

ANGLO PLATINUM MARKETING LIMITED

(Registration Number: 06726161)

ANNUAL REPORT

For the financial year ended 31 December 2021

ANGLO PLATINUM MARKETING LIMITED

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ANNUAL REPORT

For the financial year ended 31 December 2021

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ANGLO PLATINUM MARKETING LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

For the financial year ended 31 December 2021

Directors

B G C Oeyen
D L Christianson (Resigned 31 March 2021)
C Howard (Appointed 31 March 2021)
C W Miller
H A Hansen
H C Ingram
H P Tanner (Resigned 30 June 2021)
J Eastwood
N Viljoen
P G Whitcutt

Secretary

Anglo American Corporate Secretary Limited

Registered Office

17 Charterhouse Street
London EC1N 6RA
United Kingdom

Bankers

Barclays Bank plc
1 Churchill Place
Canary Wharf
London E14 5HB
United Kingdom

The Hongkong and Shanghai Banking Corporation Limited
21 Collyer Quay
#09-01 HSBC Building
Singapore 049320

Solicitors

Linklaters
1 Silk Street
London EC2Y 8HQ
United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
Statutory Auditor
1 Embankment Place
London, WC2N 6RH

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Introduction

Anglo Platinum Marketing Limited ("the Company"), is a wholly owned subsidiary of Rustenburg Platinum Mines Limited, a company incorporated in South Africa.

The principal activities of the Company comprise the sale of platinum group metals and associated by-products to international customers. The Company seeks to maximise sale prices for its goods by making use of its broad network of customers.

A branch of the Company ("the Branch") was registered in Singapore on 3 May 2012 to expand the Company's activities into the Asia Pacific region. The Branch's financial results are included in these financial statements.

The directors present their strategic report on the Company for the year ended 31 December 2021.

Business review

The Company's profit before tax is US\$553,250,000 (2020: US\$280,949,000). The balance sheet shows that the Company is in a net asset position of US\$666,023,000 (2020: US\$427,154,000).

The Company continues to make strategic investments in companies pursuing technological developments to improve the global demand for Platinum. There are no changes to the principal activity of the Company planned for the foreseeable future.

On average, annual PGM prices in 2021 were materially higher than in 2020. The achieved basket price was 36% higher year on year at \$2,761 per PGM ounce (2020: \$2,035), with all the PGMs making positive contributions. Directionally, strong PGM price gains in the first half of the year gave way to sharp falls in the second half, though prices still ended the year at historically high levels. Individually, all PGMs had higher average prices in 2021 than in 2020. The average price for platinum over the year was \$1,086 per ounce, 23% higher than in 2020, and its highest since 2014. Palladium averaged a record \$2,388 per ounce, 9% higher than in 2020. Rhodium again broke records in 2021, recording an all-time high of \$30,000 per ounce in March, and averaging \$20,109 per ounce over the full year, 79% higher than in 2020.

The supply and demand balances for the 3E PGMs were mixed in 2021 (source: Johnson Matthey and Company analysis). Platinum moved to surplus after two years of deficit. Palladium remained in deficit, but a smaller one than in recent years. Rhodium was in surplus over the full year for the first time since 2018, as a deficit in the first half turned into a surplus in the second half of the year.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Business review (continued)

Overall, supply recovered from falls caused by Covid-19 better than demand. On the supply side, improvements in South African refined mine supply, and a smaller one in recycled flows, were only partially offset by weaker Russian refined output. Meanwhile, demand disappointed as a shortage of semiconductors ('chips'), the result of Covid-19 related interrupted production and strong demand for chip-using consumer goods, restricted auto production, the largest demand source, to a level only moderately higher than in 2020.

The impact of these factors varied in importance throughout the year. Supply was stronger in H2 than H1. While South African mined production had already returned largely to normal by early in 2021, refined production took time to flow through the processing pipeline, leading to a greater skew of metal availability in the second half of the year. Furthermore, the temporary closure of two large Russian PGM mines owing to flooding reduced refined production from April, which was especially important in palladium's case, with production returning to normal only later in the year. Demand was stronger in H1 than H2. The chip shortage had hobbled auto production from the start of the year but was expected to be short-lived. From around mid-year, automakers realised it would be longer-lasting than expected and, hence, more disruptive. Industrial PGM purchasing was strongest earlier in 2021 across all the PGMs, as concerns over metal availability and hopes for stronger demand prompted stockpiling. This was especially the case for the minor PGMs, ruthenium and iridium.

