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Half-Yearly Financial Report
THARISA PLC
THARISA PLC

Correction To:0220/00031253

Tharisa PLC H1 Financial Report 2020

Revised THARISA PLC H1 FINANCIAL REPORT 2020

Attachment:

1. **revised Tharisa PLC H1 Financial Report 2020**

Non Regulated
Publication Date: 21/05/2020

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DISCOVER DEVELOP DELIVER DIVERSIFY

Reviewed Interim Condensed Consolidated Financial Statements

for the six months ended 31 March 2020

20 May 2020

Enriching lives through engineering the mining company of the future

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Tharisa plc
(Incorporated in the Republic of Cyprus with limited liability)
(Registration number HE223412)
JSE share code: THA
LSE share code: THS
A2X share code: THA
ISIN: CY0103562118
LEI: 213800WW4YWMVVZIJM90
('Tharisa' or the 'Company')

Salient features for the six months ended 31 March 2020

- Reef tonnes mined 2 274.1 kt with 2 414.1 kt milled, up 2.3% and 3.3% respectively
- PGMs recovery at 82.9% with the production of 66.5 koz on a 6E basis
- Chrome recovery at 62.5% with concentrate production of 652.6 kt
- Third party chrome production of 117.0 kt
- Stripping ratio ahead of the life of mine requirements at 11.6 m^3:m^3
- PGM basket price for the period up 58.5% on H1 FY2019 to US$1 612/oz (ZAR24 178/oz)
- ZAR:US$: average exchange rate weakened by 5.6% to 15.0:1.0
- Revenue of US$194.6 million up 16.0%
- EBITDA US$36.2 million up 20.3%
- Profit before tax US$17.5 million
- Basic earnings per share US 3.6 cents
- Cash flows from operations of US$40.7 million
- Capex of US$47.7 million, including US$20.3 million mining fleet investment
- Net debt to equity ratio of 9.9%

South African Government imposed countrywide lockdown due to COVID-19

- All government required COVID-19 regulations implemented
- 21 day South African national lockdown commenced at midnight on 26 March 2020, extended for a further 14 days to 30 April 2020
- Through essential services dispensation, reduced production at the Tharisa Mine with mining at 50% capacity commenced week of 6 April 2020 utilising the 300 ktpm Voyager concentrator plant
- Force majeure declared on metallurgical chrome contracts
- Tharisa received force majeure notifications from its PGM concentrate off-takers
- Ongoing capital projects suspended in compliance with lockdown regulations and to maintain balance sheet strength

Notable features post lockdown

- Continued compliance with all amended government COVID-19 regulations
- Post level 4 lockdown regulations open cast mining operations resumed on 1 May 2020 ramping up to full capacity
- Chrome concentrate shipments have recommenced
- PGM concentrate deliveries to both offtakers have resumed

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OPERATIONAL REVIEW

	Unit	**HY1 FY2020**	HY1 FY2019	Change %
Reef mined	kt	**2 274.1**	2 223.5	2.3
Stripping ratio	m^3 waste: m^3 reef	**11.6**	7.1	63.4
Reef milled	kt	**2 414.1**	2 337.5	3.3
PGM flotation feed	kt	**1 793.5**	1 751.6	2.4
PGM rougher feed grade	g/t	**1.39**	1.49	(6.7)
PGM recovery	%	**82.9**	80.7	2.7
PGM ounces produced	5PGE+Au koz	**66.5**	67.6	(1.6)
Average PGM basket price	US$/oz	**1 612**	1 017	58.5
Average PGM basket price	ZAR/oz	**24 178**	14 382	68.1
Cr_2O_3 ROM grade	%	**18.2**	18.2	-
Chrome recovery	%	**62.5**	60.8	2.8
Chrome yield	%	**27.0**	26.3	2.7
Chrome concentrates produced (excluding third party)	kt	**652.6**	614.1	6.3
Metallurgical grade	kt	**494.6**	466.0	6.1
Specialty grades	kt	**158.0**	148.1	(6.7)
Third-party chrome production	kt	**117.0**	112.5	4.0
Chrome concentrates sold (including third-party)	kt	**749.4**	703.7	6.5
Metallurgical grade chrome concentrate contract price	US$/t CIF China	**138**	163	(15.3)
Metallurgical grade chrome concentrate contract price	ZAR/t CIF China	**2 052**	2 289	(10.4)
Average exchange rate	ZAR:US$	**15.0**	14.2	5.6
Group revenue	US$ million	**194.6**	166.5	16.9
Gross profit	US$ million	**43.6**	32.1	35.8
Net profit for the period	US$ million	**11.9**	8.2	45.1
EBITDA	US$ million	**36.2**	30.1	20.3
Headline earnings	US$ million	**9.8**	10.5	(6.7)
Headline earnings per share	US cents	**3.7**	4.0	(7.5)
Earnings per share	US cents	**3.6**	3.6	-
Interim dividend	US cents	**-**	0.5	(100.0)
Gross profit margin	%	**22.4**	19.3	16.1
EBITDA margin	%	**18.6**	18.1	2.8
Net cash flows from operating activities	US$ million	**39.7**	41.4	(4.1)
Net debt	US$ million	**26.2**	7.9	231.6
Capital expenditure	US$ million	**47.7**	24.3	96.3

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MANAGEMENT REPORT

At the outset, I would like to thank my colleagues for their commitment to ensuring that we stay safe and healthy during these unprecedented times, and extend our deepest condolences to those that have suffered and lost loved ones during this pandemic. I do not think any CEO had planned to be writing a review of his business activities while under lockdown. To you, our stakeholders, I extend my gratitude and wish you a safe journey as the world begins its recovery from COVID-19.

The economies Tharisa operates in have faced a difficult period, with reduced growth rates, increasing unemployment and weakening government and corporate balance sheets. The COVID-19 pandemic will exacerbate the challenges not only with our trading partners but in Cyprus, South Africa and Zimbabwe. I am encouraged given the difficult period, that governments have continued to do their utmost to combat both the spread of COVID-19 and the fiscal effects caused by the pandemic.

Significantly, as the lockdown period began in South Africa, on 27 March 2020 Moody's downgraded South African US$ denominated debt to non-investment grade with a negative outlook and, as a consequence, South African bonds have subsequently been excluded from the FTSE World Government Bond index effective 30 April 2020. The downgrade had an immediate negative impact on the exchange rate.

The ZAR/US$ exchange rate since the commencement of the financial year has remained volatile with a midpoint upper and lower trading range of ZAR17.90 and ZAR13.96 respectively, with a trading average of ZAR15.00. At the date of preparing this report, the exchange rate was around ZAR18.00. The Group's commodities are priced in US$, and the cost base is mainly in ZAR, and therefore the Group is positioned as a rand hedge stock.

Safety and COVID-19
Safety is a core value for Tharisa, and the Company continues to strive for zero harm across its operations.

Tharisa fully supports the Cypriot, South African and Zimbabwean government's initiatives in dealing with the COVID-19 pandemic and measures that have been implemented, and will continue to adhere to all protocols as required by the respective governments, applying best practice in all areas.

The Company has, at all times, ensured that the Tharisa mine complies, as a minimum, with applicable Regulations and all dispensations granted to it by the Minister of Mineral Resources and Energy. Tharisa has taken several proactive steps to ensure we minimise the risk of infection and transmission on site, these include, but are not limited to:

- Screening of all employees before access to the mine using best in class thermal scanning equipment linked to the time and attendance system
- Isolation facilities pending coronavirus test results outcomes with on-site testing capabilities
- Quarantine facilities with the capacity to quarantine approximately 125 COVID-19 positive employees
- Enforcing social distancing protocols via education and physical distancing barriers
- Altering the shift basis and ensuring adequate time for shift rotation, thus eliminating people movement and congestion
- Supplying sanitising equipment and face masks to all employees
- Increasing training and education across all disciplines on site
- Encouraging working from home as far as possible
- Interacting with both the DMRE, Mine Health and Safety Council, Department of Health and the Minerals Council to ensure best practices and standard operating procedures

Throughout this period, Tharisa has continued to supply essential services to parts of the greater Marikana community, including freshwater services and waste collection services, and maintenance of road infrastructure within the community.

Together with its affiliated foundation, Music for the Children, the Company, in conjunction with donations from various suppliers, directors and individuals, has delivered food and hygiene parcels to over 1500 families, with a second consignment of 1500 parcels in progress.

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MANAGEMENT REPORT

Salient Features

REEF MINED
2.27 Mt
up 2.3%
(2019: 2.22 Mt)

PGM PRODUCTION (5PGE+Au)
66.5 koz
down 1.6%
(2019: 67.6 koz)

CHROME CONCENTRATE PRODUCTION
652.6 kt
up 6.3%
(2019: 614.1 kt)

REVENUE
US$194.6 m
up 16.9%
(2019: US$166.5 m)

OPERATING PROFIT
US$22.3 m
up 55.9%
(2019: US$14.3 m)

EBITDA
US$36.2 m
up 20.3%
(2019: US$30.1 m)

PROFIT BEFORE TAX
US$17.5 m
Up 71.6%
(2019: US$10.2 m)

EPS / HEPS
US 3.6c / US 3.7c
HEPS down 7.5%
(2019: US 3.6 cent and US 4.0 cents)

For the six months under review reef tonnes mined were 2 274.1 kt with 2 414.1 kt milled, being an increase of 2.3% and 3.3% respectively. The stripping ratio improved to 11.6 m^3:m^3 for the six month period highlighting the increased mining fleet capacity and the accelerated mining plan to reach increased volumes from the open pit.

The two independent processing plants at the Tharisa Mine, namely Genesis and Voyager, continued to perform above nameplate capacity prior to the lockdown. Pleasingly the quarter saw an increase in PGM recovery, up by 1.8% to 83.7% and averaged 82.9% for the six months, resulting in the production of 66.5 koz on a 6E basis. Rougher feed grade was 1.37 g/t for the quarter and 1.39 g/t for the half year.

Chrome concentrate production was for the six months, split into 494.6 kt of metallurgical grade chrome and 158.0 kt of specialty grades.

Third party chrome production was 117.0 kt, as the K3 plant, owned by Sibanye-Stillwater and operatd by Tharisa, started work late in January 2020 aligned to the operations of the PGM concentrator.

The period under review saw a further divergence of the prices for our products, with PGM's achieving record highs during the half-year under review, resulting in an average PGM basket price of US$1 612/oz (ZAR24 178/oz) for the six months, with palladium and rhodium again being the driving force. While the average metallurgical chrome price received for the six months was US$138/t, a decrease of 15.3% from the prior period.

The interim essential production plan, approved by the DMRE and which complies with the regulations announced on 16 April 2020 allowing for the mining industry to operate at 50% of capacity during the extended lockdown period, continued uninterrupted and at levels envisaged to feed material only into the Voyager Plant (nameplate capacity of 300 ktpm), and aiming to have the Voyager Plant operate at an economically optimal rate.

Following the South African national lockdown level being downgraded from Level 5 to Level 4 effective 1 May 2020, open cast mines received government approval to operate at 100% capacity and, as such, the Tharisa Mine has transitioned to full operations with the restart of the Genesis Plant applying best practice standard operating procedures to ensure the safety and health of our employees.

MANAGEMENT REPORT

The distribution logistics chain is continuing to open up slowly. Deliveries of PGM concentrate are taking place to our PGM off-takers as mining operations resume nationally and the smelters are taken off care and maintenance.

The K3 chrome operation remains on care and maintenance and is expected to restart in Q3 FY2020. Tharisa's Vulcan Project remains suspended given lockdown regulations remaining tightly in place in a number of industries.

Zimbabwe
On 18 October 2019, it was gazetted that the Karo Platinum Project, in which the Company has a 26.8% indirect shareholding, and Salene Chrome, over which the Company has an option to acquire a 90% shareholding, were declared a special economic zone ('SEZ'). This will enable the projects to benefit from fiscal and non-fiscal incentives available to SEZs. The initial phase of the Karo Platinum exploration programme has been completed, and the data is being converted into a mineral resource statement. The reported grades are in line with current PGM operations on the Great Dyke. The scoping study for the platinum project is progressing well and is anticipated to be completed in the second half of this calendar year.

