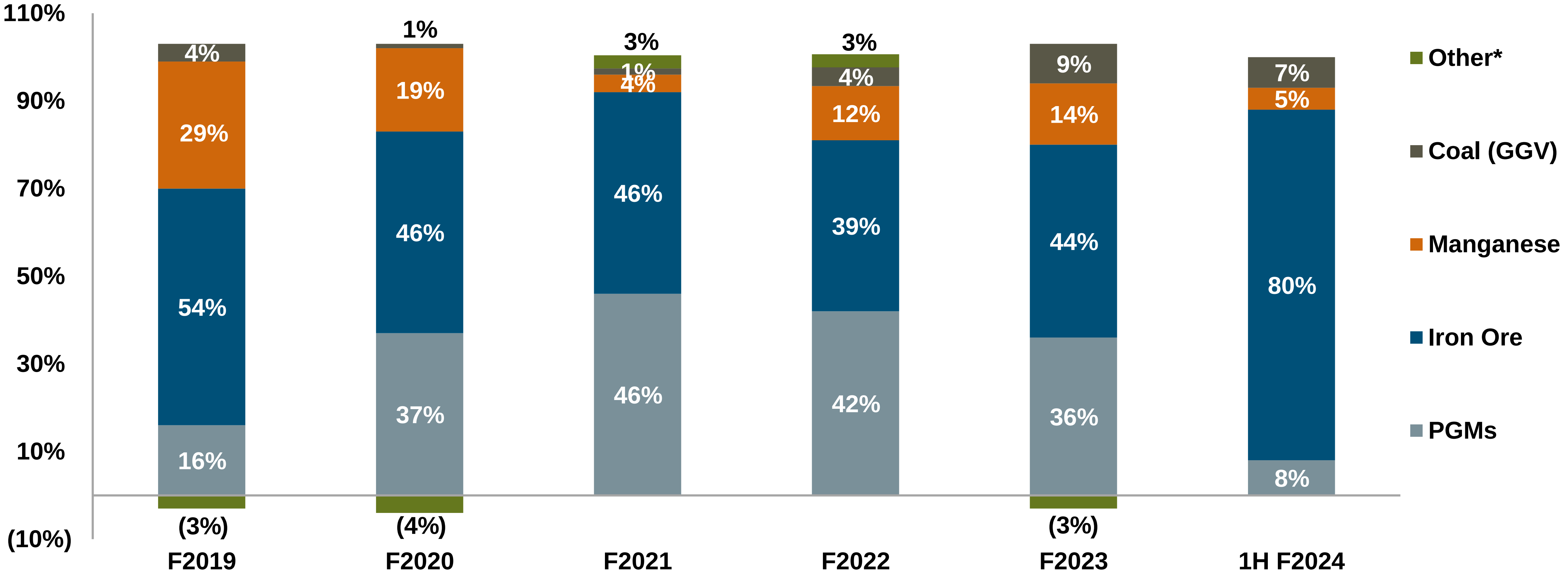
- Operate our portfolio of assets safely, responsibly and efficiently
- Allocate capital to value-creating investments
- Focus on value-enhancing and integrated growth

- Owner-operator
- Entrepreneurial management
- Investing in our employees
- Partnering with communities and other stakeholders
- Application of innovative technology

Segmental EBITDA split by commodity (%)

African Rainbow Minerals

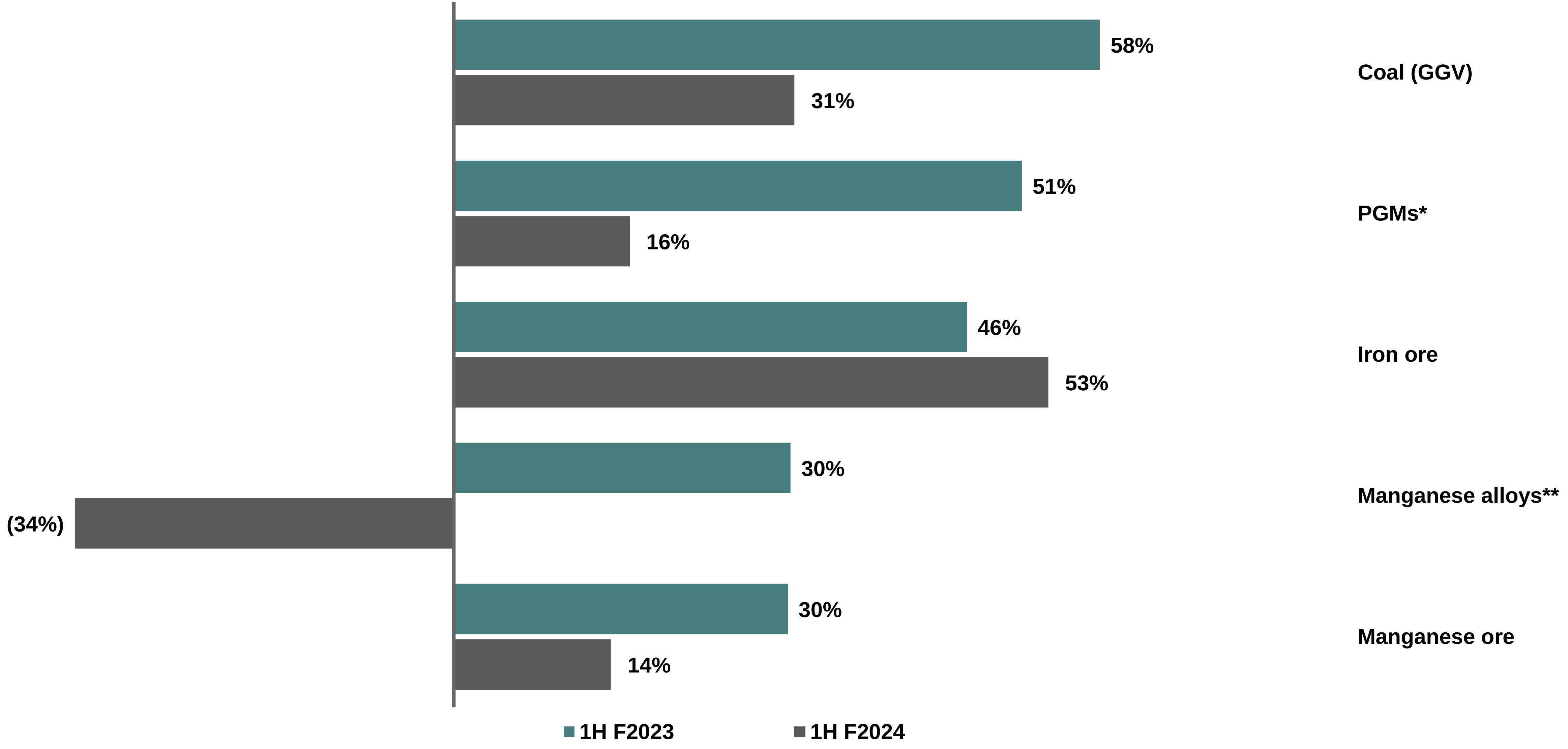
(R million)	9 336	11 009	24 321	17 839	13 994	5 106



Significant segmental EBITDA contribution from iron ore for the six months ended 31 December 2023

** Other is made up of chrome, nickel and ARM Corporate*

EBITDA margins by commodity (%)



* Including Modikwa and Two Rivers mines only

** EBITDA margin includes a once-off provision of R234 million (100%) related to onerous contracts. Excluding this once-off provision, the adjusted EBITDA margin would be negative 6%.