Platinum

Platinum had a much firmer average price in 2021 than in 2020, which contrasted with a relatively weak supply/demand balance, with a surplus of one million ounces. Platinum supply rose by more than 20% in 2021 compared with 2020. South African based production largely returned to normal after the heavily disrupted 2020, while refined production was further boosted by the processing of work-in-progress inventories. Platinum demand fell by around 7% in 2021 against 2020 owing to sharply lower investment demand, which was not offset by other sectors. Autocatalyst demand saw a slower recovery than expected at the start of the year, and industrial demand a moderate one (from already high levels), but there was a decline in jewellery demand. The platinum price began 2021 very strongly, rising to a six-year high of over \$1,300 per ounce, from below \$1,100 per ounce at the start of the year. Investor interest in low carbon technologies such as hydrogen, boosted demand for platinum, given its applications in both making hydrogen through electrolyzers as well as using hydrogen in fuel cells. Platinum could not sustain these high prices, however, and eventually fell to levels as low as \$900 per ounce, as the US dollar rose, and gold was sold off on signs the US Federal Reserve was considering tightening monetary policy.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Business review (continued)

Palladium

Palladium was in deficit for the tenth consecutive year in 2021, though it was in a much smaller deficit than in 2020 or 2019. This would have been a surprising outcome earlier in the year. Autocatalyst demand, which accounts for 85% of gross palladium demand, was set to be strong as the auto industry recovered from the Covid-19 shock of 2020. Palladium mined supply, less affected in 2020 than platinum or rhodium owing to robust Russian supply, was expected to see only a smaller increase as supply was temporarily impacted by Russian mine closures. The reason the palladium deficit narrowed in 2021 was that while supply increased by less than the other PGMs (rising just 10%), demand barely grew, being only 3% higher year on year. This was due to flat automotive demand. Light vehicle production, which was badly affected by the impact of Covid-19 in 2020, grew by just 2% in 2021 because of the prolonged chip shortage.

Furthermore, the large increase in palladium loadings per vehicle seen over the past few years to meet tightening emission standards and stricter real-world driving tests, has largely been incorporated. Any further increase in loadings will result from the next set of emissions standards due only in the mid-2020s. Gross palladium automotive demand was still high, but it was disappointing compared to expectations.

During H1 2021, the palladium price averaged \$2,592 per ounce, a 21% increase over the same period in 2020. Palladium rallied on news of Russian production issues, aided by strong underlying demand, peaking in May at a new record high of \$3,019 per ounce. The palladium price fell as a worsening chip shortage saw the auto industry abandon hopes of a better H2, falling to as low as \$1,542 per ounce before closing the year once again around \$2,000 per ounce, still higher than at any other time before 2020.

Rhodium

Rhodium averaged a record \$20,109 per ounce in 2021, 79% higher than in 2020. In H1, it reached a high of \$30,000 per ounce and averaged nearly \$25,000 per ounce. In H2, the price fell briefly to almost \$10,000 per ounce and averaged around \$16,000 per ounce. Nevertheless, even the H2 price was the second highest ever recorded, and at the start of 2022 it was again firmer. The movements in the rhodium price largely reflected a shifting supply-demand balance. The increase in prices was driven by automotive demand on the back of higher loadings of rhodium globally. This, combined with lower supply, pushed prices higher in H1. In H2, the semiconductor shortage saw auto production expectations fall and demand weaken. Over the year, we estimate rhodium demand was flat while supply was 16% higher. This pushed rhodium into a surplus of 70,000 ounces, a sharp swing from the 80,000 ounces deficit in 2020.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Business review (continued)

Minor PGMs

The iridium price increased in 2021 to an average of \$5,063 per ounce (Johnson Matthey base price) and a record high (2020: \$1,628). The price followed a similar trajectory to many other PGMs, with gains in H1 from \$2,600 per ounce at the start to an all-time nominal high of \$6,300 per ounce, followed by a steady downward move in the second half, reaching \$4,000 per ounce by year-end. Iridium's gains were driven by a combination of strong demand, especially in the electronics sector, stockpiling, and initially weaker mine supply. The easing of prices in H2 was due to slower Chinese industrial demand growth and some delay to purchases from more price-sensitive customers. The ruthenium price showed a similar pattern. Averaging \$566 per ounce (Johnson Matthey base price) (2020: \$265 per ounce), it peaked at \$800 per ounce. Ruthenium was supported by strong hard disc demand and also saw stockpiling earlier in the year. By year-end, it had fallen to \$550 per ounce as underlying demand weakened and the impact was exacerbated by the consumption of previously stockpiled material.

Principal risks and uncertainties and financial risk management

The Company's activities expose it to three principal financial risks, namely price risk, credit risk and liquidity risk. Whilst the Company must operate within its available intercompany facility limits, its exposure to cash flow risk is not currently deemed material for the assessment of assets, liabilities and the financial statements.

The operations and profitability of the Company are dependent on the ability of other Group companies to continue in operation and provide supply for onward sales. The principal risks and uncertainties for these other Group companies are included in the Anglo American Platinum Limited Group financial statements (see Note 27 for details).

The Company's risk profile stabilised in 2021 as the impact of the Covid-19 pandemic on the Company's operations receded. The outlook for global auto production remains highly uncertain given ongoing shortages of semiconductors and other supply-chain issues likely to persist until later in 2022. Significant uncertainty remains over the potential for disruptions to global demand or supply of PGMs relating to the Russian invasion of Ukraine commencing in February 2022. The IMF expects a 4.4% expansion in global GDP in 2022.