Salene Chrome received an exemption from the Ministry of Mines to operate during the Zimbabwe lockdown period. The mining contractor has completed the mobilisation and site establishment, and initial production has commenced at the Salene Chrome site. The site clearance commenced on 6 April 2020, followed by bulk waste stripping. First chrome production from site started on 20 April 2020. The operations are ramping up to achieve commercial production of lumpy chrome material.

Chrome market update
The reporting period was defined by weak chrome prices. As at the end of 2019 there was an overhang of ferrochrome inventory particularly, resulting from the excess of imports into China during Q2 FY2019. The market contracted at the end of 2019 when China responded to COVID-19, in part, by shuttering production. This was exacerbated by Spring Festival late in January 2020 owing to seasonally adjusted production and demand cuts. This coupled with supply chain disruptions elevated port inventories of chrome ore in China which peaked towards the end of April 2020 at over 4.2Mt. From March 2020 there was a de-stocking of stainless steel in China spurring price. Similarly the resumption of normal production levels of stainless steel in China has been met with a corresponding demand for ferrochrome and consequently chrome ore. The domestic price of ferrochrome has increased by RMB250/ per tonne and chrome ore by 25% or RMB 0.04/ dmtu post the reporting period. At the time of writing the report seaborne prices rebounded to above US$155/t CIF main ports China. Supply from South Africa has dwarfed demand and will remain interrupted for some time. The price of chrome is expected to have support at higher levels for the remainder of the financial year.

PGM market update
Fundamentals for the platinum group metals remain robust. Tharisa believes that while demand has slowed, particular in autocatalysts as they are directly linked to economic activity and manufacturing supply chains, supply will remain interrupted for longer than anticipated as mines, in particular in South Africa, deal with complex recommencement of operations and COVID-19 related disruptions.

Data from Johnson Matthey sees an interesting dynamic, where autocatalyst demand is expected to fall by at least 15% to 20%, while in parallel PGMs supply will slow by more than 20%, as mines shut and network disruptions lead to a slowing in recyclable material coming back to the market. SFA Oxford have stated that mine closures are set to cut South African supply by more than 20% this year.

The World Platinum Investment Council meanwhile said in its most recent update that while COVID-19 naturally has a negative effect on the demand for platinum, the latest result for Q1 CY2020 demand was less impacted than expected, maintaining a positive outlook for the remainder of the year.

Tharisa believes in the unique properties of PGMs, which will mean the long-term demand for the metals remain healthy, coupled with reduced and disciplined producer supply of new ounces into the market, will underpin the balance and ensure prices remain strong for the next 24 months at least. Delays in projects, together with tighter capital markets for new developments from proposed new entrants, will mean new supply will be delayed.

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MANAGEMENT REPORT

CHIEF FINANCE OFFICER's REVIEW

The financial results of the Group were characterised by an increase of 58.5% in the PGM basket price to US$1 612/oz with the basket price benefiting from the prill split favouring palladium (at 17.4%) and rhodium (at 9.2%) and pressure on the metallurgical grade chrome concentrate price, which averaged US$138/t (on a CIF main ports China basis) against the prior period average of US$163/t (a decrease of 15.3%).

Group revenue totalled US$194.6 million (2019: US$166.5 million) of which US$99.4 million was derived from the sale of PGM concentrate and US$77.6 million was derived from the sale of chrome concentrates. The agency and trading segment contributed US$16.0 million. Following the acquisition of MetQ Proprietary limited with effect from 1 October 2019, the new manufacturing segment contributed US$1.6 million. The movement in revenue relative to the comparable period of 2019 is as a result of:

- the increase in the PGM basket price of 58.5% from US$1 017/oz to US$1 612/oz.
- a reduction in the unit sales of higher value specialty grade chrome concentrates of 19.7% from 157 kt to 126 kt
- the metallurgical grade chrome concentrate price decreasing by 15.3% from US$163/t to US$138/t

Gross profit amounted to US$43.6 million (2019: US$32.1 million) with a gross profit margin of 22.4% (2019: 19.3%). The gross profit margin was impacted by the significant increase in the stripping ratio, and therefore waste cubes mined, increasing by 57.3% to 8.2 Mm^3 while reef tonnes mined were relatively flat at 2.3 Mt.

On a unit cost basis, the reef mining cost per tonne mined increased by 37.8% from US$22.5/t to US$31.0/t. This cost per reef tonne mined was incurred on a stripping ratio of 11.6 on a per cubic metre basis. On a per cube mined basis (i.e. including both waste and reef) the cost decreased by 10.4% from US$9.6/$m^3$ to US$8.6/$m^3$ (the prior period stripping ratio being 7.1 on a per cubic metre basis).

The consolidated cash cost per tonne milled (i.e. including mining and processing but excluding transport and freight) increased by 21.0% from US$39.1/t to US$47.3/t.

Costs incurred with the transport of the metallurgical grade chrome concentrates from the mine to the customer (CIF main ports China) remained relatively constant at US$63.4/t (2019: US$62.8/t).

The segmental contribution to revenue on an ex-works basis is as follows:

	Change	31 March 2020		31 March 2019	
	%	US$'000	%	US$'000	%
PGMs	71.5	99 113	65.2	57 778	44.7
Chrome	-32.5	42 822	28.2	63 394	49.0
Agency and trading	4.1	8 434	5.5	8 104	6.3
Manufacturing	-	1 597	1.1	-	-
Total	17.6	151 966	100.0	129 276	100.0

As a co-producer of PGMs and chrome concentrates, the shared costs of production for segmental reporting purposes are based on the relative contribution to revenue on an ex-works basis, allocated 75% to the PGM segment and 25% to the chrome segment. This is in accordance with the accounting policy of the Group and IFRS. The comparable period was allocated 55% to the PGM segment and 45% to the chrome segment. The change to the basis of allocation of the shared costs is, in effect, a 36.4% increase in respect of the allocation to the PGM segment and a 44.4% decrease in respect of the allocation to the chrome segment.

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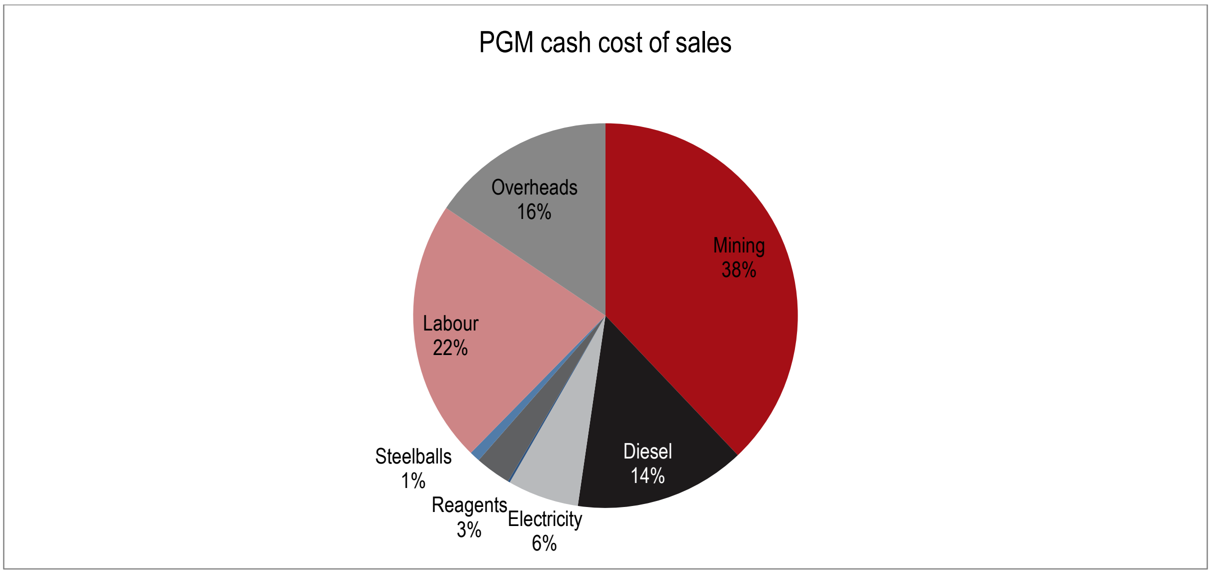
The segmental information relating to the PGM segment is set out below:

	31 March 2020	31 March 2019	%
PGM production (6E) (oz)	66 482	67 624	-1.7
PGM sales (6E) (oz)	65 057	67 019	-2.9
PGM basket price (US$)	1 612	1 017	58.5

The major segmental cash cost of sales (excluding selling expenses) are summarised in the graph below.

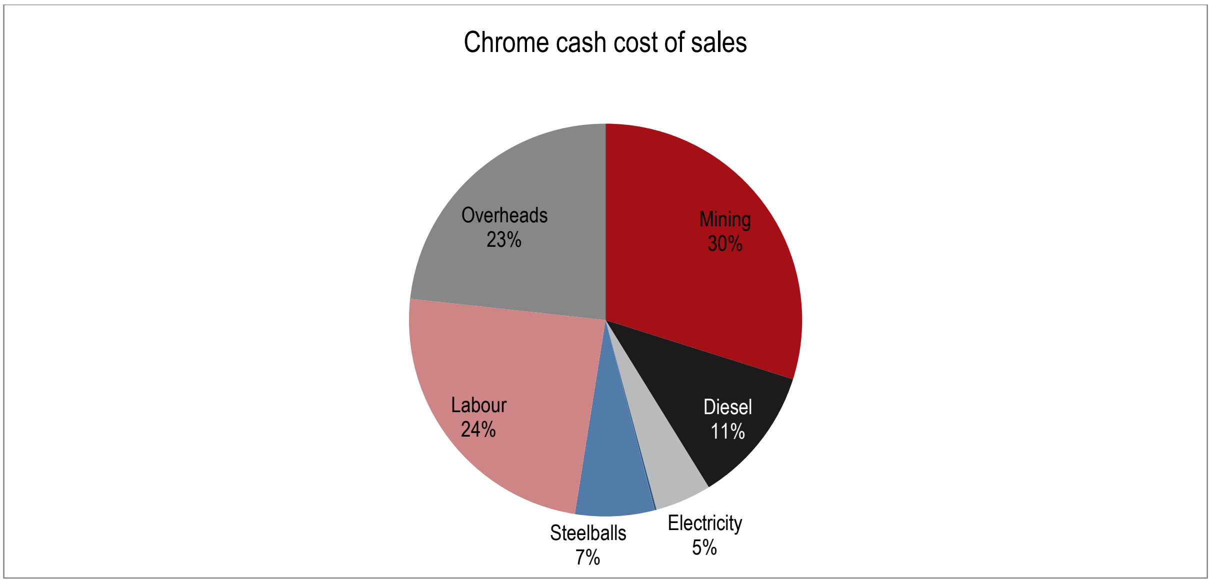


The segmental information relating to the chrome segment is set out below:

	31 March 2020	31 March 2019	%
Chrome production (tonnes)			
Metallurgical grade (tonnes)	494 617	466 019	6.1
Specialty grade (tonnes)	157 972	148 082	6.7
Chrome sales (tonnes)	634 475	617 985	2.7
Metallurgical grade selling price (CIF basis) (US$)	138	163	-15.3

MANAGEMENT REPORT

The major cash cost of sales categories (excluding selling expenses) are summarised in the graph below:



Administration expenses amounted to US$18.6 million (2019: US$16.3 million), an increase of 14.1%. The major cost within administration expenses was employee costs at US$10.3 million (including equity settled share based payment expenses) (2019: US$9.8 million) comprising 55.6% of the administrative costs (2019: 59.9%).

After accounting for the administration expenses, results from operating activities amounted to US$22.3 million (2019: US$14.3 million).

EBITDA amounted to US$36.2 million (2019: US$30.1 million).

Finance costs of US$4.1 million (2019: US$4.5 million) relate primarily to the term loan in Tharisa Minerals, asset equipment finance and trade finance facility utilisation.

The Group generated a profit before tax of US$17.5 million (2019: US$10.2 million).