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Operational review

Phillip Tobias

Chief executive officer

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Headline earnings/(loss) by division / operation
(R million)

	1H F2024	1H F2023	% change
ARM Ferrous	**2 821**	2 520	12
Iron ore division	**2 782**	1 663	67
Manganese division	**45**	861	(95)
Consolidation adjustment and other	**(6)**	(4)	(50)
ARM Platinum	**(282)**	1 330	(121)
Two Rivers Mine	**164**	920	(82)
Modikwa Mine	**(31)**	615	(105)
Bokoni Mine	**(341)**	(150)	(127)
Nkomati Mine	**(74)**	(55)	(35)
ARM Coal	**204**	1 404	(85)
Goedgevonden (GGV) Mine	**152**	516	(71)
Participative Coal Business (PCB)	**52**	888	(94)
ARM Corporate and other	**212**	(82)	>200
Corporate and other (including Gold)	**324**	71	>200
Machadodorp Works	**(112)**	(153)	27
Headline earnings	**2 955**	5 172	(43)

Production by commodity (100% basis)

	Unit	1H F2024	1H F2023	% change
ARM Ferrous				
Iron ore	000 tonnes	**7 058**	6 984	1
Manganese ore	000 tonnes	**1 788**	2 163	(17)
Manganese alloys	000 tonnes	**190**	223	(15)
ARM Platinum				
Two Rivers Mine	6E PGM ounces	**150 956**	147 288	2
Modikwa Mine	6E PGM ounces	**151 754**	146 921	3
Bokoni Mine	6E PGM ounces	**4 606**		
ARM Coal				
Goedgevonden (GGV) Mine	Million tonnes	**3.55**	3.13	13

ARM Ferrous

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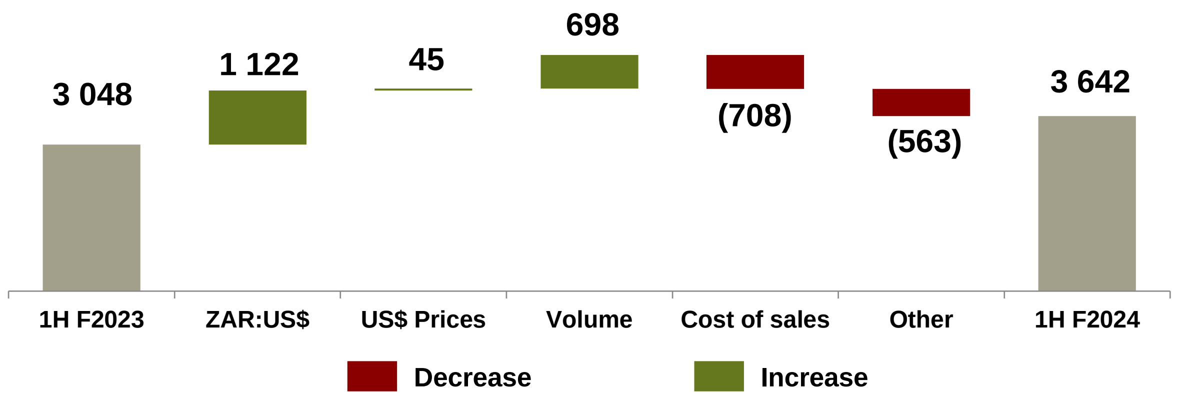
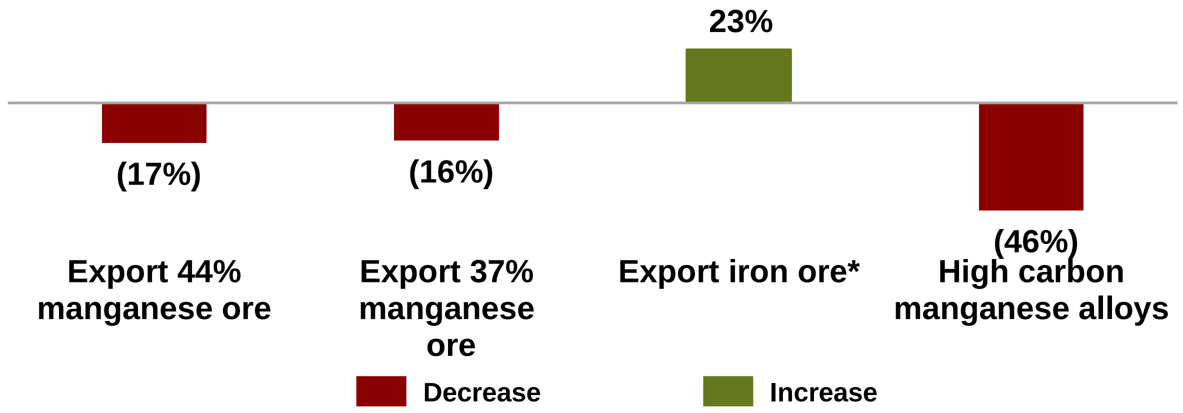
ARM Ferrous

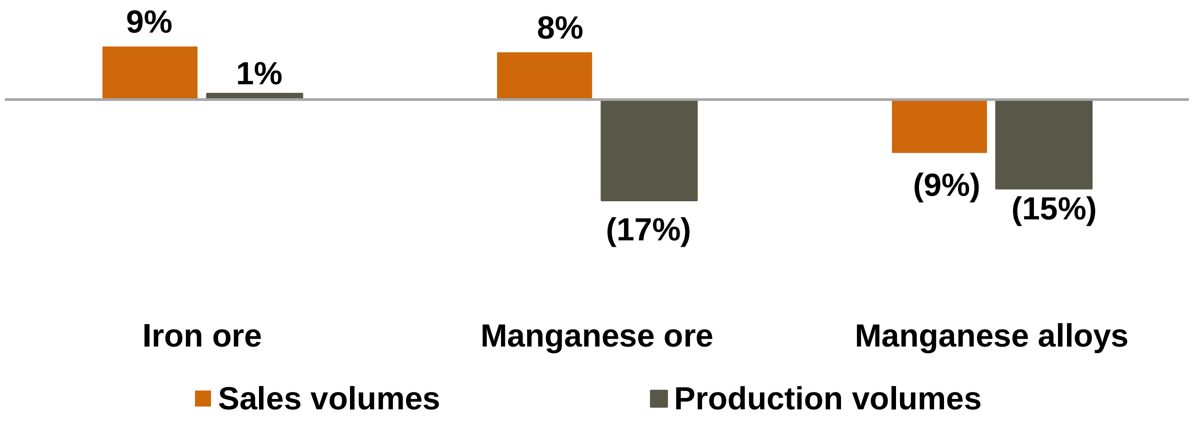
Profit variance analysis – segment result (R million)