Credit risk

The Company's principal financial assets are cash and cash equivalents, trade and other receivables and derivative financial assets. The Company's credit risk is primarily attributable to its trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for current observable data. The credit risk on cash and cash equivalents is limited because the counterparties are either banks, with high credit-ratings assigned by international credit rating agencies, or Anglo American Capital plc, which is part of the Anglo American plc group of companies.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Principal risks and uncertainties and financial risk management (continued)

Price risk

The Company is exposed to commodity price risk via its sales and purchases contracts, as well as its inventory holdings. Price risk is managed by the Company's sales team actively monitoring the markets in which it operates and entering into floating price sale and purchase contracts, derivatives using futures and swap contracts and through constant monitoring of the markets in which it operates. The use of financial derivatives is governed by the Anglo American Group's (the "Group") policies, which stipulate the principles applicable to the use of financial derivatives to manage price risk.

Liquidity risk

The Company maintains sufficient cash and cash equivalents and internally generated cash flows to finance its activities.

Key performance indicators

The key performance indicators for the Company are revenue and volume of Platinum Group Metals shipped and the operating margin. These were as follows:

	2021	2020 Restated ⁽¹⁾
Revenue (\$'000)	13,490,510	6,053,192
Volume of Platinum Group Metals sold (million ounces)	5.7	3.8
Operating profit margin (%)	4.0%	4.5%

⁽¹⁾ See Note 2 to the financial statements.

The Platinum Group Metals consist of platinum, palladium, rhodium, iridium, ruthenium and osmium.

Section 172 statement

The Anglo Platinum Marketing Limited Board ("the Board") is cognisant of its legal duty to act in good faith and to promote the success of the Company for the benefit of its shareholder and with regard to the interests of a broad range of stakeholders. These include the likely consequences of any decisions we make over different time horizons; the need to foster the relationships we have with all our stakeholders; the interests of our employees; the impact our operations have on the environment and local communities; and the desire to maintain a reputation for high standards of business conduct. New directors appointed to the Board in 2021 received tailored, individual briefings on these duties, and the Board received updates in 2021.

As a part of a major global mining company, the Board understands that our wide range of stakeholders is integral to the sustainability of our business, underpinning our licence to operate. In addition, the Board is conscious that expectations around our performance and contribution to society- from local to global – are both diverse and continuously evolving.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Section 172 statement (continued)

By listening to, understanding and engaging with our stakeholders, the Board endeavours to live up to their expectations, by staying true to the Purpose, acting in accordance with our Values, and delivering our strategy.

Our Purpose and Values

The Board recognises the role of the Company's business in society and within the Anglo American Group ("the Group"). The Group's Purpose is summarised as 'to re-imagine mining to improve people's lives', and the Company is focused on contributing to the achievement of that purpose.

The Group's Values: Safety; Care and Respect; Integrity; Accountability; Collaboration; and Innovation guide our behaviour and shape our culture, and are fundamental to creating enduring benefit for all our employees, shareholders, and stakeholders in a way that demonstrably improves people's lives.

Engaging our stakeholders

Healthy stakeholder relationships help us to better communicate how our business decisions, activities and performance are likely to affect or be of significant interest to our stakeholders, and provide the opportunity to co-create effective and lasting solutions to business and other challenges.

In addition to our shareholder, the Company's stakeholders include our governments, employees, customers, business partners, multinational organisations, industry peers, broader civil society, trade associations and suppliers.

Long Term Decision Making

The Board took a range of factors and stakeholder considerations into account when making decisions in the year. Decisions are made within the context of the long term factors that may impact the Company and its stakeholders.

Understanding our employees and helping our people thrive

The Company knows that our people are critical to everything we do. We create safe, inclusive and diverse working environments that encourage and support high performance and innovative thinking. The Company acknowledges that to get the best from our people, there is a need to understand their viewpoints and address any concerns that may be raised.

To deliver on our strategic business objectives, we rely on a capable and engaged workforce that behaves ethically and responsibly, consistent with Anglo American's Values and Code of Conduct- essential for us to maintain our social licence to operate. We aim to foster a purpose-led high performance, inclusive culture, through an organisational structure that is fit for purpose, resourcing this structure by attracting and retaining the best talent and empowering leadership to deliver the desired outcomes.

ANGLO PLATINUM MARKETING LIMITED

STRATEGIC REPORT

For the financial year ended 31 December 2021

Section 172 statement (continued)

Understanding our employees and helping our people thrive (continued)

As the Company considers workforce engagement to be a priority for every leader at Anglo American, regular surveys are run to identify areas that more must be done to ensure colleagues feel cared for and respected. The Group has established a Global Workforce Advisory Panel made up of 12 employee representatives and chaired by a senior independent director, with the intention of giving employees more of a voice in the boardroom so that their views can be better understood and considered when decisions are being made about the future of the business.

The Group's pandemic efforts are part of a global lives and livelihoods support programme, introduced in 2020 called WeCare. The primary goal is to minimise the risk of transmission in the workplace and to provide employees with the medical care and treatment they need, should they contract the virus.

Relationships with Suppliers and Customers

The Company engages with suppliers through several channels, in line with the Group's sustainable and responsible supplier programme. The Company also engages with customers through direct personal engagements and via business and industry forums.