The tax charge amounted to US$5.6 million (2019: US$2.1 million), an effective charge of 32.1% (2019: 20.2% charge). A normalised tax rate should be circa 25%. However, certain expenditure incurred by the holding company is not tax deductible and distorted the effective tax charge. Cash tax paid amounted to US$0.9 million.

The comprehensive loss for the period, as a consequence of foreign currency translation differences of US$37.4 million (2019: US$3.8 million) following the weakening of the ZAR, amounted to US$25.5 million (2019: US$4.4 million profit).

Basic earnings per share for the period amounted to US 3.6 cents (2019: US 3.6 cents).

Of the total capex spend for the period of US$47.7 million, approximately US$20.3 million related to additions to the mining fleet. The capex spend was heavily skewed in favour of the first half with the purchase of the second CAT 6050 face shovel and supporting haul vehicles. The depreciation charge amounted to US$14.2 million. Unredeemed capex available within the Group for set-off against future profits amounts to US$98.9 million.

The Group generated net cash from operations of US$39.7 million (2019: US$41.4 million). Cash on hand at 31 March 2020 amounted to US$40.3 million.

The net debt to total equity ratio is 9.9% (2019: 2.6%)

MANAGEMENT REPORT

Following the declaration of COVID-19 as a pandemic and due to the global uncertainty, notwithstanding that Tharisa would meet its borrowings financial covenants, as at 31 March 2020, it engaged with its financiers to manage its liquidity in such uncertain times. Tharisa reached an agreement with its key lenders to a debt repayment "holiday" for a period of three months including the repayments due post lockdown on 26 March 2020, in some instances a capital and interest holiday and in other instances a capital holiday only. In addition, major creditors agreed to an extension of their credit terms, increasing the period to between 60 and 90 days. The revolving credit facility of ZAR300 million was fully drawn during the period under review. The financial impact of these pre-emptive initiatives is reflected on the balance sheet.

From time to time, the Group concludes transactions with related parties. These transactions are concluded on an arms' length basis and are disclosed in the ensuing interim condensed consolidated financial statements (refer to note 19, pages 40 to 45).

Dividend
Due to current uncertainty caused by the COVID-19 pandemic, and to ensure the stability of the Company balance sheet, no interim dividend has been proposed for the period under review

Principal Business Risks
Tharisa regards principal business risks as the issues that may, if they materialise, substantially affect the Group's ability to create and sustain value in the short, medium and long term. These risks determine how the Group devises and implements its strategy since each risk has the potential to impact the Group's ability to achieve its strategic objectives. Each risk also carries with it challenges and opportunities. The Group's strategy takes into account known risks, but risks may exist of which the Group is currently unaware.

An overview of the risks, which could affect the Group's operational and financial performance, was included in the Group's 2019 Annual Report, which is available on http://www.tharisa.com. The following risks have been identified which may impact the Group over the next six months:

COVID-19 pandemic
Keeping people safe is of paramount importance to Tharisa.The impact of the COVID-19 pandemic is as yet not fully quantifiable. Tharisa has put in place measures that at a minimum comply with government regulations and adhere to best practices. The Company has taken these steps proactively but there is no guarantees that the measures put in place will ensure the Company and its operations will not be affected by the pandemic.

Regulatory compliance
Tharisa Minerals' right to mine is dependent on strict adherence to legal and legislative requirements. There remains some uncertainty on the proposed amendments to the South African Mineral and Petroleum Resources Development Act ('MPRDA') and the accompanying Mining Charter. The Minerals Council of South Africa in March 2019 filed an application for judicial review and setting aside certain clauses of the 2018 Mining Charter.

Unscheduled breakdowns
The Group's performance is reliant on consistent mining and the production of PGM and chrome concentrates from the Tharisa Mine. Any unscheduled breakdown leading to a prolonged reduction in either mining or production may have a material impact on the Group's financial performance and results. The Group has purchased additional mining fleet to optimise the fleet. Long lead items for the fleet and the plant are kept in stock and preventative maintenance programmes are in place for both the fleet and the plant.

Global commodity prices and currency risk
The Group's revenues, profitability and future rate of growth depends on the prevailing market prices of PGMs and chrome. A sustained downward movement in the market price for PGMs and/or chrome may negatively affect the Group's profitability and cash flows. The Group's reporting currency is US$. The Group's operations are predominantly based in South Africa with a ZAR cost base while the majority of the revenue stream is in US$ exposing the Group to the volatility and movements in the ZAR. Fluctuations in the US$ and ZAR may have a significant impact on the performance of the Group. To counter this, the Group continues to work on reducing costs and increasing operating efficiencies.

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Financing and liquidity
The activities of the Group expose it to a variety of financial risks including market, commodity prices, credit, foreign exchange and interest rate risks. The Group closely monitors and manages these risks. Cash forecasts are regularly updated and reviewed including sensitivity scenarios with reference to the above risks.

Guidance
The global economic uncertainty coupled with lockdown regulations makes it impossible to provide any degree of certainty with regards to future performance, save to say that the Tharisa team are doing everything humanly possible to ensure the safety and wellbeing of our employees and contractors, thereby providing a platform for our operations to continue to operate as efficiently as possible. We are grateful that our low risk open pit co-product business has natural social distancing inherent in its design and has allowed us to operate under various stages of curtailment. The weaker Rand and lower oil prices enable lowering our operating costs, coupled with good PGM and increased chrome prices bode well for improved margins in the second half of FY2020.

As stated in the announcement on 24 March 2020 and 9 April 2020, Tharisa's guidance for the year was suspended and will remain so until the Company is in a position to quantify the impact of the COVID-19 pandemic and the South African lockdown.

The above information has not been reported on or reviewed by Tharisa's auditors.

By order of the Board
P Pouroulis *Chief Executive Officer*
20 May 2020

MG Jones *Chief Finance Officer*

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STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE DRAFTING OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ACCORDING TO THE CYPRUS SECURITIES AND EXCHANGE COMMISSION LEGISLATION

In accordance with sections 10(3)(c) and 10(7) of Law No. 190(I)/2007, as amended, providing for the transparency requirements of issuers whose securities are admitted to trading on a regulated market ('the Transparency Law'), we, the members of the Board of Directors of Tharisa plc, responsible for the preparation of the interim condensed consolidated financial statements of Tharisa plc for the period ended 31 March 2020, hereby declare that to the best of our knowledge:

a) the interim condensed consolidated financial statements for the period ended 31 March 2020:

- have been prepared in accordance with International Accounting Standards 34 *Interim Financial Reporting* and as stipulated for under section 10(4) of the Transparency Law, and
- give a true and fair view of the assets, liabilities, financial position and profit or loss of Tharisa plc and the undertakings as included in the interim condensed consolidated financial statements taken as a whole; and

b) the interim management report provides a fair review of the information required by section 10(6) of the Transparency Law; and

c) the adoption of a going-concern basis for the preparation of the financial statements continues to be appropriate based on the foregoing and having reviewed the forecast financial position of the Group.

Loucas Pouroulis	*Executive Chairman*
Phoevos Pouroulis	*Chief Executive Officer*
Michael Jones	*Chief Finance Officer*
David Salter	*Lead independent non-executive director*
Antonios Djakouris	*Independent non-executive director*
Omar Kamal	*Independent non-executive director*
Carol Bell	*Independent non-executive director*
Roger Davey	*Independent non-executive director*
Julia Zhengzhi Hu	*Non-executive director*
Zhong Liang Hong	*Non-executive director*

Paphos Cyprus, 20 May 2020

Building a better
working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF THARISA PLC

Introduction
We have reviewed the interim condensed consolidated financial statements of Tharisa Plc (the "Company"), and its subsidiaries (collectively referred to as "the Group") on pages 14 to 46 contained in the accompanying interim report, which comprise the interim condensed consolidated statement of financial position as at 31 March 2020 and the interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the financial position of the entity as at 31 March 2020 and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* (IAS 34).

Stavros Pantzaris
Certified Public Accountant and Registered Auditor
for and on behalf of

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Nicosia
20 May 2020

tharisa plc

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 March 2020

	Notes	**Six months ended 31 March 2020 Reviewed US$'000**	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Revenue	5	**194 559**	166 519	342 885
Cost of sales	6	**(150 935)**	(134 384)	(282 461)
Gross profit		**43 624**	32 135	60 424
Other income		**849**	478	687
Net foreign exchange (loss)/gain		**(3 564)**	(2 030)	354
Administrative expenses	7	**(18 579)**	(16 322)	(37 252)
Results from operating activities		**22 330**	14 261	24 213
Finance income		**551**	798	1 437
Finance costs		**(4 086)**	(4 475)	(8 812)
Changes in fair value of financial assets at fair value through profit or loss		**(947)**	454	(4 031)
Share of loss of investment accounted for using the equity method		**(317)**	(816)	(1 652)
Profit before tax		**17 531**	10 222	11 155
Tax	8	**(5 633)**	(2 067)	(2 779)
Profit for the period/year		**11 898**	8 155	8 376
Other comprehensive income				
Items that may be classified subsequently to profit or loss:				
Foreign currency translation differences for foreign operations, net of tax		**(37 367)**	(3 772)	(13 985)
Other comprehensive income, net of tax		**(37 367)**	(3 772)	(13 985)
Total comprehensive (loss)/income for the period/year		**(25 469)**	4 383	(5 609)
Profit for the period/year attributable to:				
Owners of the company		**9 498**	9 488	10 616
Non-controlling interest		**2 400**	(1 333)	(2 240)
		11 898	8 155	8 376
Total comprehensive income for the period/year attributable to:				
Owners of the company		**(14 541)**	7 095	1 835
Non-controlling interest		**(10 928)**	(2 712)	(7 444)
		(25 469)	4 383	(5 609)
Earnings per share				
Basic earnings per share (US$ cents)	9	**3.6**	3.6	4.0
Diluted earnings per share (US$ cents)	9	**3.6**	3.6	4.0

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2020

	Notes	**31 March 2020 Reviewed US$'000**	31 March 2019 Reviewed US$'000	30 September 2019 Audited US$'000
Assets				
Non-current assets				
Property, plant and equipment	10	**251 124**	269 048	263 980
Patents and trademarks		**311**	-	-
Goodwill		**675**	785	750
Investment accounted for using the equity method	11	**9 713**	3 622	8 781
Other financial assets		**6 159**	6 141	6 080
Deferred tax assets		**1 300**	2 408	1 013
Total non-current assets		**269 282**	282 004	280 604
Current assets				
Inventories	12	**30 535**	26 411	36 334
Trade and other receivables	13	**62 306**	66 727	73 857
Contract assets		**403**	1 059	1 039
Other financial assets		**2 971**	656	1 390
Current taxation		**1 056**	597	926
Cash and cash equivalents		**40 271**	66 817	59 201
Total current assets		**137 542**	162 267	172 747
Total assets		**406 824**	444 271	453 351
Equity and liabilities				
Share capital and premium	14	**285 194**	282 791	285 193
Other reserve		**47 245**	47 245	47 245
Foreign currency translation reserve		**(113 024)**	(82 597)	(88 985)
Retained earnings		**88 421**	80 932	79 318
Equity attributable to owners of the Company		**307 836**	328 371	322 771
Non-controlling interests		**(44 910)**	(29 250)	(33 982)
Total equity		**262 926**	299 121	288 789
Non-current liabilities				
Provisions		**11 573**	11 917	13 101
Borrowings	15	**22 312**	28 164	19 903
Deferred tax liabilities		**23 594**	27 227	25 984
Total non-current liabilities		**57 479**	67 308	58 988
Current liabilities				
Borrowings	15	**44 109**	46 538	51 313
Other financial liabilities		**1 903**	1 044	2 384
Current taxation		**230**	390	60
Trade and other payables		**39 774**	28 811	50 778
Contract liabilities		**403**	1 059	1 039
Total current liabilities		**86 419**	77 842	105 574
Total liabilities		**143 898**	145 150	164 562
Total equity and liabilities		**406 824**	444 271	453 351

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 20 May 2020.