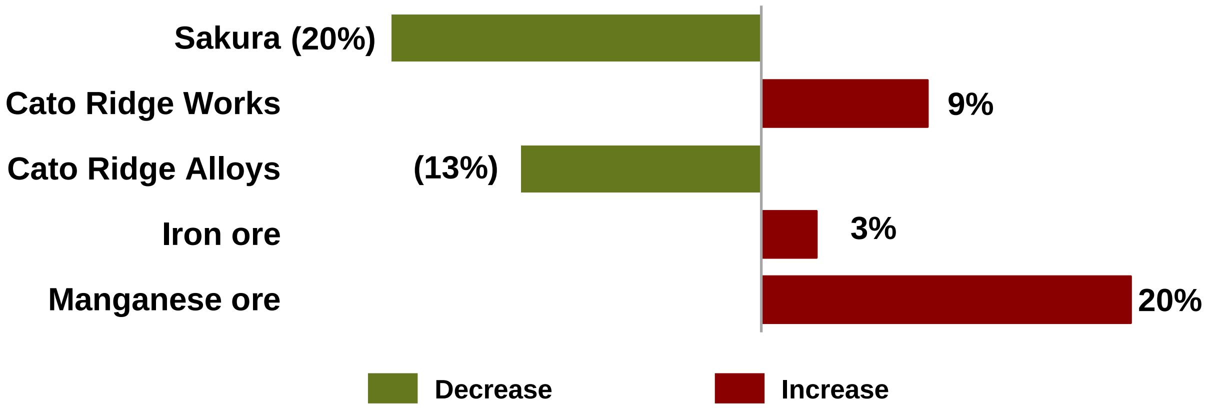
Changes in average US Dollar Index prices (%)



Changes in sales and production volumes (%)



Changes in on-mine unit cash costs (%)



** Average realised iron ore price on an FOB equivalent basis*

Iron ore (100% basis)

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Average realised US dollar export prices increased by 23%.

Export sales volumes were better than volumes in 1H F2023 due to 1H F2023 having been impacted by the industrial action at Transnet. Engagement and communication with Transnet to address challenges has improved significantly.

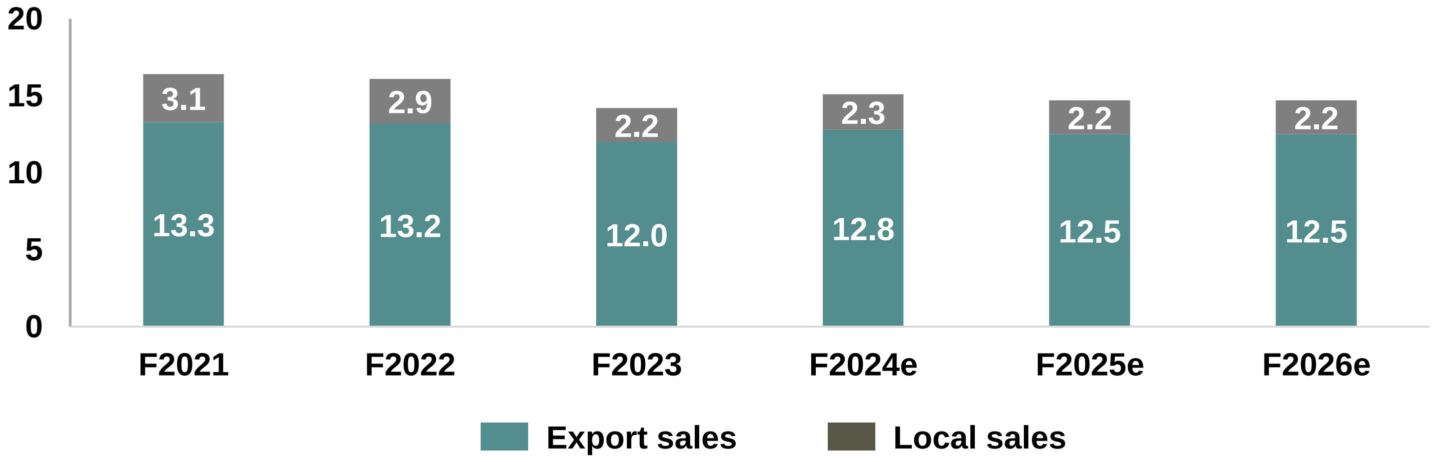
On-mine unit cash costs increased due to higher production, improved efficiencies, lower diesel price and improved water utilisation.

The biggest risks to our iron ore operations include: single customer risk at Beeshoek, water supply challenges at Khumani and logistical constraints.

Operational performance

	unit	1H F2024	1H F2023	% change
Export sales volumes	000 tonnes	**6 004**	5 652	6
Local sales volumes	000 tonnes	**1 242**	1 011	23
Export sales lump:fines ratio		**58:42**	59:41	
Change in on-mine unit cash costs	%	**3**	34	
Change in unit cost of sales	%	**4**	7	
Capital expenditure	R million	**1 267**	1 503	(16)

Sales volumes (million tonnes)



Manganese ore (100% basis)

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Export sales volumes were 12% higher, driven by rollover shipments from F2023 and better than expected performance from Transnet.

Unit cost of sales were impacted by higher production costs partially offset by lower freight costs.

Capital expenditure increased due to the procurement of four additional battery electric vehicles in line with the drive towards net zero greenhouse gas emissions.

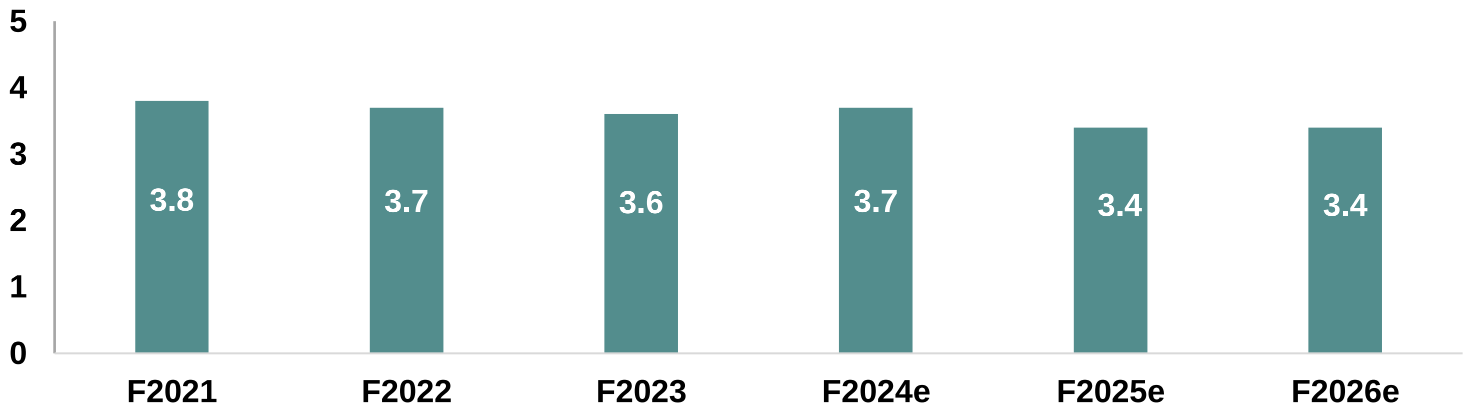
We continue to engage with Transnet to address the operational challenges on the rail lines and overall increase in capacity.