This report was approved by the Board of Directors and signed by its order by:

DocuSigned by:

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Christopher Howard
Director
16 September 2022

ANGLO PLATINUM MARKETING LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2021

The directors present their annual report on the affairs of the Company together with the audited financial statements and auditors' report for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

ANGLO PLATINUM MARKETING LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2021

Results and dividends

The profit after tax for the year is \$472,159,000 (2020: \$244,683,000).

Interim dividends of \$195,000,000 were declared and paid in 2021 (2020: \$86,000,000). No final dividends have been declared.

On 7 March 2022, an interim dividend of \$150,000,000 (\$37.49 per share) was approved by the Board of Directors of the Company. The interim dividend was subsequently paid out on 29 March 2022.

These financial statements do not reflect these dividends, which will be accounted for in shareholder's equity as a distribution of retained earnings in the financial year ending 31 December 2022.

Directors

The directors of the Company who were in office during the year and, except as shown, up to the date of signing the financial statements were:

B G C Oeyen
D L Christianson (Resigned 31 March 2021)
C Howard (Appointed 31 March 2021)
C W Miller
H A Hansen
H C Ingram
H P Tanner (Resigned 30 June 2021)
J Eastwood
N Viljoen
P G Whitcutt

Going concern

The directors have considered the Company's cash flow forecasts for the period to the end of 2023. This included assessing the impact of uncertainty due to Covid-19 on the wider macro-economic environment, Anglo American's commodity production, demand for the Company's products and realised prices.

In all of the scenarios modelled, the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions. The Board is satisfied that the Company's forecasts and projections, taking account of modelled changes in trading performance, show that the Company will be able to remain in operation for the period assessed. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements.

ANGLO PLATINUM MARKETING LIMITED

DIRECTORS' REPORT

For the financial year ended 31 December 2021

Principal risks and uncertainties

The financial risk management policies of the Company are disclosed in the Strategic Report.

Political Donations

The Company made no political donations during the year (2020: \$nil).

Disabled employees

The Company's policy is that people with disabilities should have full and fair consideration for all vacancies. Employment of disabled people is considered on merit and with regard only to the ability of any applicant to carry out the role. The Company endeavours to retain the employment of, and arrange suitable retraining for, any employees in the workforce who become disabled during their employment. Where possible the Company will adjust a person's working environment to enable them to stay in employment.

Directors' interests

The directors did not have any interests in the share capital of the Company or of the immediate parent company during the year. The directors did not have any material interests during the year in a contract which is significant in relation to the Company's business.

Independent Auditors

At the 2021 Annual General Meeting of Anglo American plc, the Company's ultimate parent company, PricewaterhouseCoopers LLP ("PwC") were reappointed as external auditors to the Group. Under section 487(2) of the Companies Act 2006, PwC will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

Approved by the Board of Directors and signed on its behalf by:

DocuSigned by:

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Christopher Howard
Director
16 September 2022



Independent auditors' report to the members of Anglo Platinum Marketing Limited

Report on the audit of the financial statements

Opinion

In our opinion, Anglo Platinum Marketing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2021; the Income Statement; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and applicable tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias included within significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Understanding and evaluating the design and implementation of controls designed to prevent and detect irregularities and fraud;
- Inquiry of management, Internal Audit and the Company's legal advisors regarding their consideration of known or suspected instances of non-compliance with laws and regulations and fraud;



- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Challenging assumptions and judgements made by management in respect of critical accounting judgements and significant accounting estimates, and assessing these judgements and estimates for management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads 'Mark King'.

Mark King (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 September 2022

ANGLO PLATINUM MARKETING LIMITED**INCOME STATEMENT***For the financial year ended 31 December 2021*

	Note	2021 US\$'000	2020 US\$'000 Restated*
Revenue	3	13,490,510	6,053,192
Cost of sales		<u>(12,933,560)</u>	<u>(5,767,740)</u>
Gross profit		556,950	285,452
Administrative expenses		(18,112)	(11,585)
Other operating income		<u>864</u>	<u>471</u>
Operating profit	5	539,702	274,338
Other income	6	16,442	2,511
Other expenses	7	(5,316)	(2,846)
Finance costs	8	(651)	(379)
Finance income	9	<u>3,073</u>	<u>7,325</u>
Profit before tax		553,250	280,949
Income tax expense	10	<u>(81,091)</u>	<u>(36,266)</u>
Profit for the financial year		<u>472,159</u>	<u>244,683</u>

Revenue and operating profits are all derived from continuing operations in the United Kingdom and Singapore.

* The comparative information is restated to conform to the current year's presentation. Refer to Note 2 to the financial statements for details.

The accompanying notes form an integral part of these financial statements.

ANGLO PLATINUM MARKETING LIMITED**STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 31 December 2021*

	Note	2021 US\$'000	2020 US\$'000
Profit for the financial year		472,159	244,683
Items that will not be reclassified to profit or loss:			
Revaluation (loss)/gain on investment in equity instruments, net of tax	13	(39,455)	59,627
Other comprehensive (expense)/income for the year, net of tax		(39,455)	59,627
Total comprehensive income for year attributable to the owners of the Company		432,704	304,310

The accompanying notes form an integral part of these financial statements.