Phoevos Pouroulis
Director

Michael Jones
Director

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 March 2020

	Notes	Share capital US$'000	Share premium US$'000	Other reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
		Attributable to owners of the Company							
Balance at 1 October 2019 (Audited)		**267**	**284 926**	**47 245**	**(88 985)**	**79 318**	**322 771**	**(33 982)**	**288 789**
Total comprehensive income for the period									
Profit for the period		-	-	-	-	9 498	9 498	2 400	11 898
Other comprehensive income:									
Foreign currency translation differences		-	-	-	(24 039)	-	(24 039)	(13 328)	(37 367)
Total comprehensive income for the period		**-**	**-**	**-**	**(24 039)**	**9 498**	**(14 541)**	**(10 928)**	**(25 469)**
Transactions with owners of the Company									
Contributions by and distributions to owners									
Issue of ordinary shares*	14	-	1	-	-	-	1	-	1
Dividends paid	23	-	-	-	-	(667)	(667)	-	(667)
Equity-settled share based payments		-	-	-	-	272	272	-	272
Contributions by owners of the Company		**-**	**1**	**-**	**-**	**(395)**	**(394)**	**-**	**(394)**
Total transactions with owners of the Company		**-**	**1**	**-**	**-**	**(395)**	**(394)**	**-**	**(394)**
Balance at 31 March 2020 (Reviewed)		**267**	**284 927**	**47 245**	**(113 024)**	**88 421**	**307 836**	**(44 910)**	**262 926**

** The value of the issue of ordinary share capital is less than the reporting amount and amounts to US$0.63*

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 March 2020

		Attributable to owners of the Company							
	Notes	Share capital US$'000	Share premium US$'000	Other reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 30 September 2018 (Audited)		261	280 545	47 245	(80 204)	77 025	324 872	(26 538)	298 334
Total comprehensive income for the period									
Profit for the period		-	-	-	-	9 488	9 488	(1 333)	8 155
Other comprehensive income:									
Foreign currency translation differences		-	-	-	(2 393)	-	(2 393)	(1 379)	(3 772)
Total comprehensive income for the period		-	-	-	(2 393)	9 488	7 095	(2 712)	4 383
Transactions with owners of the Company									
Contributions by and distributions to owners									
Issue of ordinary shares	14	3	1 982	-	-	-	1 985	-	1 985
Dividends paid	23	-	-	-	-	(5 276)	(5 276)	-	(5 276)
Equity-settled share based payments		-	-	-	-	(975)	(975)	-	(975)
Deferred tax on equity-settled share based payments		-	-	-	-	670	670	-	670
Contributions by owners of the Company		3	1 982	-	-	(5 581)	(3 596)	-	(3 596)
Total transactions with owners of the Company		3	1 982	-	-	(5 581)	(3 596)	-	(3 596)
Balance at 31 March 2019 (Reviewed)		264	282 527	47 245	(82 597)	80 932	328 371	(29 250)	299 121

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

for the six months ended 31 March 2020

		Attributable to owners of the Company							
	Note	Share capital US$'000	Share premium US$'000	Other reserve US$'000	Foreign currency translation reserve US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 October 2018 (Audited)		261	280 545	47 245	(80 204)	77 025	324 872	(26 538)	298 334
Total comprehensive income for the year									
Profit for the year		-	-	-	-	10 616	10 616	(2 240)	8 376
Other comprehensive income:									
Foreign currency translation differences		-	-	-	(8 781)	-	(8 781)	(5 204)	(13 985)
Total comprehensive income for the year		-	-	-	(8 781)	10 616	1 835	(7 444)	(5 609)
Transactions with owners of the Company									
Contributions by and distributions to owners									
Issue of ordinary shares	14	6	4 381	-	-	-	4 387	-	4 387
Dividends paid	23	-	-	-	-	(6 594)	(6 594)	-	(6 594)
Equity-settled share based payments		-	-	-	-	(859)	(859)	-	(859)
Deferred tax on equity-settled share based payments		-	-	-	-	(870)	(870)	-	(870)
Contributions by owners of the Company		6	4 381	-	-	(8 323)	(3 936)	-	(3 936)
Total transactions with owners of the Company		6	4 381	-	-	(8 323)	(3 936)	-	(3 936)
Balance at 30 September 2019 (Audited)		267	284 926	47 245	(88 985)	79 318	322 771	(33 982)	288 789

Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 17% will be payable on such deemed dividend to the extent that the ultimate shareholders at the end date of the period of two years from the end of the year of assessment to which the profits refer are both Cypriot tax residents and Cypriot domiciled entities. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the company for the account of the shareholders. These provisions do not apply for ultimate beneficial owners that are non-Cypriot tax resident individuals. Retained earnings is the only reserve that is available for distribution.

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 31 March 2020

	Notes	**Six months ended 31 March 2020 Reviewed US$'000**	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Cash flows from operating activities				
Profit for the period/year		**11 898**	8 155	8 376
Adjustments for:				
Depreciation of property, plant and equipment	10	**14 156**	13 517	27 236
(Profit)/loss on disposal of property, plant and equipment		**(9)**	15	33
Share of loss of investment accounted for using the equity method	11	**317**	816	1 652
Gain on bargain purchase	17	**(69)**	-	-
Impairment (reversal)/loss and net realisable value write down of inventory	12	**(225)**	19	114
Impairment and write off of property, plant and equipment		**771**	1 909	4 141
Changes in fair value of financial assets and financial liabilities at fair value through profit or loss		**947**	(454)	4 031
Net foreign exchange loss/(profit)		**3 564**	2 030	(354)
Interest income		**(551)**	(798)	(1 437)
Interest expense		**4 086**	4 475	8 812
Tax	8	**5 633**	2 067	2 779
Equity-settled share based payments		**324**	1 047	3 583
		40 842	32 798	58 966
Changes in:				
Inventories		**2 536**	(3 935)	(15 207)
Trade and other receivables and contract assets		**1 396**	19 368	8 607
Trade and other payables and contract liabilities		**(4 114)**	(2 892)	21 734
Provisions		**-**	(1 027)	250
Cash from operations		**40 660**	44 312	74 350
Income tax paid		**(920)**	(2 880)	(4 408)
Net cash flows from operating activities		**39 740**	41 432	69 942
Cash flows from investing activities				
Interest received		**504**	746	1 333
Additions to property, plant and equipment	10	**(47 663)**	(24 348)	(43 881)
Additions to patents and trademarks		**(311)**	-	-
Net cash outflow from business combination		**(1 655)**	-	-
Proceeds from disposal of property, plant and equipment		**832**	42	403
Additions to investments accounted for using the equity method		**(1 249)**	(2 000)	(7 995)
Additions to other financial assets		**(1 399)**	(1 563)	(2 277)
Net cash flows used in investing activities		**(50 941)**	(27 123)	(52 417)
Cash flows from financing activities				
(Net repayment) from bank credit facilities	15	**(9 262)**	(12 816)	(14 347)
Advances received	15	**18 724**	19 673	28 476
Repayment of borrowings	15	**(5 237)**	(9 150)	(19 024)
Lease payments	15	**(3 233)**	(3 101)	(6 647)
Dividends paid		**(667)**	(5 276)	(6 594)
Interest paid		**(2 529)**	(2 832)	(4 665)
Net cash flows used in financing activities		**(2 204)**	(13 502)	(22 801)
Net (decrease)/increase in cash and cash equivalents		**(13 405)**	807	(5 276)
Cash and cash equivalents at the beginning of the period/year		**59 201**	66 791	66 791
Effect of exchange rate fluctuations on cash held		**(5 525)**	(781)	(2 314)
Cash and cash equivalents at the end of the period/year		**40 271**	66 817	59 201

The notes on pages 20 to 46 are an integral part of these interim condensed consolidated financial statements.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 March 2020

1. REPORTING ENTITY

Tharisa plc ('the Company') is a company domiciled in Cyprus. These interim condensed consolidated financial statements of the Company for the period ended 31 March 2020 comprise the Company and its subsidiaries (together referred to as the Group). The Group is primarily involved in platinum group metals (PGM) and chrome mining, processing, trading and the associated logistics. The Company is listed on the main board of the Johannesburg Stock Exchange with a secondary listing on the A2X Exchange as well as a secondary standard listing on the main board of the London Stock Exchange.

2. BASIS OF PREPARATION

Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards 34: Interim Financial Reporting and the Listings Requirements of the Johannesburg Stock Exchange. Selected explanatory notes are included to explain events and transactions that are significant to obtain an understanding of the changes in the financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 30 September 2019. These interim condensed consolidated financial statements do not include all the information required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards ('IFRS'). The interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2019, which have been prepared in accordance with IFRS.

These interim condensed consolidated financial statements were approved by the Board of Directors on 20 May 2020. These interim condensed consolidated financial statements for the six months ended 31 March 2020 have been reviewed by the Group's external auditors, not audited.

Use of estimates and judgements

Preparing the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements at and for the year ended 30 September 2019.

Operating environment and going concern

On 11 March 2020, the World Health Organisation declared the Coronavirus COVID-19 (also known as the Coronavirus) outbreak to be a pandemic in recognition of its rapid spread across the globe. Many governments are taking increasingly stringent and economically costly steps to help contain, and in many jurisdictions, now delay, the spread of the virus. These steps include requiring self-isolation/ quarantine by those potentially affected, implementing social distancing measures, controlling or closing borders and "locking-down" cities/regions or even entire countries. These measures have slowed down economies globally including both the economies of Cyprus and South Africa. These measures also have the potential of having wider impacts on the respective economies as the measures may persist for an extended period.

On 15 March 2020, the Cyprus Council of Ministers in an extraordinary meeting, announced that it considers that Cyprus is entering a state of emergency considering the uncertain situation as it unfolds daily, the growing spread of COVID-19 outbreak and the World Health Organization's data on the situation.

On 15 March 2020, the President of South Africa, announced the declaration of the COVID-19 pandemic as a "national disaster". Effective 27 March 2020, South Africa was placed in a five-week lockdown (initially three weeks which was subsequently extended) which imposed significant restrictions on economic and other activities.

The Group is fully supportive of the respective governments' initiatives in dealing with the COVID-19 pandemic and has and will implement all measures as instructed by the respective governments.

2. BASIS OF PREPARATION (continued)

Operating environment and going concern (continued)
To this effect, mining operations with limited exceptions such as coal mines supplying the national energy producer were required to be placed on care and maintenance. The Group proceeded with a systematic process of placing its assets on care and maintenance while ensuring both the health and wellbeing of its employees. Mining was suspended on 25 March 2020 and the plants were placed on care and maintenance.

During the lockdown period, the Group developed and submitted an interim essential production plan whereby operations continued with a significantly reduced number of personnel on a shift basis. This plan received government support and permission and mining and limited processing operations at the Group's Voyager Plant (300 ktpm name plate capacity) resumed with the reduced number of personnel on site. Limited shipments of chrome concentrate took place with a total of 66.2 kt of chrome ore being shipped subsequent to the reporting period in April 2020. Transport of chrome ore resumed on 1 April 2020 while limited deliveries of PGM concentrates resumed on 18 April 2020 with the PGM customers having declared force majeure for the lockdown periods.

On 23 April 2020, the President of South Africa announced the basis for a risk adjusted strategy for the return to economic activity following the national lockdown in South Africa. Effective 1 May 2020, South Africa has been reduced from a level 5 lockdown to a level 4 lockdown. Level 4 provides inter alia for resumption of open cast mining at 100%. The Tharisa Mine has accordingly resumed full operations post the lockdown period. Logistics is operating in the normal course.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the outbreak expands and the high level of uncertainties arising from the inability to reliably predict the outcome. Management has considered the unique circumstances and the risk exposures of the Group and has concluded that the main impact on the Group's business may arise from:

- an interruption of production either on a partial or whole basis;
- a disruption of the logistics operations;
- partial supply chain disruptions;
- the unavailability of personnel; and
- the impact on the demand fundamentals for its products thereby impacting on commodity prices.

The Group reassessed its operating and relevant cash flows using revised assumptions and incorporating downside scenarios in assessing actual and potential financing needs, taking into consideration the main impacts identified above. To strengthen the Group's liquidity and ultimately ensure the sustainability of operations, the Group has proactively negotiated certain payment holidays, in some instances capital only and for others both capital and interest, with financial institutions (refer to note 15). The financier payment holiday was conditional *inter alia* on no dividends being paid by the Company. Major suppliers have been successfully engaged for extended credit terms. Capital expenditures projects, including the Vulcan Plant, have been placed on hold.