Operational performance

	unit	1H F2024	1H F2023	% change
Export sales volumes	000 tonnes	**2 000**	1 779	12
Local sales volumes*	000 tonnes	**367**	405	(9)
Change in on-mine unit cash costs	%	**20**	8	
Change in unit cost of sales	%	**8**	9	
Capital expenditure	R million	**837**	623	34

** Local sales volumes in 1H F2023 were higher mainly due to increased sales of manganese ore fines.*

Export sales volumes (million tonnes)



Manganese alloys (100% basis)

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Average high carbon manganese alloy index prices decreased by 46%.

High carbon manganese alloy production at Sakura decreased by 13%, as production was curtailed due to weaker alloy market conditions. Management is evaluating options to diversify the product offering to mitigate this risk.

Medium carbon manganese alloy production at Cato Ridge Alloys decreased by 11% mainly due to operational challenges.

Unit cash costs of high carbon manganese alloys at Cato Ridge Works were 9% higher due to lower production volumes, higher electricity costs and increased load curtailments.

Operational performance

	unit	1H F2024	1H F2023	% change
Sales volumes:				
South African operations	000 tonnes	**39**	46	(15)
Sakura	000 tonnes	**113**	121	(7)
Production volumes:				
Cato Ridge Works production	000 tonnes	**48**	61	(21)
Cato Ridge Alloys production	000 tonnes	**25**	28	(11)
Sakura production	000 tonnes	**117**	134	(13)
Changes in unit cash costs:				
Cato Ridge Works	%	**9**	23	
Sakura	%	**(20)**	-	

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ARM Platinum

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ARM Platinum

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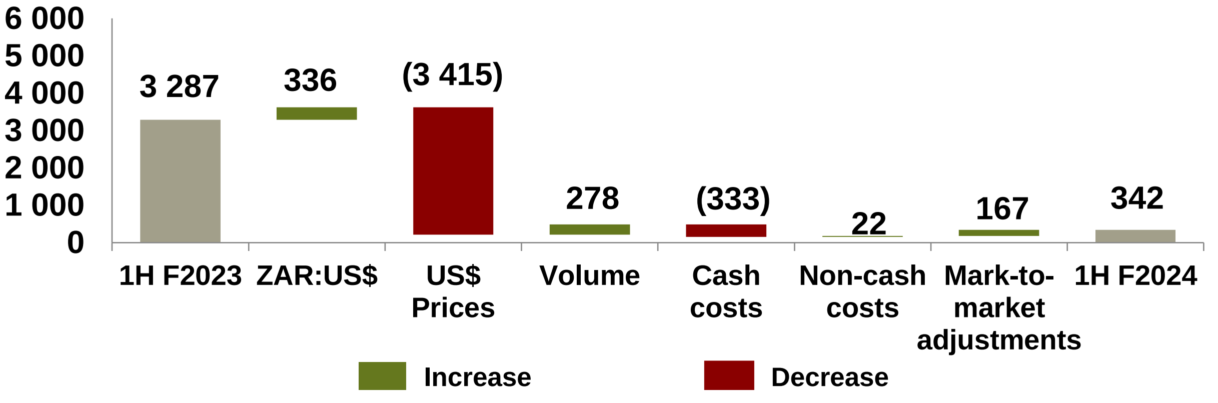
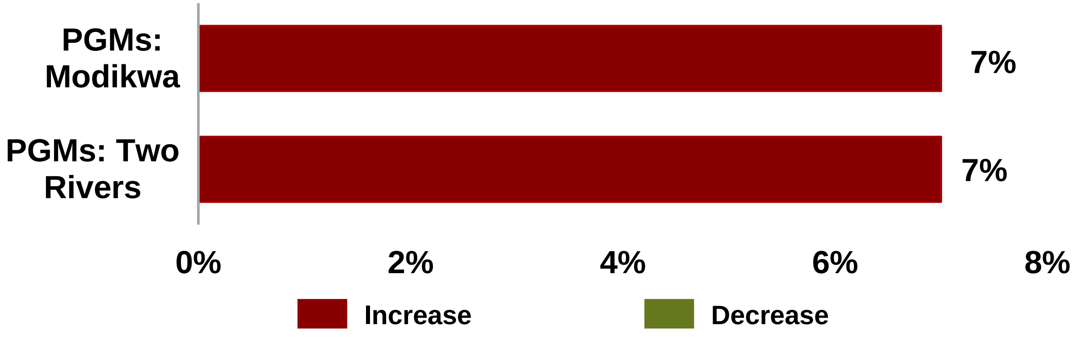
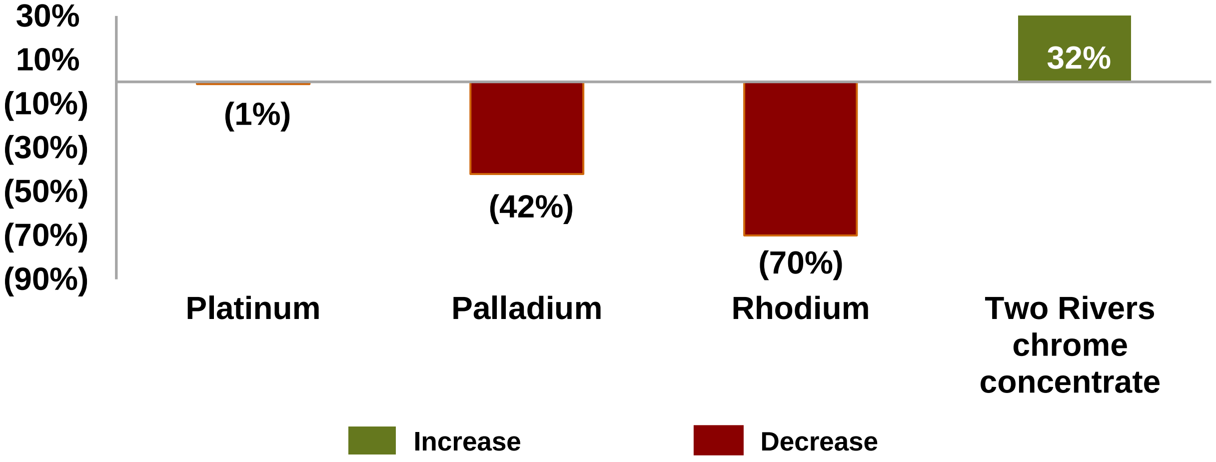
Profit variance analysis segment result* (R million)