ANGLO PLATINUM MARKETING LIMITED**BALANCE SHEET***As at 31 December 2021*

	Note	2021 US\$'000	2020 US\$'000
Non-current assets			
Investment in associates and joint ventures	12	36,902	29,525
Financial asset investments	13	82,163	97,619
Total non-current assets		119,065	127,144
Current assets			
Inventories	14	521,750	390,829
Trade and other receivables	15	144,602	132,177
Other financial assets	16	46,644	151,412
Cash and cash equivalents	17	1,890,843	1,161,858
Current tax assets		12,135	-
Total current assets		2,615,974	1,836,276
Total assets		2,735,039	1,963,420
Current liabilities			
Trade and other payables	18	(390,985)	(241,804)
Other financial liabilities	19	(11,541)	(16,200)
Contract liabilities	20	(1,644,993)	(1,262,555)
Current tax liabilities		(9,464)	(213)
Total current liabilities		(2,056,983)	(1,520,772)
Net current assets		558,991	315,504
Total assets less current liabilities		678,056	442,648
Non-current liabilities			
Deferred tax liabilities	21	(12,033)	(15,494)
Total non-current liabilities		(12,033)	(15,494)
Total liabilities		(2,069,016)	(1,536,266)
Net assets		666,023	427,154
Equity			
Called up share capital	22	4,001	4,001
Share premium account		96,019	96,019
Revaluation reserve	23	36,208	75,663
Capital contribution reserve	24	6,446	5,281
Retained earnings		523,349	246,190
Total equity		666,023	427,154

These financial statements on pages 15 to 50 of Anglo Platinum Marketing Limited, registered number 06726161 were approved by the board of directors and authorised for issue on 16 September 2022. Signed on behalf of the Board of Directors by:

DocuSigned by:

 CE2F5A1E65134AC
 Christopher Howard
 Director

The accompanying notes form an integral part of these financial statements.

ANGLO PLATINUM MARKETING LIMITED

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Note	Called up Share capital US\$'000	Share premium account US\$'000	Capital contribution reserve US\$'000	Revaluation reserve US\$'000	Retained earnings US\$'000	Total US\$'000
At 1 January 2020		4,001	96,019	5,047	22,647	80,896	208,610
Profit for the financial year		-	-	-	-	244,683	244,683
Transfer of reserve upon disposal of investments		-	-	-	(6,611)	6,611	-
Other comprehensive income for the year		-	-	-	59,627	-	59,627
		-	-	-	53,016	251,294	304,310
Transaction with owners, recognised directly in equity							
- Dividends	11	-	-	-	-	(86,000)	(86,000)
- Equity settled share-based payments	4	-	-	234	-	-	234
At 31 December 2020		4,001	96,019	5,281	75,663	246,190	427,154
Profit for the financial year		-	-	-	-	472,159	472,159
Other comprehensive expense for the year		-	-	-	(39,455)	-	(39,455)
		-	-	-	(39,455)	472,159	432,704
Transaction with owners, recognised directly in equity							
- Dividends	11	-	-	-	-	(195,000)	(195,000)
- Equity settled share-based payments	4	-	-	1,165	-	-	1,165
At 31 December 2021		4,001	96,019	6,446	36,208	523,349	666,023

The accompanying notes form an integral part of these financial statements.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

1. General information

Anglo Platinum Marketing Limited is a private Company limited by shares incorporated in the United Kingdom and registered in England and Wales. The nature of the Company's operations and principal activities is set out in the strategic report. The address of the registered office is given on the Company information page. The Company operates principally in the United Kingdom and through its registered branch in Singapore.

These financial statements are presented in United States dollars to align with other marketing entities within the Anglo American plc group of companies.

The Company is exempt, by virtue of section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements because it is included in the group financial statements of Anglo American Platinum Limited. The group financial statements of Anglo American Platinum Limited are available to the public and can be obtained as set out in Note 27.

2. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding year except where stated otherwise.

Basis of preparation

The financial statements have been prepared in accordance with the requirements of Financial Reporting Standards 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The financial statements have been prepared on the historical cost basis, as modified for the revaluation of financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, share-based payments transactions that are within the scope of IFRS 2 Share-based payment and measurements that have some similarities to fair value such as net realisable value in IAS 2 Inventories as explained in the accounting policies below, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies (see below).

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

The company has taken advantage of the following disclosure exemptions under FRS 101: (continued)

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The Company may take FRS 101 exemptions as it is a member of a group where the parent prepares publicly available consolidated financial statements which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss and the Company is included in that consolidation.

Adoption of new and revised Standards

On 1 January 2021, the Company has adopted all the new and revised IFRSs and new Interpretations issued by the International Accounting Standards Board (IASB) that are effective from that date and are relevant to its operations. The adoption of these new/revised IFRS and new Interpretations does not result in changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior years.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Going concern

The directors have considered the Company's cash flow forecasts for the period to the end of 2023. This included assessing the impact of uncertainty due to Covid-19 on the wider macro-economic environment, Anglo American's commodity production, demand for the Company's products and realised prices.