From the analysis performed and taking into account the above factors and borrowing facilities available to the Group, the Directors have a reasonable expectation that the Group has adequate financial resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the interim condensed consolidated financial statements.

The Group will continue to monitor the situation closely and seek additional committed facilities and other initiatives in the event that the period of disruption becomes prolonged.

Functional and presentation currency
The interim condensed consolidated financial statements are presented in United States Dollars (US$) which is the Company's functional and presentation currency. Amounts are rounded to the nearest thousand.

The following US dollar: ZAR exchange rates were used when preparing the interim condensed consolidated financial statements:
Closing rate: ZAR17.94 (31 March 2019: ZAR14.48 and 30 September 2019: ZAR15.16)
Average rate: ZAR15.00 (31 March 2019: ZAR14.16 and 30 September 2019: ZAR14.35)

2. BASIS OF PREPARATION (continued)

New and revised International Financial Reporting Standards and Interpretations
The Group has adopted the following new and/or revised standards and interpretations which became effective for the six months ended 31 March 2020:

IAS 23: *Borrowing Costs (Amendment)*
IFRIC 23: *Uncertainty over Income Tax Treatment*
IFRS 3 – *Business Combinations (Amendment)*
IAS 1 *Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of 'material' (Amendments)*

The adoption of these new and/or revised standards and interpretations did not have a significant impact on the results of the Group.

A number of standards, amendments to standards and Interpretations have been issued but are not yet effective for annual periods beginning on 1 October 2019. The Group has elected not to early adopt any of these standards, amendments to standards and interpretations.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 30 September 2019.

4. OPERATING SEGMENTS

For management purposes, the chief operating decision makers of the Group, being the executive directors of the Company and the executive directors of the subsidiaries, report its results per segment. The Group currently has the following four segments:

- PGMs
- Chrome
- Agency and trading
- Manufacturing

The operating results of each segment are monitored separately by the chief decision makers in order to assist them in making decisions regarding resource allocation as well as enabling them to evaluate performance. Segment performance is evaluated on a PGM ounce production and sales basis and on chrome concentrate tonnes production and sales basis. The Agency and Trading segment performance is evaluated on third-party chrome concentrate tonnes production and sales basis.

Following the acquisition of the manufacturing entity (refer to note 17), the Group established the manufacturing segment. Segment performance is evaluated on sales and gross profit basis.

Third-party logistics, and external consulting services are evaluated individually but aggregated together as the manufacturing segment.

The Group's administrative costs, financing (including finance income and finance costs) and income taxes are managed on a group basis and are not allocated to a segment.

The accounting policies used by the Group in reporting segments internally are the same as those contained in the consolidated financial statements.

Due to the intrinsic nature of the Group's PGM and chrome concentrate production processes, assets are reported on a consolidated basis and cannot necessarily be allocated to a specific segment. Consequently, assets are not disclosed per segment in the following segmental information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the period ended 31 March 2020

4. OPERATING SEGMENTS (continued)

	PGM US$'000	**Chrome US$'000**	**Agency and trading US$'000**	**Manufacturing US$'000**	**Total US$'000**
Six months ended 31 March 2020 (Reviewed)					
Revenue	**99 367**	**77 613**	**15 982**	**1 597**	**194 559**
Cost of sales					
Manufacturing costs	**(68 233)**	**(31 881)**	**(7 606)**	**(622)**	**(108 342)**
Selling costs	**(254)**	**(23 447)**	**(4 841)**	**-**	**(28 542)**
Freight services	**-**	**(11 344)**	**(2 707)**	**-**	**(14 051)**
	(68 487)	**(66 672)**	**(15 154)**	**(622)**	**(150 935)**
Gross profit	**30 880**	**10 941**	**828**	**975**	**43 624**

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Six months ended 31 March 2019 (Reviewed)					
Revenue	57 960	93 840	14 719	-	166 519
Cost of sales					
Manufacturing costs	(46 212)	(44 239)	(6 690)	-	(97 141)
Selling costs	(182)	(20 643)	(3 923)	-	(24 748)
Freight services	-	(9 803)	(2 692)	-	(12 495)
	(46 394)	(74 685)	(13 305)	-	(134 384)
Gross profit	11 566	19 155	1 414	-	32 135

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Year ended 30 Sept 2019 (Audited)					
Revenue	130 064	177 881	34 940	-	342 885
Cost of sales					
Manufacturing costs	(100 735)	(88 861)	(17 061)	-	(206 657)
Selling costs	(899)	(41 302)	(10 012)	-	(52 213)
Freight services	-	(17 910)	(5 681)	-	(23 591)
	(101 634)	(148 073)	(32 754)	-	(282 461)
Gross profit	28 430	29 808	2 186	-	60 424

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for the period ended 31 March 2020

4. OPERATING SEGMENTS (continued)

The shared costs relating to the manufacturing of PGM and chrome concentrates are allocated to the relevant operating segments based on the relative sales value per product on an ex-works basis. During the six months ended 31 March 2020, the relative sales value of PGM concentrate increased compared to the relative sales value of chrome concentrates and consequently the allocation basis of shared costs was amended to 75.0% for PGM concentrate and 25.0% for chrome concentrates. The allocation basis of shared costs was 55.0% (PGM concentrates) and 45.0% (chrome concentrate) during the comparative period and for the year ended 30 September 2019.

Cost of sales includes a charge for the write off/impairment of property, plant and equipment totalling US$0.8 million (six months ended 31 March 2019: US$1.9 million and year ended 30 September 2019: US$4.1 million) which mainly relates to mining equipment. The write off/impairment has been allocated to the PGM and chrome segments in accordance with the allocation basis of shared costs as described above.

Geographical information

The following table sets out information about the geographical location of:

- the Group's revenue from external customers and
- the Group's property, plant and equipment, goodwill and the investment accounted for using the equity method ('specified non-current assets').

The geographical location analysis of revenue from external customers is based on the country of establishment of each customer. The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property, plant and equipment and the location of the operation to which they are allocated in the case of goodwill.

Revenue from external customers

	PGM US$'000	**Chrome US$'000**	**Agency and trading US$'000**	**Manufacturing US$'000**	**Total US$'000**
Six months ended 31 March 2020 (Reviewed)					
South Africa	**99 367**	**8 040**	**395**	**1 259**	**109 061**
China	**-**	**24 281**	**5 115**	**-**	**29 396**
Singapore	**-**	**5 895**	**8 090**	**-**	**13 985**
Hong Kong	**-**	**29 895**	**2 382**	**-**	**32 277**
Other countries	**-**	**9 502**	**-**	**338**	**9 840**
	99 367	**77 613**	**15 982**	**1 597**	**194 559**

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Six months ended 31 March 2019 (Reviewed)					
South Africa	57 960	20 842	715	-	79 517
China	-	29 482	286	-	29 768
Singapore	-	6 163	13 352	-	19 515
Hong Kong	-	37 353	-	-	37 353
Other countries	-	-	366	-	366
	57 960	93 840	14 719	-	166 519

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4. OPERATING SEGMENTS (continued)

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Total US$'000
Year ended 30 Sept 2019 (Audited)				
South Africa	130 064	40 320	695	171 079
China	-	53 070	3 558	56 628
Singapore	-	10 046	30 182	40 228
Hong Kong	-	67 106	-	67 106
Other countries	-	7 339	505	7 844
	130 064	177 881	34 940	342 885

Revenue represents the sales value of goods supplied to customers, net of value added tax. The following table summarises sales to customers with whom transactions have individually exceeded 10.0% of the Group's revenues.

	Six months ended 31 March 2020 Reviewed		Six months ended 31 March 2019 Reviewed		Year ended 30 Sept 2019 Audited	
	Segment	**US$'000**	Segment	US$'000	Segment	US$'000
Customer 1	**PGM**	**84 153**	PGM	49 099	PGM	110 209
Customer 2	**-**	**-**	Chrome	21 328	Chrome	42 582
Customer 3	**-**	**-**	Chrome	19 079	Chrome	41 858
Customer 4	**-**	**-**	-	-	Chrome	39 769

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Specified non-current assets			
South Africa	**251 716**	269 786	264 627
Zimbabwe	**9 713**	3 622	8 781
Cyprus	**394**	47	103
	261 823	273 455	273 511

Non-current assets includes property, plant and equipment, patents and trademarks, goodwill and the investment accounted for using the equity method.

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5. REVENUE

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Manufacturing US$'000	Total US$'000
Six months ended 31 March 2020 (Reviewed)					
Revenue recognised at a point in time					
Variable revenue based on initial results	**83 995**	**58 710**	**13 271**	**-**	**155 976**
Quantity adjustments	**81**	**(7)**	**(77)**	**-**	**(3)**
Revenue based on fixed selling prices	**-**	**7 566**	**81**	**1 597**	**9 244**
Revenue recognised over time					
Freight services*	**-**	**11 344**	**2 707**	**-**	**14 051**
Revenue from contracts with customers	**84 076**	**77 613**	**15 982**	**1 597**	**179 268**
Fair value adjustments	**15 291**	**-**	**-**	**-**	**15 291**
Total revenue	**99 367**	**77 613**	**15 982**	**1 597**	**194 559**

* During the period ended 31 March 2020, revenue from freight services of US$1.0 million (period ended 31 March 2019: US$2.2 million and year ended 30 September 2019: US$2.2 million) was recognised which was classified as a contract liability at 30 September 2019.

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Total US$'000
Six months ended 31 March 2019 (Reviewed)				
Revenue recognised at a point in time				
Variable revenue based on initial results	53 372	63 223	10 435	127 030
Quantity adjustments	263	41	558	862
Revenue based on fixed selling prices	-	20 773	1 034	21 807
Revenue recognised over time				
Freight services	-	9 803	2 692	12 495
Revenue from contracts with customers	53 635	93 840	14 719	162 194
Fair value adjustments	4 325	-	-	4 325
Total revenue	57 960	93 840	14 719	166 519

	PGM US$'000	Chrome US$'000	Agency and trading US$'000	Total US$'000
Year ended 30 Sept 2019 (Audited)				
Revenue recognised at a point in time				
Variable revenue based on initial results	118 188	118 604	28 891	265 683
Quantity adjustments	1 788	1 048	64	2 900
Revenue based on fixed selling prices	-	40 319	304	40 623
Revenue recognised over time				
Freight services	-	17 910	5 681	23 591
Revenue from contracts with customers	119 976	177 881	34 940	332 797
Fair value adjustments	10 088	-	-	10 088
Total revenue	130 064	177 881	34 940	342 885

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5. REVENUE (continued)

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Variable revenue recognised:			
PGM revenue recognised in preceding period/year based on initial results	**(40 214)**	(29 743)	(29 352)
PGM revenue based on final results	**44 894**	30 211	28 957
PGM revenue adjustment recognised in current period/year	**4 680**	468	(395)
Chrome revenue recognised in preceding period/year based on initial results	**(37 721)**	(48 460)	(45 805)
Chrome revenue based on final results	**37 811**	48 682	45 618
Chrome revenue adjustment recognised in current period/year	**90**	222	(187)

The six months ended 31 March 2020 includes PGM revenue of US$47.5 million and chrome revenue of US$34.3 million that was based on provisional results as final prices and surveys were not yet available at the date of this report.