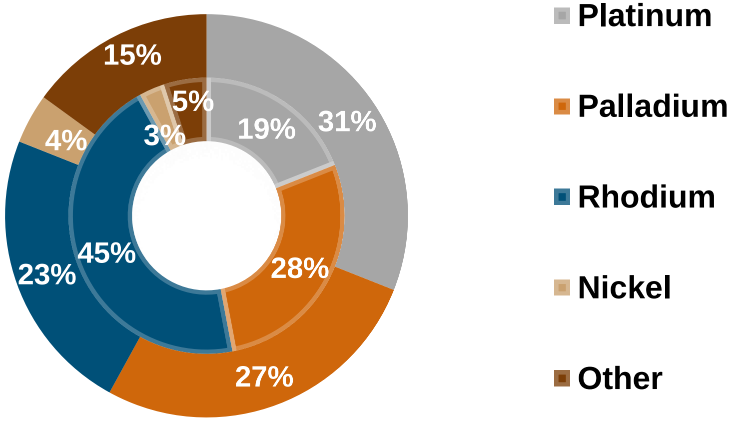
Changes in unit cash costs** (%)



Changes in average realised US Dollar prices (%)



Revenue contribution per commodity (%)



1H F2023 in the inner circle

* Excluding Bokoni and Nkomati Mine | ** PGMs on a rand per 6E ounce basis

PGMs (100% basis)

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Lower US dollar PGM prices, particularly palladium (42% lower) and rhodium (70% lower), were partially offset by a weaker rand/US dollar exchange rate.

A 4% improvement in head grade at Modikwa Mine resulted in production volumes increasing by 3%. The increase in head grade is attributed to a decrease in on-reef development production as the mine is transitioning to off-reef development at the lower levels.

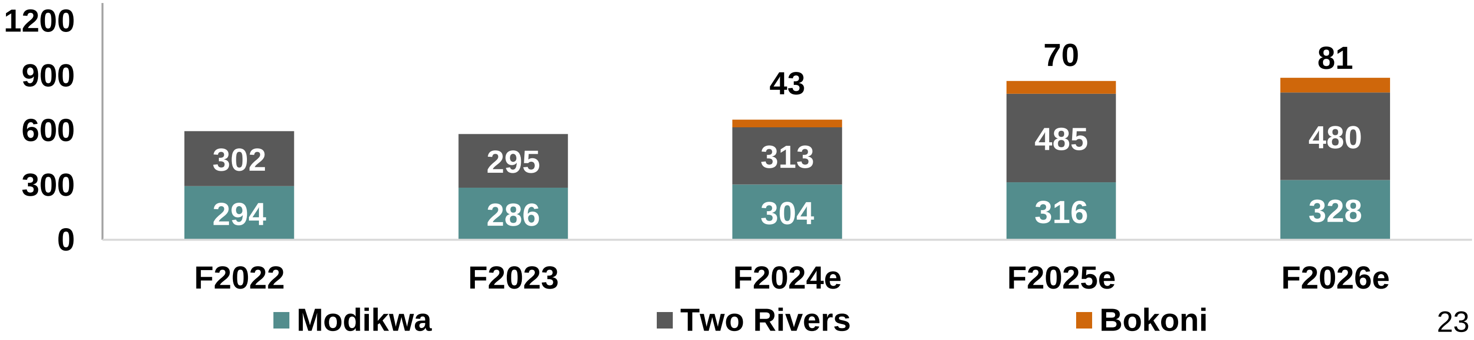
The grade at Two Rivers Mine improved marginally but remains a constraint due to the split reef. Various mining cuts are taken in the split reef areas to optimise grade as far as possible.

Unit cash cost increases are largely due to higher volumes of major component fleet replacements and increases in electricity rates.

Operational performance (100% basis)

	unit	1H F2024	1H F2023	% change
Modikwa production volumes	6E PGM ounces	**151 754**	146 921	3
Two Rivers production volumes	6E PGM ounces	**150 956**	147 288	2
Bokoni production volumes	6E PGM ounces	**4 606**	-	-
Total production volumes	**6E PGM ounces**	**307 316**	294 209	4
Modikwa unit cash costs	R/oz 6E	**18 355**	17 224	7
Two Rivers unit cash costs	R/oz 6E	**14 433**	13 490	7
Capital expenditure	R million	**3 568**	2 036	75

PGM Volumes (thousand ounces 6E)



Nkomati Mine update

During 1H F2024, ARM and Norilsk Nickel Africa (Pty) Ltd (NNAf) concluded a Purchase and Sale Agreement (PSA) which provides for the acquisition by ARM of NNAf's 50% participation interest in the Nkomati mine for a cash consideration of R1 million. ARM will take over NNAf's proportionate share of the obligations and liabilities relating to the Nkomati mine's assets, together with the environmental liabilities of Nkomati mine, with a R325 million contribution from NNAf, as may be adjusted under the terms of the PSA.

The discounted rehabilitation liability attributable to ARM was determined to be R836 million (30 June 2023: R799 million). The increase was due to unwinding interest recognised against the liability.

At 31 December 2023, R142 million (attributable to ARM) in cash and financial assets were available to fund rehabilitation obligations for Nkomati Mine. The resulting attributable shortfall of R693 million is expected to be funded by ARM.

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ARM Coal

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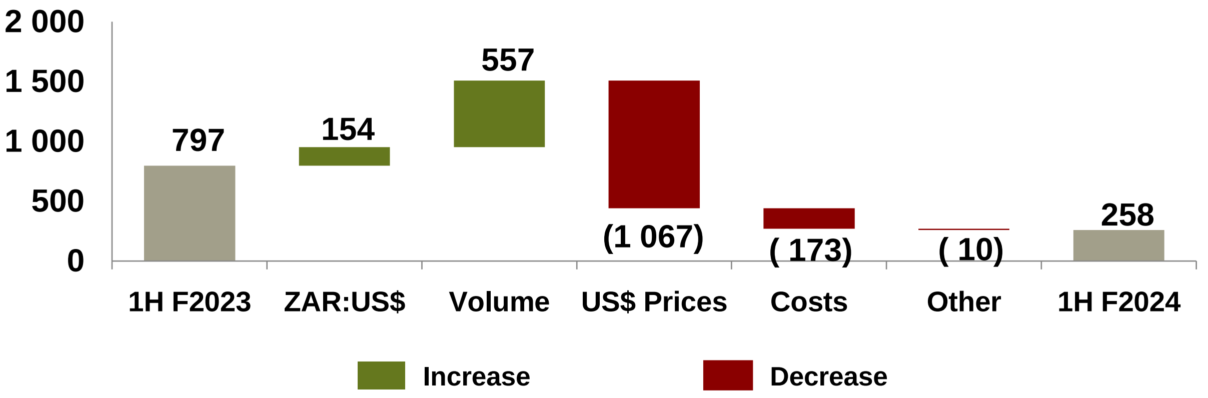
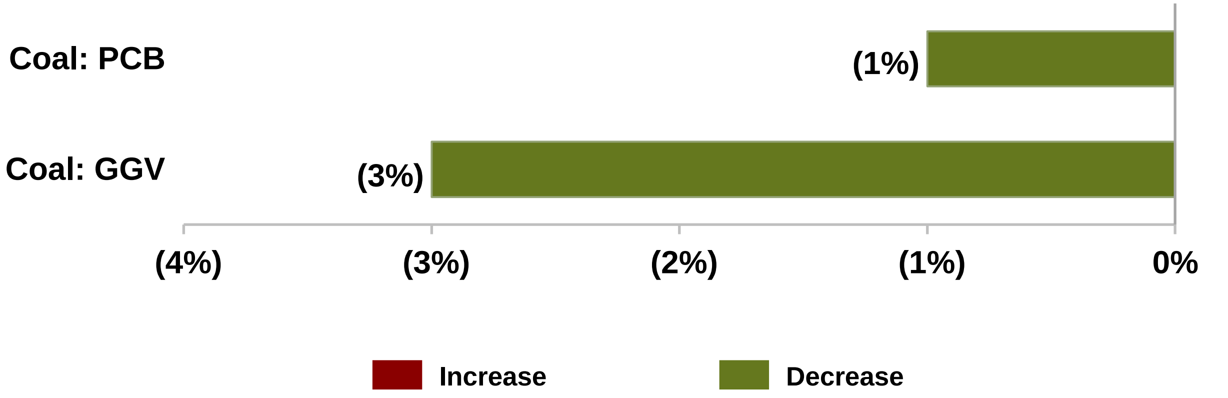
ARM Coal