In all of the scenarios modelled, the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions. The Board is satisfied that the Company's forecasts and projections, taking account of modelled changes in trading performance, show that the Company will be able to remain in operation for the period assessed. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements.

Functional and presentation currency

The financial statements of the Company are measured in the currency of the primary economic environment in which the Company operates (its functional currency). The functional currency of the Company to 31 December 2021 is South African rand, consistent with the functional currency of its immediate parent company, for which the Company has been concluded to act principally as an extension thereof. The presentation currency of the Company is the United States dollar. In the prior year financial statements, the functional currency of the Company was disclosed as the United States dollar. The impact of using South African rand as the functional currency of the Company is not materially different to that from using the United States dollar as the functional currency of the Company in the current or prior year. Taking this into account, there is no currency translation reserve recorded in the financial statements on the basis that it is not material. As a result of the growth of the Company's other activities, including metal leasing and trading operations, which further establishes the Company as an independent operating entity, the functional currency of the Company will be the United States dollar from 1 January 2022. All financial information presented in United States dollars has been rounded to the nearest thousand, unless otherwise stated.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***2. Accounting policies (continued)****Revenue recognition**

During the year the Company amended its accounting policy in respect of certain physically-settled contracts relating to the purchase and sale of material produced by third parties external to the Anglo American Group (third-party sales) and now presents the margin on these transactions on a net basis within revenue from other sources where the contracts form part of the Company's commodity trading activities. This is consistent with a change in accounting policy made by the Company's ultimate parent company, Anglo American plc. Judgement was applied to determine that the revised policy would provide more relevant information given the continued growth of the Company's trading activities.

Revenue and costs of sales for the year ended 31 December 2021 are both \$1,798 million lower than would have been reported under the Company's previous accounting policy, with no impact on gross profit or reported cash flows. The prior year comparative has been restated for this change in accounting policy. Revenue and costs of sales for the year ended 31 December 2020 have both reduced by \$1,861 million compared to the previously reported values, with no impact on gross profit or reported cash flows.

	2021 US\$'000	2020 US\$'000
Revenue under previous accounting policy	15,288,017	7,914,283
Impact of change in accounting policy	<u>(1,797,507)</u>	<u>(1,861,091)</u>
Revenue	<u>13,490,510</u>	<u>6,053,192</u>
Cost of sales under previous accounting policy	(14,731,067)	(7,628,831)
Impact of change in accounting policy	<u>1,797,507</u>	<u>1,861,091</u>
Cost of sales	<u>(12,933,560)</u>	<u>(5,767,740)</u>

Revenue from contracts with customers is recognised in a manner that depicts the pattern of the transfer of goods and services to customers. The amount recognised reflects the amount to which the Company expects to be entitled in exchange for those goods and services. Sales contracts are evaluated to determine the performance obligations, the transaction price and the point at which there is transfer of control. The transactional price is the amount of consideration due in exchange for transferring the promised goods or services to the customer, and is allocated against the performance obligations and recognised in accordance with whether control is recognised over a defined period or at a specific point in time. The Company's payment terms are generally consistent with market practice for the relevant commodity markets and hence sales contracts do not contain any significant financing components.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Revenue recognition (continued)

Revenue represents the net invoice value of goods and services provided in the normal course of business to third parties, related and associate companies after deducting any sales and goods and services taxes. Principal sales are recognised when control has been transferred to the customer.

Sales of certain commodities are provisionally priced such that the price is not settled until a predetermined future date, normally ranging from 30 to 120 days, based on movements in quoted markets or contractual prices up to the date of final pricing. Revenue on these sales is initially recognised (when the above criteria are met) at the current market price. These sales are marked to market at each reporting date using the forward price for the period equivalent to that outlined in the contract. Revenue on provisionally priced sales is recognised at the forward market price when control passes to the customer and is classified as revenue from contracts with customers. Subsequent mark-to-market adjustments are recognised in revenue from other sources in the income statement.

Physically-settled contracts relating to the purchase and sale of material produced by third parties (third-party sales) are presented on a net basis within revenue from other sources where these contracts are entered into and managed collectively to generate a trading margin and are accounted for as derivatives prior to settlement. The sale and purchase of third-party material to mitigate shortfalls in the Anglo American Group's own production are shown on a gross basis with sales reported within revenue from contracts with customers as such contracts are used to maintain customer relationships and fulfil physical sale commitments rather than to generate a trading margin.

Commodity based (own use) contracts that meet the scope exemption in IFRS 9 are recognised in earnings when they are settled by physical delivery and revenue from these contracts are shown as revenue from contracts with customers. Commodity contracts which do not meet the own use criteria are accounted for as derivatives prior to settlement and the related fair value gains and losses are shown as revenue from other sources.

Revenue from services is recognised over time in line with the policy above. When the Company acts in the capacity of an agent, the revenue recognised is the net amount of commission earned. Revenue from intracompany transfer pricing adjustments is recognised in accordance with approved transfer pricing arrangements.

Finance income

Finance income comprises interest income on deposits with a related company and bank interest received. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Defined contribution pension schemes

Amounts paid in respect of defined contribution pension schemes are recognised in the income statement in accordance with International Accounting Standard 19 "Employee benefits". There are no defined benefit schemes.