6. COST OF SALES

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Mining			
Drill and blast	**9 166**	6 881	15 046
Load and haul	**11 658**	3 621	4 626
Diesel	**10 615**	10 291	27 929
Salaries and wages	**13 727**	14 441	30 607
Maintenance	**10 443**	14 316	31 318
Depreciation	**7 065**	5 593	13 278
Cost of commodities	**6 713**	6 841	22 391
Impairment and write off of property, plant and equipment	**771**	1 909	4 141
	70 158	63 893	149 336
Processing			
Salaries and wages	**6 561**	6 843	13 906
Utilities	**4 965**	4 419	11 586
Materials and consumables	**4 330**	4 836	10 162
Re-agents	**2 024**	2 123	4 267
Steel balls	**2 411**	2 454	5 168
Contractors and equipment hire	**1 504**	1 315	2 813
Overhead	**1 516**	3 112	3 067
Depreciation	**6 595**	7 546	13 142
	29 906	32 648	64 111
State royalties	**1 678**	1 277	4 267
Change in inventories – finished products and ore stockpile	**6 600**	(677)	(11 057)
Selling costs	**28 542**	24 748	52 213
Freight services	**14 051**	12 495	23 591
Cost of sales	**150 935**	134 384	282 461

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7. ADMINISTRATIVE EXPENSES

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Directors and staff costs			
Non-Executive Directors	**313**	313	629
Employees: salaries	**7 626**	6 310	15 234
bonuses	**967**	1 171	1 518
pension fund, medical aid and other contributions	**1 108**	933	1 836
	10 014	8 727	19 217
Audit – external audit services	**243**	143	353
Audit – other services*	**1**	5	6
Consulting	**1 129**	932	2 678
Corporate and social investment	**186**	55	198
Depreciation	**496**	378	816
Bank charges and discount facility and related fees	**405**	380	759
Equity-settled share based payment expense	**324**	1 047	3 583
Internal audit	**3**	39	60
Listing fees and investor relations	**146**	85	180
Health and safety	**639**	495	1 132
Insurance	**984**	380	743
Legal and professional	**260**	206	600
Loss on disposal of property, plant and equipment	**-**	16	33
Office administration, rent and utilities	**579**	443	985
Research and development	**82**	-	351
Security	**668**	695	1 443
Telecommunications and IT related	**1 948**	1 425	2 331
Training	**101**	169	505
Travelling and accommodation	**295**	397	702
Sundry	**76**	305	577
	18 579	16 322	37 252

* Other services paid to the external auditor relates to tax and accounting services as approved by the Audit Committee.

	31 March 2020 Reviewed	31 March 2019 Reviewed	30 Sept 2019 Audited
Number of employees	**1 889**	1 787	1 872

8. TAX

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Corporate income tax for the period/year			
Cyprus	**35**	1 089	1 243
South Africa	**920**	785	1 488
	955	1 874	2 731
Special contribution for defence in Cyprus	**1**	3	3
Deferred tax			
Originating and reversal of temporary differences	**4 677**	190	45
Tax charge	**5 633**	2 067	2 779

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Reconciliation between tax charge and accounting profit at applicable tax rates:			
Profit before tax	**17 531**	10 222	11 155
Add share of loss of investment accounted for using the equity method	**317**	816	1 652
Tharisa plc's and subsidiary companies' profit before tax	**17 848**	11 038	12 807
Notional tax on profit before tax, calculated at the Cypriot income tax rate of 12.5% (31 March 2019 and 30 September 2019: 12.5%)	**2 231**	1 380	1 601
Tax effects of:			
Different tax rates from the standard Cypriot income tax rate	**3 273**	542	860
Tax exempt income			
Foreign exchange gains	**(67)**	-	-
Interest received	**(34)**	-	(2)
Other	**(3)**	(2)	-
Non-deductible expenses			
Investment related	**180**	78	146
Interest paid	**15**	4	8
Capital expenses	**7**	33	76
Other	**5**	-	13
Tax losses not recognised	**-**	(3)	-
Recognition of deemed interest income for tax purposes	**26**	35	77
Income tax charge for the period/year	**5 633**	2 067	2 779

8. TAX (continued)

Tax is recognised on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the period/year.

Under certain conditions interest income may be subject to defence contribution at the rate of 30.0% in Cyprus. Such interest income is treated as non-taxable in the computation of corporation taxable income. In certain instances, dividends received from abroad may be subject to defence contribution at the rate of 17.0%.

The Group's consolidated effective tax rate for the six months ended 31 March 2020 was 32.1% (six months ended 31 March 2019: 20.2% and year ended 30 September 2019: 24.9%).

At 31 March 2020, the Group's unredeemed capital balance available for offset against future mining taxable income in South Africa amounted to US$98.9 million (31 March 2019: US$104.9 million and 30 September 2019: US$100.2 million).

Other than Cyprus and South Africa, no provision for tax in other jurisdictions was made as these entities either sustained losses for taxation purposes or did not earn any assessable profits.

9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share and headline and diluted headline earnings per share have been based on the profit attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding. Treasury shares are excluded from the weighted average number of ordinary shares outstanding. Vested Share Appreciation Rights ('SARS') issued to employees at award prices lower than the current share price, results in a potential dilutive impact on the weighted average number of issued ordinary shares and have been included in the calculation of dilutive weighted average number of issued ordinary shares. Vested SARS issued to employees at award prices higher than the current share price, were excluded from the calculation of diluted weighted average number of issued ordinary shares because their effect would have been anti-dilutive.

Basic and diluted earnings per share

	Six months ended 31 March 2020 Reviewed	Six months ended 31 March 2019 Reviewed	Year ended 30 Sept 2019 Audited
Profit for the year attributable to ordinary shareholders (US$'000)	**9 498**	9 488	10 616
Number of shares in issue at the end of the period ('000)	**270 000**	265 000	270 000
Less treasury shares	**(3 389)**	(1 196)	(3 390)
Number of shares in issue at the end of the period ('000)	**266 611**	263 804	266 610
Weighted average number of issued ordinary shares for basic earnings per share ('000)	**266 610**	262 358	263 131
Weighted average number of issued ordinary shares for diluted earnings per share ('000)	**267 005**	264 171	264 877
Earnings per share			
Basic (US$ cents)	**3.6**	3.6	4.0
Diluted (US$ cents)	**3.6**	3.6	4.0

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9. EARNINGS PER SHARE (continued)

Headline and diluted headline earnings per share

	Six months ended 31 March 2020 Reviewed	Six months ended 31 March 2019 Reviewed	Year ended 30 Sept 2019 Audited
Headline earnings for the year attributable to ordinary shareholders (US$'000)	**9 836**	10 513	12 840
Weighted average number of issued ordinary shares for basic headline earnings per share ('000)	**266 610**	262 358	263 131
Weighted average number of issued ordinary shares for diluted headline earnings per share ('000)	**267 005**	264 171	264 877
Headline earnings per share			
Basic (US$ cents)	**3.7**	4.0	4.9
Diluted (US$ cents)	**3.7**	4.0	4.9

Reconciliation of profit to headline earnings

	Six months ended 31 March 2020 Reviewed				Six months ended 31 March 2019 Reviewed	Year ended 30 Sept 2019 Audited
	Gross US$'000	**Tax US$'000**	**Non-controlling interest US$'000**	**Net US$'000**	Net US$'000	Net US$'000
Profit attributable to ordinary shareholders				**9 498**	9 488	10 616
Adjustments:						
Impairment of property, plant and equipment	**771**	**(216)**	**(144)**	**411**	1 017	2 206
Gain on bargain purchase	**(69)**	**-**	**-**	**(69)**	-	-
(Profit)/loss on disposal of property, plant and equipment	**(9)**	**3**	**2**	**(4)**	8	18
Headline earnings				**9 836**	10 513	12 840

10. PROPERTY, PLANT AND EQUIPMENT

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Cost	**352 140**	369 603	372 242
Accumulated depreciation	**(101 016)**	(100 555)	(108 262)
Net book value	**251 124**	269 048	263 980
Reconciliation of net book value			
Balance at the beginning of the period/year	**263 980**	264 311	264 311
Recognition of right-of-use asset	**-**	2 220	5 924
Additions	**47 663**	24 348	43 881
Business combination (note 17)	**1 420**	-	-
Re-measurement/lease agreements entered into	**89**	17	409
Disposal	**(823)**	(57)	(436)
Depreciation	**(14 156)**	(13 517)	(27 236)
Impairment and assets written off	**(771)**	(1 909)	(4 141)
Exchange adjustment on translation	**(46 278)**	(6 365)	(18 732)
	251 124	269 048	263 980

During the six months ended 31 March 2020, additions to property, plant and equipment includes additions to the deferred stripping asset of US$11.9 million (31 March 2019: no additions and 30 September 2019: US$0.2 million).

The estimated economically recoverable proved and probable mineral reserve was reassessed at 1 October 2019 which gave rise to a change in accounting estimate. The remaining reserve that management had previously assessed was 92.9 Mt (at 1 October 2018) and at 1 October 2019 was assessed to be 97.5 Mt. After taking into account depletion of the reserve during the year ended 30 September 2019 (4.6 Mt), the remaining reserve increased by 9.2 Mt at 1 October 2019.

As a result the expected useful life of the plant increased. The impact of the change on the actual depreciation expense, included in cost of sales, is a reduced depreciation charge of US$0.2 million.

Included in mining assets and infrastructure are projects under construction of US$21.8 million (31 March 2019: US$21.4 million and 30 September 2019: US$14.8 million).

Securities
At 31 March 2020, US$32.3 million of the carrying amount of the Group's mining fleet was pledged as security against the equipment loan facility (31 March 2019: US$11.4 million and 30 September 2019: US$24.1 million).

Assets written off/impairment
During the six months ended 31 March 2020, the Group impaired and scrapped individual assets totalling US$0.8 million (six months ended 31 March 2019: US$1.9 million and year ended 30 September 2019: US$4.1 million). The impairment and assets written off relate to mining fleet identified as no longer fit for use and premature component failures.

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11. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

The Group owns 26.8% of the issued share capital of Karo Mining Holdings Limited ('Karo Holdings'), a company incorporated in Cyprus.

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Investment in Karo Holdings			
Opening balance	**8 781**	4 438	4 438
Loan advances	**1 249**	-	5 995
Share of total comprehensive loss	**(317)**	(816)	(1 652)
	9 713	3 622	8 781
Total share of comprehensive loss	**(317)**	(816)	(1 652)
Summarised consolidated financial information of Karo Holdings			
Summarised statement of financial position			
Non-current assets	**193**	484	574
Current assets	**99**	174	27
Non-current liabilities	**(7 244)**	(2 250)	(5 995)
Current liabilities	**(1 132)**	(1 684)	(1 000)
Net deficit (100%)	**(8 084)**	(3 276)	(6 394)
Summarised statement of comprehensive loss			
Operating expenses	**(1 173)**	(2 986)	(6 106)
Tax	**(8)**	(60)	(60)
Total comprehensive loss	**(1 181)**	(3 046)	(6 166)
Carrying amount of investment			
Group's share of net deficit (26.8%)	**(2 031)**	(878)	(1 714)
Loan receivable	**7 244**	-	5 995
Purchase consideration	**4 500**	4 500	4 500
Carrying amount	**9 713**	3 622	8 781

Karo Holdings entered into an Investment Project Framework Agreement with the Republic of Zimbabwe in terms of which Karo Holdings, through any of its Zimbabwean incorporated subsidiaries (refer to note 16), has undertaken to establish a platinum group metals mine, concentrators, smelters, a base metal and precious metals refinery as well as power generation capacity. The functional and presentation currency of Karo Holdings and its subsidiaries is the US$.

Contingencies and commitments

The Group has undertaken to provide funding up to US$8.0 million to Karo Holdings as a repayable debt facility. This will be utilised to undertake initial geological exploration and sampling work to determine a compliant mineral resource which will enhance the value of the investment in Karo Holdings.

12. INVENTORIES

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Finished products	**12 126**	8 028	16 436
Ore stockpile	**868**	1 186	3 158
Consumables	**17 316**	17 216	16 854
	30 310	26 430	36 448
Impairment reversal/(impairment) of consumables	**225**	(19)	(114)
Total carrying amount	**30 535**	26 411	36 334

Inventories are stated at the lower of cost or net realisable value. During the period ended 31 March 2020, the Group reversed the previous impairment of certain consumables and spares. The impairment credit is allocated 75.0% to the PGM segment and 25.0% to the chrome segment (31 March 2019 and 30 September 2019: impairment charge allocated 55.0% to the PGM segment and 45.0% to the chrome segment).

PGM finished products were written down to the net realisable value during the period ended 31 March 2020. The net realisable value write down amounted to US$0.3 million (31 March 2019: US$0.8 million and 30 September 2019: US$0.2 million) and is allocated to the PGM segment.