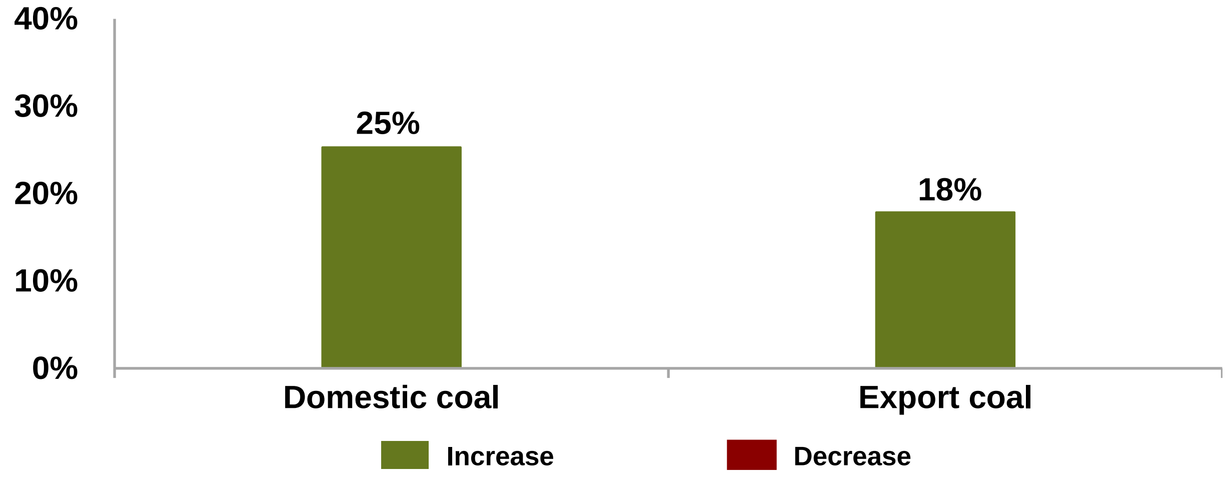
Profit variance analysis – segment result* (R million)



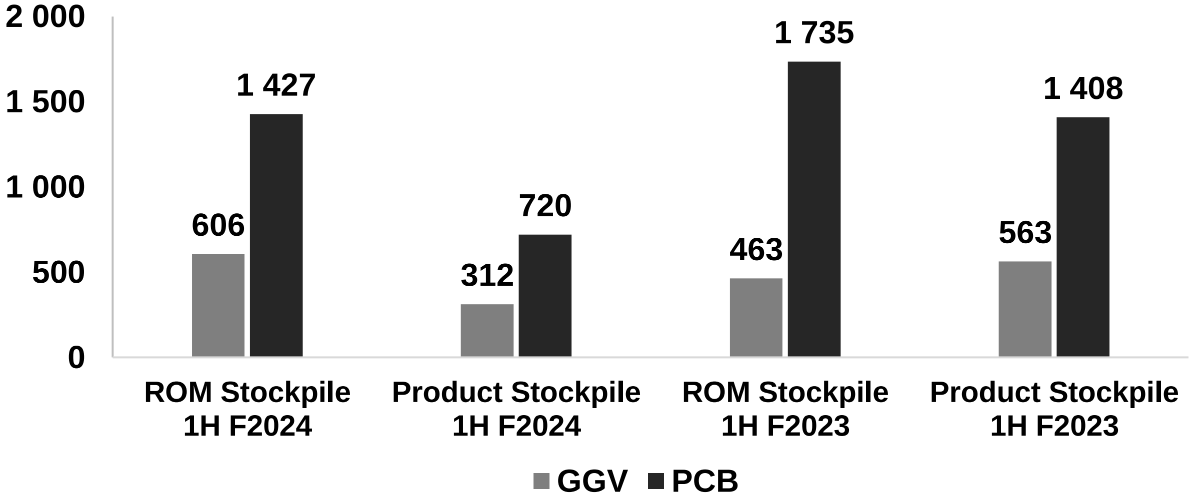
Changes in on-mine unit production costs (%)



Changes in sales volumes (%)



Stockpile volumes (thousand tonnes) (100% basis)



** Only GGV Mine is included in the segment result analysis*

GGV and PCB (100% basis)

Global thermal coal prices were negatively impacted by reduced European coal demand resulting from a milder winter and high coal stocks brought forward from the prior year.

Approximately 63% and 69% of export volumes at GGV and PCB comprised of high-quality coal (5 700 – 6 000 kcal/kg), respectively.

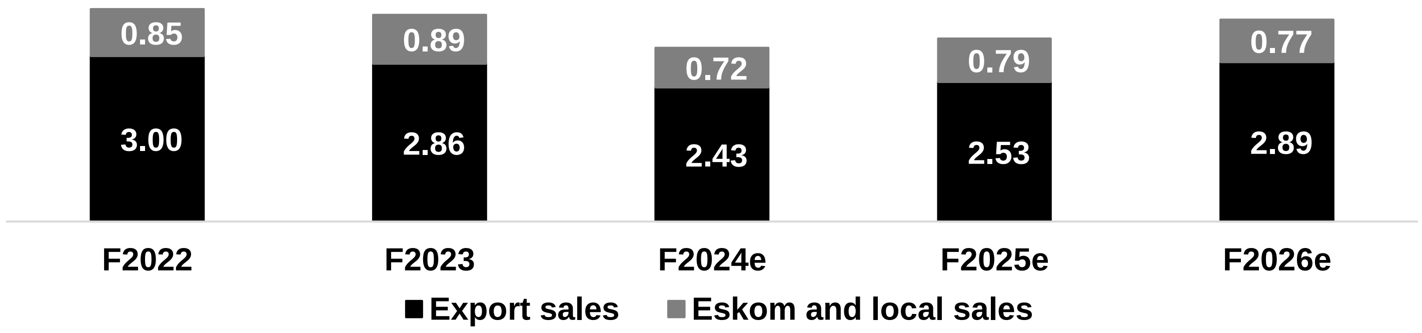
Total sales volumes increased in 1H F2024 compared to 1H F2023, largely as a result of an increase in trucking of coal to compensate for the decline in Transnet Freight Rail (TFR) performance.