Share-based payments

Certain Company employees participate in share-based payment arrangements operated by the Group and settled in the shares of the ultimate parent company, Anglo American plc. These are accounted for as equity settled share-based payments and are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo method at the grant date. The fair value of share awards issued with non-market vesting conditions has been calculated using the Black Scholes model. For all other share schemes with non-market related vesting conditions, the likelihood of vesting has been taken into account when determining the relevant charge. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations.

Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Probable taxable profits are based on evidence of historical profitability and taxable profit forecasts limited by reference to the criteria set out in IAS 12 Income Taxes. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on a non-discounted basis.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to other comprehensive income, in which case the tax is also recognised outside profit or loss (directly in other comprehensive income).

Investments in associates

An associate is an investment over which the Company has significant influence, which is the power to participate in the financial and operating policy decisions of the investee, but without the ability to exercise control or joint control.

In accordance with IAS 27 Separate Financial Statements, investments in associates are stated in the Company's balance sheet at cost less accumulated impairment loss. The carrying values of associates are reviewed on a regular basis and if there is objective evidence that an impairment in value has occurred as a result of one or more events during the period, the investment is impaired.

Investment in joint arrangements

Under IFRS 11, joint arrangements are arrangements in which the Company shares joint control with one or more parties. Joint control is the contractually agreed sharing of control of an arrangement, and exists only when decisions about the activities that significantly affect the arrangement's returns require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

In accordance with IAS 27, investments in joint ventures are accounted for at cost less accumulated impairment loss. The carrying values of joint ventures are reviewed on a regular basis and if there is objective evidence that an impairment in value has occurred as a result of one or more events during the period, the investment is impaired.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Inventories

Inventories of refined metals, which were purchased as refined metals, are valued at the lower of average cost and net realisable value, except for inventory held by commodity broker-traders which is measured at fair value less costs to sell and are disclosed separately to the extent that they are material.

Inventories of refined metals and work in progress, which were purchased in concentrates, are valued at the lower of average cost, and net realisable value. The cost per ounce or tonne is determined as follows:

- Platinum, palladium, rhodium and nickel are treated as joint products and are measured by dividing the output into total cost, determined on a 6-month rolling average basis, less net revenue from sales of other metals, in the ratio of the contribution of these metals to net revenue.
- Gold and copper are valued at 100% of net realisable value.
- Iridium and ruthenium are valued at 50% of net realisable value.
- Cobalt and osmium are not valued.

Following recent, prolonged changes in the price environment for platinum group metals, the metal inventory valuation model was reassessed and amended. The most significant amendment relates to the valuation of concentrate purchased from a related party. This material is now valued using a six-month rolling average cost, which is more closely aligned to the number of months stock on hand, including stock within the production process, than the twelve-month rolling average used in previous periods. This change in accounting estimate had the effect of decreasing the valuation of inventory at 31 December 2021 by \$92,000,000 with a corresponding increase in operating costs.

Impairment of assets

At each reporting date, a review for the potential impairment of an asset is carried out to determine if circumstances indicate that the carrying amount of the asset may not be recoverable. Such impairment reviews are performed in accordance with IAS 36, "Impairments of assets". Impairments thus arising are reported in the income statement.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

The Company's financial assets are classified into the following measurement categories: debt instruments at amortised cost, equity instruments designated at fair value through other comprehensive income (OCI), and debt instruments, derivatives and equity instruments at fair value through profit and loss. Financial assets are classified as at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at fair value through other comprehensive income

Investments, other than investments in associates and joint ventures, are financial asset investments and are initially recognised at fair value. Other investments are classified at fair value through OCI and subsequently measured at fair value.

The Company has elected to measure equity instruments, at fair value through OCI as this better reflects the strategic nature of the Company's equity investments.

For equity instruments at fair value through OCI, changes in fair value, including those related to foreign exchange, are recognised in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss.

Financial assets at amortised cost and effective interest method

Under IFRS 9, trade and other receivables (except those relating to provisionally priced sales) and cash and cash equivalents are classified as financial assets at amortised cost. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, the financial assets (including trade and other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest rate method, less any identified impairment losses.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the financial instrument, or where appropriate, a shorter period.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at amortised cost and effective interest method (continued)

Cash and cash equivalents comprise cash at bank and cash on demand deposits with a Group company and cash balances in a margin facility that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. The cash held in the margin facility is considered to be restricted as it is required to cover initial margin on trading exchanges.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") are measured at FVTPL. Specifically, debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any interest earned on the financial asset and is included in profit or loss.

Impairment of financial assets

Financial assets not measured at fair value through profit or loss or fair value through other comprehensive income are assessed at each reporting period date to determine whether there is any objective evidence that it is impaired. The Company assesses on a forward looking basis the expected credit losses, as the difference between the contractual cash flows and the cash flows that are expected to be received, associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Losses are recognised in the income statement. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Company derecognises a financial asset only when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to on-pay them in full without material delay has been assumed or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the income statement.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified and accounted for as financial liabilities or equity instruments according to the substance of the contractual arrangements entered into and the definition of a financial liability and an equity instrument.