13. TRADE AND OTHER RECEIVABLES

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Trade receivables	**13 206**	24 998	26 119
PGM receivable	**38 744**	24 326	33 686
Total trade receivables	**51 950**	49 324	59 805
Other receivables – related parties (note 19)	**676**	3 074	342
Deposits, prepayments and other receivables	**3 040**	2 048	3 757
Accrued income	**760**	2 705	1 659
Value added tax receivable (VAT)	**5 880**	9 576	8 294
	62 306	66 727	73 857

Trade and other receivables of the Group are expected to be recoverable within one year from each reporting date. Trade receivables terms vary from 0 to 120 days (31 March 2019 and 30 September 2019: 0 to 120 days). No impairment of trade receivables was recognised during the period ended 31 March 2020 (31 March 2019 and 30 September 2019: no impairment).

The Group applies a simplified approach to measure the loss allowance for trade receivables classified at amortised cost, using the lifetime expected loss provision. The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating if available, adjusted as appropriate for current observable data. The following table details the risk profile of trade receivables based on the Group's provision matrix.

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13. TRADE AND OTHER RECEIVABLES (continued)

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Current	**51 060**	49 281	**58 714**
Less than 90 days past due but not impaired	**79**	33	**164**
Greater than 90 days past due but not impaired	**811**	10	**927**
	51 950	49 324	**59 805**

Included in the VAT is a receivable of US$4.6 million (ZAR82.3 million) (31 March 2019: US$5.7 million (ZAR82.3 million) 30 September 2019: US$5.4 million (ZAR82.3 million)) that relates to diesel rebates receivable from the South African Revenue Service ('SARS') in respect of the mining operations. SARS has rejected the Group's claim to the refund. The Group is strongly of the view that it fully complied with all the regulations to be entitled to this refund. The Group has appealed to the High Court of South Africa.

Based on current observable data, available credit quality information of clients and client's past default experience, management believes that no impairment allowance (31 March 2019 and 30 September 2019: no impairment allowance) is required in respect of the trade and other receivables as balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

14. SHARE CAPITAL AND PREMIUM

Share capital and premium

The Company did not issue any ordinary shares during the period ended 31 March 2020 and 31 March 2019. Allotments during the year ended 30 September 2019 were in respect of 5 000 000 ordinary shares issued as treasury shares to satisfy the vesting of Conditional Awards and potential future settlement of Appreciation Rights of the participants' of the Tharisa Share Award Plan.

During the period ended 31 March 2020, 629 (period ended 31 March 2019: 2 901 430 and year ended 30 September 2019: 5 707 893) ordinary shares were transferred from treasury shares to satisfy the transfer of vested conditional awards and the exercise of Appreciation Rights by the participants of the Tharisa Share Award Plan.

At 31 March 2020, the Company had 270 000 000 (31 March 2019: 265 000 000 and 30 September 2019: 270 000 000) ordinary shares in issue of which 3 389 049 (31 March 2019: 1 196 141 and 30 September 2019: 3 389 678) were held in treasury.

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15. BORROWINGS

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Non-current			
Facilities	**1 858**	8 937	4 279
Equipment loan facility	**15 815**	9 742	7 901
Finance leases	**4 003**	6 466	5 873
Loan	**636**	3 019	1 850
	22 312	28 164	19 903
Current			
Facilities	**26 728**	17 212	25 000
Equipment loan facility	**6 276**	6 064	3 698
Finance leases	**3 698**	4 841	5 707
Loan	**1 823**	1 986	2 008
Bank credit facilities	**5 584**	16 435	14 900
	44 109	46 538	51 313

Finance leases	**31 March 2020 Reviewed US$'000**	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Minimum lease payments due:			
Within one year	**4 270**	5 810	6 682
Two to five years	**4 470**	7 759	6 491
	8 740	13 569	13 173
Less future finance charges	**(1 039)**	(2 262)	(1 593)
Present value of minimum lease payments due	**7 701**	11 307	11 580
Present value of minimum lease payments due:			
Within one year	**3 697**	4 929	5 687
Two to five years	**4 004**	6 378	5 893
	7 701	11 307	11 580

During the six months ended 31 March 2020, the terms of the Senior Secured Amortising Term Loan ('Term Loan') (part of the Facilities) were amended to allow for a capital repayment holiday for the quarter ended 31 March 2020. Consequently, the Term Loan will be fully repaid by 30 June 2021 (previously 31 March 2021). Interest terms remain unchanged and is charged at the three-month JIBAR plus 320 basis points nominal annual compounded quarterly.

During the six month ended 31 March 2020, the terms of the Equipment Loan Facility were amended. The Group negotiated a three months capital and interest payment holiday that commenced on 1 March 2020. The repayment term and interest rate remain unchanged.

During the six months ended 31 March 2020, certain of the lease agreements' terms were amended. The Group negotiated a three months lease payment holiday that commenced on 1 March 2020. Consequently the repayment term was extended by three months.

The Group had unutilised borrowing facilities of US$11.3 million available at 31 March 2020 (31 March 2019: US$19.3 million and 30 September 2019: US$9.9 million).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 March 2020

15. BORROWINGS (continued)

	31 March 2020 (Reviewed)							31 March 2019 Reviewed	30 Sept 2019 Audited
	Facilities US$'000	Equipment loan facility US$'000	Finance leases US$'000	Bank credit facilities US$'000	Loan US$'000	Other US$'000	Total borrowings US$'000	US$'000	US$'000
Balance at the beginning of the period/year	29 279	11 599	11 580	14 900	3 858	-	**71 216**	77 419	77 419
Changes from financing cash flows									
Advances: bank credit facilities	-	-	-	56 786	-	-	**56 786**	75 569	151 626
Repayment: bank credit facilities	-	-	-	(66 048)	-	-	**(66 048)**	(88 385)	(165 973)
Net (repayment)/proceeds of bank credit facilities	-	-	-	(9 262)	-	-	**(9 262)**	(12 816)	(14 347)
Advances received	6 665	12 059	-	-	-	-	**18 724**	19 673	28 476
Repayment of borrowings	(2 222)	(2 050)	-	-	(959)	(6)	**(5 237)**	(9 150)	(19 024)
Lease payments	-	-	(3 233)	-	-	-	**(3 233)**	(3 101)	(6 647)
Repayment of interest	(1 446)	(339)	-	(202)	(191)	-	**(2 178)**	(2 293)	(4 245)
Changes from financing cash flows	2 997	9 670	(3 233)	(9 464)	(1 150)	(6)	**(1 186)**	(7 687)	(15 787)
Foreign currency translation differences	(5 279)	(4 196)	(1 377)	-	(440)	-	**(11 292)**	(1 369)	(3 876)
Liability-related changes									
Lease agreements re-measured/entered into	-	-	89	-	-	-	**89**	2 237	5 924
Business combination (note 17)	-	-	-	-	-	6	**6**	-	-
Interest expense	1 589	500	586	148	191	-	**3 014**	3 206	6 044
Revaluation of foreign denominated loan	-	4 518	56	-	-	-	**4 574**	896	1 492
Total liability-related changes	1 589	5 018	731	148	191	6	**7 683**	6 339	13 460
Balance at the end of the period/year	**28 586**	**22 091**	**7 701**	**5 584**	**2 459**	**-**	**66 421**	74 702	71 216
Non-current borrowings	**1 858**	**15 815**	**4 003**	**-**	**636**	**-**	**22 312**	28 164	19 903
Current borrowings	**26 728**	**6 276**	**3 698**	**5 584**	**1 823**	**-**	**44 109**	46 538	51 313
Total borrowings	**28 586**	**22 091**	**7 701**	**5 584**	**2 459**	**-**	**66 421**	74 702	71 216

16. TRADE AND OTHER PAYABLES

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Trade payables	**24 198**	14 003	34 381
Accrued expenses	**9 982**	10 724	11 670
Leave pay accrual	**3 561**	3 488	3 990
Value added tax payable	**209**	143	436
Other payables – related parties (note 19)	**185**	128	27
Other payables	**1 639**	325	274
	39 774	28 811	50 778

The amounts above are payable within one year from the reporting period. The amounts reflected above approximate fair value.

17. BUSINESS COMBINATION

Effective 1 October 2019, the Company acquired 100.0% of the issued share capital of MetQ Proprietary Limited ('MetQ'), a company incorporated in South Africa. MetQ manufactures equipment used in the mining industry. The total purchase consideration was US$2.6 million (ZAR40.0 million). Of the total purchase consideration, US$1.8 million (ZAR27.5 million) was settled in cash on the effective acquisition date while US$0.7 million (ZAR12.5 million) will be settled in cash after one year from the acquisition date. Settlement of the US$0.7 million is subject to MetQ achieving certain profit targets which represents a contingent consideration. The Company continually monitors MetQ's profit targets. At 31 March 2020, the Company believes that it is unlikely that MetQ will achieve the required profit targets. Consequently the Company has identified various likelihoods of MetQ achieving the required profit targets and has allocated a probability to each likelihood. The Company believes that there is a weighted average probability of 25.0% that MetQ will achieve the required profit targets and has recognised 25.0% of the deferred consideration. The following table summarises the initial fair value of the company's assets and liabilities at the acquisition date:

	Fair value recognised on acquisition US$'000
Assets	
Property, plant and equipment	**1 420**
Inventories	**572**
Trade and other receivables	**380**
Cash and cash equivalents	**118**
	2 490
Liabilities	
Borrowings	**(6)**
Deferred tax	**(157)**
Trade and other payables	**(232)**
	(395)
Total identifiable net assets at fair value	**2 095**
Less cash and cash equivalents acquired	**(118)**
Less amounts previously recognised as current assets	**(47)**
Less contingent consideration	**(206)**
Bargain purchase arising on acquisition	**(69)**
Net cash flow on business combination	**1 655**

The purchase consideration was funded by existing cash resources of the Group. The transaction cost was US$0.1 million. In accordance with IFRS 3 Business Combinations, an acquirer has a maximum period of twelve months to complete acquisition accounting. The Group is currently in the process of finalising the fair value of the company's assets and liabilities.

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18. FINANCIAL RISK MANAGEMENT

	Fair value level	**31 March 2020 Reviewed US$'000**	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Financial assets measured at fair value				
Investments in equity instruments	Level 1	**12**	22	23
Investments in money markets, current accounts, cash funds and income funds	Level 2	**6 159**	6 141	6 080
Discount facility	Level 2	**1 186**	-	-
Trade and other receivables measured at fair value				
PGM receivable	Level 2	**38 744**	24 326	33 686
Financial liabilities measured at fair value				
Discount facility	Level 2	**-**	662	2 085
Forward exchange contracts	Level 2	**1 903**	382	299
Financial assets at amortised cost				
Prepaid investment in Salene Chrome Zimbabwe (Private) Limited		**1 770**	634	1 367
Receivable from directors of MetQ Proprietary Limited		**4**	-	-
Trade receivables		**13 206**	24 997	26 119
Contract assets		**403**	1 059	1 039
Cash and cash equivalents		**40 271**	66 817	59 201
Financial liabilities at amortised cost				
Borrowings		**66 421**	74 702	71 216
Contract liabilities		**403**	1 059	1 039
Trade payables		**39 774**	14 003	34 381

There were no transfers between Level 1 and Level 2 fair value measurements during the reporting periods.

The Group considers that the fair values of the financial assets and financial liabilities approximate their carrying values at each reporting date.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments (highest level).
Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation methodologies in which all significant inputs are directly or indirectly based on observable market data.
Level 3: fair values measured using valuation methodologies in which any significant inputs are not based on observable market data.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 March 2020

19. RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of the business, the Group enters into various transactions with related parties. Related party transactions exist between shareholders, directors, directors of subsidiaries and key management personnel. Outstanding balances at each reporting period are unsecured and settlement occurs in cash. All intergroup transactions have been eliminated on consolidation.