On-mine unit production costs decreased largely due to higher saleable production.

Operational performance (100% basis)

	unit	1H F2024	1H F2023	% change
Export sales volumes	Mt	6.80	5.77	18
Domestic sales volumes	Mt	2.18	1.74	25
GGV on-mine production costs	R/t	583	601	(3)
PCB on-mine production costs	R/t	766	769	(1)
Capital expenditure (GGV)	R million	1 052	892	18
Capital expenditure (PCB)	R million	1 335	2 302	(42)

Sales volumes (million tonnes) (attributable)



Update on PGM growth projects

African Rainbow Minerals

Two Rivers Merensky Project

Construction and commissioning of the Two Rivers Merensky concentrator plant is scheduled to be completed during Q4 F2024.

Capital and operating cost inflation, coupled with current PGM pricing, has necessitated deferring sections of the project and evaluating various production ramp-up scenarios.

Bokoni Platinum Mine

ARM continues to be confident about the long-term profitability of Bokoni.

The immediate priority is to conserve cash while ramping up production from the installed capacity of 60 000 tonnes per month using existing infrastructure.

Our aim is to ensure that Bokoni Platinum Mine is profitable and sustainable.

ARM's key focus areas

African Rainbow Minerals

Ensuring that our operations are profitable and globally competitive.

Maintaining a robust balance sheet.

Aligning production capacity to logistics and infrastructure constraints.

Exploring value-enhancing growth opportunities.

Capital allocation

Tsundzukani Mhlanga

Finance director

We do it better

Capital allocation guiding principles*

African Rainbow Minerals

Invest in growth of existing businesses

Dividend payments

Mergers and acquisitions

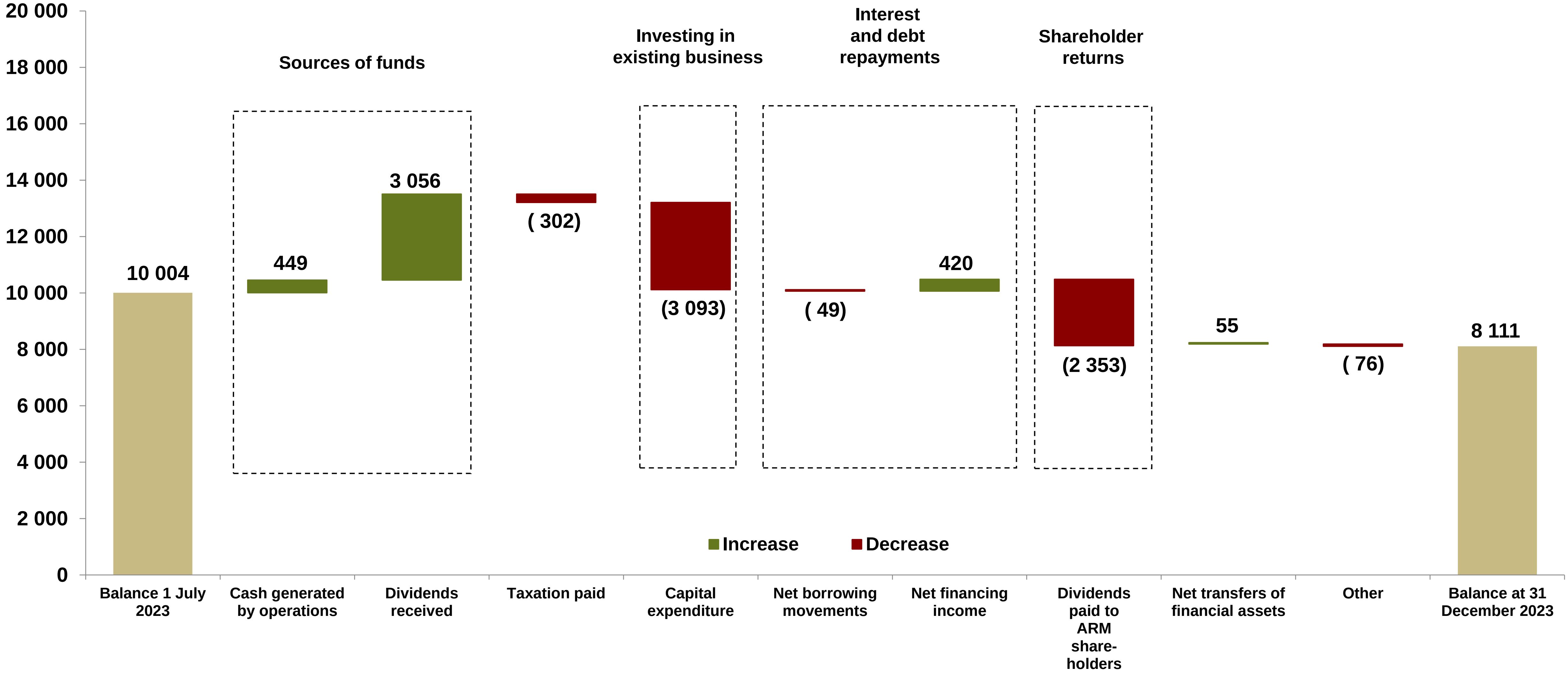
Debt repayment
Healthy gearing levels create a flexible platform for sustainable growth

Share repurchases

Underpinned by metrics that measure the sustainability of value creation for stakeholders (minimum internal rate of return; other hurdle rates; payback periods; return on assets, return on capital employed; dividend pay-out, etc.)

** Capital allocation guiding principles are in no particular order of importance.*

Cash flow analysis*
(R million)



* Excludes ARM attributable cash and cash equivalents at Assmang.

Net cash and debt
(R million)

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	31 December 2023	30 June 2023	31 December 2022
Cash and cash equivalents per statement of financial position*	**8 128**	10 021	9 837
Cash and cash equivalents per statement of cash flows	**8 111**	10 004	9 821
Overdrafts	**17**	17	16
Total borrowings	**(193)**	(242)	(289)
Long-term borrowings	**(157)**	(206)	(262)
Short-term borrowings	**(36)**	(36)	(27)
Net cash*	**7 935**	9 779	9 548
Total equity	**54 443**	54 145	51 571
Net cash to equity ratio	**14.6%**	18.1%	18.5%
Attributable cash and cash equivalents at Assmang	**2 623**	4 939	3 296

* Excludes ARM attributable cash and cash equivalents at Assmang of R2 623 million as at 31 December 2023 (30 June 2023: R4 939 million).