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Transactions and balances with related parties:			
Other financial assets			
Prepaid investment in Salene Chrome Zimbabwe (Private) Limited	**1 770**	634	1 367

The Company has been granted a call option to acquire a 90.0% shareholding in Salene Chrome Zimbabwe (Private) Limited ('Salene') a company incorporated in Zimbabwe from the Leto Settlement, a related party. Salene holds certain special grants under the Zimbabwe Mines and Minerals Act which entitles it to prospect/mine the minerals thereon. The call option is exercisable upon completion of an initial exploration programme.

In consideration of the call option, the Group will undertake the initial exploration programme including the costs thereof up to an amount of US$3.2 million. The decision to exercise the call option is at the Group's election. At the date of this report, the call option has not yet been exercised.

At the reporting dates, insufficient information was available to accurately determine the fair value of the call option, more specifically the value of the net assets of the special grants or the profits attributable thereto. The Group believes that the fair value as at 31 March 2020 may only be possible to be determined once the initial exploration programme has been completed. At 31 March 2020, the Group has invested US$1.8 million (31 March 2019: US$0.6 million and 30 September 2019: US$1.4 million) in Salene which represents the costs of exploration.

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Loan receivable			
Karo Mining Holdings Limited	**7 244**	-	5 995
Other financial assets receivable from:			
A Steenkamp	**1**	-	-
MJH Horn	**3**	-	-
	4	-	-
Trade and other receivables			
The Tharisa Community Trust	**4**	5	4
Rocasize Proprietary Limited	**3**	61	13
Karo Mining Holdings Limited	**-**	61	-
Karo Zimbabwe Holdings (Private) Limited	**143**	505	26
Karo Platinum (Private) Limited	**105**	1 998	18
Karo Power Generation (Private) Limited	**81**	164	2
Salene Chrome Zimbabwe (Private) Limited	**298**	265	264
Salene Manganese Proprietary Limited	**29**	-	-
Salene Mining Proprietary Limited	**13**	16	15
	676	3 075	342

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period ended 31 March 2020

19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Transactions and balances with related parties (continued)

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Trade and other payables			
Rocasize Proprietary Limited	**1**	1	1
Karo Zimbabwe Holdings (Private) Limited	**42**	-	-
Karo Mining Holdings Limited	**4**	-	5
Karo Platinum (Private) Limited	**28**	-	21
	75	1	27
Amounts due to Directors			
A Djakouris	**22**	22	-
JD Salter	**23**	26	-
OM Kamal	**13**	15	-
C Bell	**18**	24	-
R Davey	**15**	19	-
ZL Hong	**9**	11	-
JZ Hu*	**7**	-	-
J Ka Ki Chen**	**3**	11	-
	110	128	-
Total other payables	**185**	129	27

* Appointed 29 January 2020
** Retired by rotation on 29 January 2020

Revenue			
Salene Manganese Proprietary Limited	**86**	-	-
Salene Technologies Proprietary Limited	**3**	-	-
Other income			
Karo Zimbabwe Holdings (Private) Limited	**3**	-	42
Karo Platinum (Private) Limited	**2**	-	37
Karo Power Generation (Private) Limited	**-**	-	3
Rocasize Proprietary Limited	**6**	-	9
Salene Chrome Zimbabwe (Private) Limited	**-**	-	2

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
for the period ended 31 March 2020

19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Transactions and balances with related parties (continued)

	Six months ended 31 March 2020 Reviewed US$'000	Six months ended 31 March 2019 Reviewed US$'000	Year ended 30 Sept 2019 Audited US$'000
Cost of sales			
Rocasize Proprietary Limited	**197**	155	393
Salene Chrome Zimbabwe (Private) Limited	**41**	-	-
Consulting fees received			
Rocasize Proprietary Limited	**6**	16	15
Salene Chrome Zimbabwe (Private) Limited	**30**	21	43
Karo Mining Holdings Limited	**-**	16	-
Karo Platinum (Private) Limited	**108**	181	189
Karo Power Generation (Private) Limited	**79**	5	59
Karo Zimbabwe Holdings (Private) Limited	**83**	229	213
Donations paid			
The Music for the Children Foundation	**-**	-	12
Interest received			
Karo Mining Holdings Limited	**153**	-	-

Compensation to directors and key management

Six months ended 31 March 2020 (Reviewed)	**Salary and fees US$'000**	**Expense allowances US$'000**	**Share based payments US$'000**	**Provident fund and risk benefits US$'000**	**Bonus US$'000**	**Total US$'000**
Non-Executive Directors	**313**	**-**	**-**	**-**	**-**	**313**
Executives Directors	**805**	**4**	**-**	**39**	**64**	**912**
Other key management *	**603**	**13**	**-**	**63**	**65**	**744**
	1 721	**17**	**-**	**102**	**129**	**1 969**

* Four employees

19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Compensation to directors and key management (continued)

Six months ended 31 March 2019 (Reviewed)	Salary and fees US$'000	Expense allowances US$'000	Share based payments US$'000	Provident fund and risk benefits US$'000	Bonus US$'000	Total US$'000
Non-Executive Directors	313	-	-	-	-	313
Executives Directors	800	4	1 144	38	145	2 131
Other key management *	459	14	745	49	93	1 360
	1 572	18	1 889	87	238	3 804

* Three employees

Year ended 30 Sept 2019 (Audited)	Salary and fees US$'000	Expense allowances US$'000	Share-based payments US$'000	Provident fund and risk benefits US$'000	Bonus US$'000	Total US$'000
Non-Executive Directors	629	-	-	-	-	629
Executives Directors	1 590	8	1 178	76	219	3 071
Other key management *	1 196	29	907	129	190	2 451
	3 415	37	2 085	205	409	6 151

* Four employees

Awards to directors and key management

Six months ended 31 March 2020 (Reviewed) Ordinary shares	**Opening balance**	**Allocated**	**Vested**	**Forfeited**	**Total**
LTIP – executive directors	**1 626 960**	**-**	**-**	**-**	**1 626 960**
LTIP – key management *	**1 246 246**	**-**	**-**	**-**	**1 246 246**

* Four employees

Six months ended 31 March 2019 (Reviewed) Ordinary shares	Opening balance	Allocated	Vested	Forfeited	Total
LTIP – executive directors	1 605 423	-	-	-	1 605 423
LTIP – key management *	1 099 439	-	-	-	1 099 439

* Three employees

Year ended 30 Sept 2019 (Audited) Ordinary shares	Opening balance	Inclusion of additional employee	Allocated	Vested	Forfeited	Total
LTIP – executive directors	1 605 423	-	881 262	(743 524)	(116 201)	1 626 960
LTIP – key management *	1 099 439	286 656	587 838	(619 289)	(108 398)	1 246 246

* Four employees

19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Awards to directors and key management (continued)

Six months ended 31 March 2020 (Reviewed) Ordinary shares	**Opening balance**	**Allocated**	**Vested**	**Forfeited**	**Total**
SARS – executive directors	**1 229 864**	**-**	**-**	**-**	**1 229 864**
SARS – key management *	**913 032**	**-**	**-**	**-**	**913 032**

* Four employees

Six months ended 31 March 2019 (Reviewed) Ordinary shares	Opening balance	Allocated	Vested	Forfeited	Total
SARS – executive directors	1 118 547	-	-	-	1 118 547
SARS – key management *	765 744	-	-	-	765 744

* Three employees

Year ended 30 Sept 2019 (Audited) Ordinary shares	Opening balance	Inclusion of additional employee	Allocated	Vested	Forfeited	Total
SARS – executive directors	1 118 547	-	881 262	(595 643)	(174 302)	1 229 864
SARS – key management *	765 744	221 868	587 838	(499 821)	(162 597)	913 032

* Four employees

19. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Relationships between parties:

The Tharisa Community Trust and Rocasize Proprietary Limited
The Tharisa Community Trust is a shareholder of Tharisa Minerals Proprietary Limited and owns 100% of the issued ordinary share capital of Rocasize Proprietary Limited.

The Music for the Children Foundation
A director of the Company is a Trustee of the non-profit organisation.

MJH Horn and A Steenkamp
Directors of MetQ Proprietary Limited.

The Leto Settlement
The beneficial shareholder of Medway Developments Limited, a material shareholder in the Company.

Salene Chrome Zimbabwe (Private) Limited
This company is a wholly owned subsidiary of The Leto Settlement, the beneficial shareholder of Medway Developments Limited, a material shareholder in the Company.

Salene Mining Proprietary Limited and Salene Technologies Proprietary Limited
A director of the Company is a director of these entities.

Karo Mining Holdings Limited, Karo Zimbabwe Holdings (Private) Limited, Karo Platinum (Private) Limited and Karo Power Generation (Private) LImited
The Company owns 26.8% of the issued share capital of Karo Mining Holdings Limited. The controlling shareholder of Karo Mining Holdings Limited is The Leto Settlement.

Karo Mining Holdings Limited owns 100% of the issued share capital of Karo Zimbabwe Holdings (Private) Limited, Karo Platinum (Private) Limited and Karo Power Generation (Private) Limited.

20. CONTINGENCIES

At 31 March 2020, the Group had certain unresolved tax matters. Included in trade and other receivables is an amount of US$4.6 million (31 March 2019: US$5.7 million and 30 September 2019: US$5.4 million) that relates to diesel rebates receivable from the South African Revenue Services ('SARS') in respect of the mining operations. SARS is disputing the refundability of a portion of this amount. The Group is strongly of the view that it fully complies with all the regulations to be entitled to this refund and is opposing SARS' dispute. The Group is taking the necessary action to recover the amount due.

The Group received additional assessments for tax periods 2015, 2016 and 2017 from SARS in relation to the Mining Royalty Tax. In terms of these assessments, SARS has increased the tax liability from taxes declared and previously paid. The Group is in the process of lodging objections against these assessments.

As at 31 March 2020 there is no litigation (31 March 2019 and 30 September 2019: no litigation), current or pending, which is considered likely to have a material adverse effect on the Group.

21. CAPITAL COMMITMENTS AND GUARANTEES

	31 March 2020 Reviewed US$'000	31 March 2019 Reviewed US$'000	30 Sept 2019 Audited US$'000
Capital commitments			
Authorised and contracted	**14 894**	4 804	17 062
Authorised and not contracted	**1 796**	1 284	805
	16 690	6 088	17 867

The commitments are with respect to property, plant and equipment and are outstanding at the respective reporting period.

The Company has made a commitment to Karo Mining Holdings Limited to fund the initial exploration programme, feasibility study and development of the projects in Zimbabwe not exceeding US$8.0 million (refer to note 11).

Guarantees of ZAR287.2 million (31 March 2019: ZAR266.1 million and 30 September 2019: ZAR286.9 million) have been issued by third parties and financial institutions on behalf of the Group consisting mainly of guarantees issued to the Department of Mineral Resources in respect of future environmental rehabilitation amounting to ZAR255.8 million (31 March 2019: ZAR234.7 million and 30 September 2019: ZAR255.5 million).

22. EVENTS AFTER THE REPORTING PERIOD

The financial results reported and business environment reviewed reflect the half year ended 31 March 2020, as well as subsequent events that transpired prior to the publication of these results. It is, however, critical to note that at the time of producing this report, there is a global coronavirus pandemic and corresponding international health and economic crises unfolding (refer to note 2: Operating environment and going concern). While the outcome is unclear, it is anticipated that the negative economic impact in South Africa and around the world will be severe in the short- to medium term.

23. DIVIDENDS

During the period ended 31 March 2020, the Company declared and paid a final dividend of US$ 0.25 cent per share in respect of the financial year ended 30 September 2019.

During the period ended 31 March 2019, the Company declared and paid a final dividend of US$ 2 cents per share in respect of the financial year ended 30 September 2018.

During the year ended 30 September 2019, the Company declared and paid an interim dividend of US$ 0.5 cent per share in respect of the financial year ended 30 September 2019.

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CORPORATE INFORMATION

THARISA PLC
Incorporated in the Republic of Cyprus with limited liability
Registration number: HE223412
JSE share code: THA
LSE share code: THS
A2X share code: THA
ISIN: CY0103562118
LEI: 213800WW4YWMVVZIJM90

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Antonios Djakouris *(Independent non-executive director)*
Omar Marwan Kamal *(Independent non-executive director)*
Carol Bell *(Independent non-executive director)*
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