Segmental capital expenditure
(R million)

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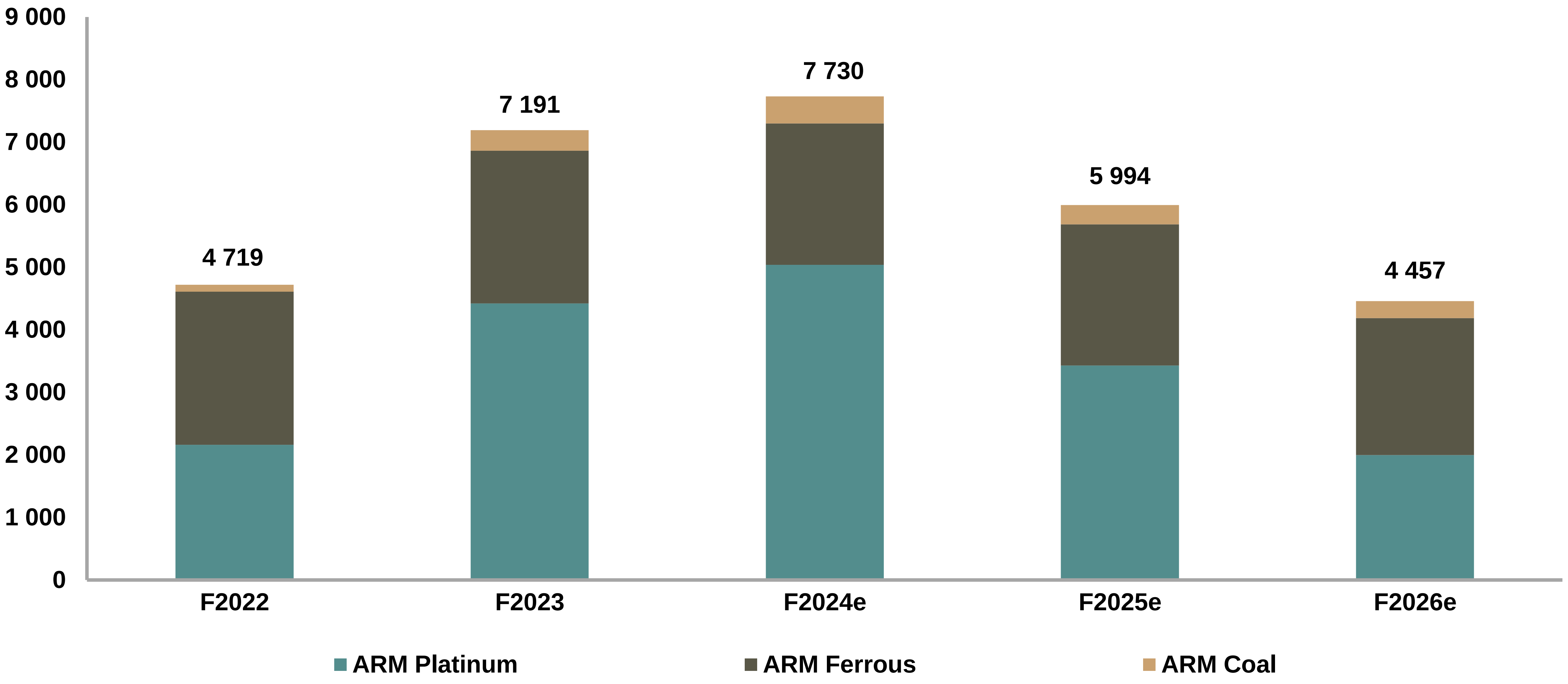
	1H F2024	1H F2023	% change
ARM Ferrous	**1 017**	1 039	(2)
Iron ore division	**634**	751	(16)
Manganese division	**426**	332	28
Consolidation adjustment	**(43)**	(44)	(2)
ARM Platinum	**3 060**	1 715	78
Two Rivers Mine	**1 894**	1 332	42
Modikwa Mine	**508**	321	58
Bokoni Mine	**658**	62	>200
ARM Coal (GGV Mine only)	**274**	232	18
ARM Corporate	**7**	5	40
Total	**4 358**	2 991	46

Segmental capital expenditure*
(R million)



* Capital expenditure includes; (i) deferred stripping, (ii) financed fleet replacement, and (iii) sustaining capital expenditure but excludes Sakura Ferroalloys capital expenditure

Thank you

Additional slides

We do it better

PGM Mark-to-market adjustments

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The sales price of PGM concentrate is determined on a provisional basis at the date of sale. Adjustments are made to the sales price based on movements in the discounted forward commodity prices up to the date of final pricing.

Where there are any differences between the provisional and final commodity prices after the reporting period end, the next reporting period's earnings will be impacted by a mark-to-market adjustment.

Two Rivers and Modikwa mines recognised R85 million and R33 million in realised mark-to-market losses respectively, due to the reduction in platinum and palladium prices in the first three months of the year.

Mark-to-market adjustments
(R million)

Modikwa Mine	1H F2024	1H F2023
Realised mark-to-market adjustments*	**(33)**	41
Provisional sales value	**1 464**	2 369
Final sales value	**1 431**	2 410
Unrealised mark-to-market adjustments	**6**	(82)
Initial provisional sales recognition	**700**	1 114
Period end provisional sales recognition	**706**	1 031
Total mark-to-market adjustments	**(27)**	(41)

Two Rivers Mine

Realised mark-to-market adjustments*	**(85)**	32
Provisional sales value	**3 675**	5 840
Final sales value	**3 590**	5 872
Unrealised mark-to-market adjustments	**(54)**	(240)
Initial provisional sales recognition	**850**	1 627
Period end provisional sales recognition	**796**	1 387
Total mark-to-market adjustments	**(139)**	(207)

Bokoni Mine

Realised mark-to-market adjustments*	**-**	-
Provisional sales value	**-**	-
Final sales value	**-**	-
Unrealised mark-to-market adjustments	**1**	-
Initial provisional sales recognition	**41**	-
Period end provisional sales recognition	**42**	-
Total mark-to-market adjustments	**1**	-

*Average rhodium and palladium prices [decreased by approximately 3% and 8%] respectively from the date of provisional recognition to final price realisation, which together with movements in other PGM commodity prices, resulted in the realised mark-to-market adjustments.

Reconciliation to headline earnings
(R million)

	1H F2024	1H F2023*	F2023*
Basic earnings attributable to equity holders of ARM	**1 216**	4 388	8 080
Attributable after-tax impairment on property, plant and equipment - Two Rivers	**1 070**	-	-
Attributable after-tax impairment on property, plant and equipment - Modikwa	**376**	-	-
Attributable after-tax impairment on property, plant and equipment - Assmang	**293**	687	815
Attributable after-tax impairment on the investment in Sakura	**-**	149	150
Gain on bargain purchase - Bokoni acquisition	**-**	(56)	(56)
Profit / (loss) on sale of property, plant and equipment	**-**	4	(6)
Headline earnings	**2 955**	5 172	8 983

** Comparative information have been restated for the adoption of IFRS 17 Insurance Contracts. Refer note 15 of the interim financial statements for more information.*