Trade and other payables

Trade and other payables are not initially measured at their fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

Contract liabilities

The Company receives payments in advance for metals to be delivered at a future date, which for accounting purposes are treated in accordance with their substance as revenue received in advance. The recognition of revenue is deferred until the significant risks and rewards of ownership have passed to the customer upon delivery six months after each individual contract has been entered into. Payment received in advance for the transactions will be recognised as contract liabilities on the balance sheet. Once the metals are delivered in six months' time, the contract liabilities are reduced and revenue is recorded in the income statement at the relevant market price prevailing at that stage.

Metal trading activities

The Company enters into lending, leasing and borrowing activities for supply risk management purposes.

Lending

Where the Company enters into commodity sale or purchase agreements in the course of its commodity trading activities in which the seller has a right to repurchase, consideration is given to whether the risks and rewards of ownership have been transferred as a result of the sale. This assessment is made with reference to the criteria in IFRS 9 Financial Instruments. Key considerations in this assessment include whether the purchaser has a practical ability to use the commodity and whether price risk has been transferred.

Where risks and rewards have been transferred, the sale or purchase contract is accounted for separately from the repurchase obligation (which is recorded as a derivative financial instrument). In these circumstances revenue relating to the sales contract is presented net of related costs within revenue from other sources. Where risks and rewards have not been transferred or the arrangements do not relate to the Company's commodity trading activities, any consideration received or paid is recorded as a liability or asset as appropriate and no adjustment is made to revenue or inventory.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Metal trading activities (continued)

Leasing

When metal is leased in accordance with the trading activities of the Company, a liability is recognised for the return of metal. This liability comprises a payable and is measured at the fair value of the physical metal to be delivered to the counterparty. Fair value gains and losses arising on the remeasurement of the liability are included in profit or loss. Upon the sale of such leased metal, cost of sales is initially recognised at the fair value of the metal on the leased in date. Upon settlement of the lease with own metal, a gain arises which is partly attributed to cost of sales to normalise the margin on the sale of the leased metal, with the remainder being recognised in profit or loss as a realisation of trading gains or losses. Lease costs are included in profit or loss.

Borrowing

When metal is borrowed in accordance with the trading activities of the Company, the substance of the transaction is that of a financing arrangement giving rise to an interest-bearing financial asset. This financial asset is classified as a loan and receivable and measured at amortised cost. Resultant interest is included in profit or loss. Upon sale of borrowed metal, a liability is recognised for the return of metal. This liability comprises a payable and is measured at the fair value of the physical metal to be delivered to the counterparty to the borrowing. The cost of sales for the sale of borrowed metal amounts to the fair value of the metal on the date of sale. Fair value gains and losses arising on the remeasurement of the liability are included in profit or loss. Upon settlement of the borrowing with own metal, a gain arises which is partly attributed to cost of sales in order to normalise the margin on the sale of the borrowed metal, with the remainder being recognised in profit or loss as a realisation of trading gains or losses.

Derivative financial instruments

The Company enters into derivative instruments for price risk management and trading purposes. Derivative contracts are financial instruments such as swaps, futures and options contracts.

Non "own-use" forward and derivative contracts are measured by reference to market prices at the year end. The resulting unrealised losses, excluding contracts within any margining facilities are recorded as 'Derivative financial liabilities' in payables and unrealised profits are recorded as 'Derivative financial assets' in receivables.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

2. Accounting policies (continued)

Financial instruments (continued)

Derivative financial instruments (continued)

Changes in the assets and liabilities from these activities arising in the current period (resulting primarily from newly originated transactions and the impact of price movements on existing transactions) are recognised in the income statement as revenue. The market prices used to value these transactions take into account various factors including published forward prices.

Commodity-based (own-use) contracts that meet the scope exemption in IFRS 9 are recognised in the income statement when they are settled by physical delivery.

Derivatives are classified as current or non-current depending on the contractual maturity of the derivative. Changes in the fair value of any derivative instruments that are not designated in a hedge relationship are recognised immediately in the income statement.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with the International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Revenue Recognition

Sales of certain commodities are provisionally priced such that the price is not settled until a predetermined future date, normally ranging from 30 to 120 days, based on movements in quoted markets or contractual prices up to the date of final pricing. As is customary in the industry, provisionally priced sales are based on estimates of the consideration receivable at each reporting date using the forward price for the period equivalent to that outlined in the contract. This is based on the market forward price which may vary depending on the volatility in the market. This adjustment is recorded in the income statement.

Allowance for inventories

In determining the net realisable value of the inventories, an estimation of the recoverable amount of inventories on hand is performed by management based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration the fluctuations of price or cost, or any inventories on hand that may not be realised, as a result of events occurring after the end of the financial year to the extent that such events confirm conditions existing at the year end. The carrying amount of inventories as at the year-end is disclosed in Note 14 to the financial statements.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***2. Accounting policies (continued)****Critical accounting judgements and key sources of estimation uncertainty**
(continued)***Fair value of financial instruments***

Certain of the Company's financial instruments, principally derivatives, are required to be measured on the balance sheet at fair value. Where a quoted market price for an identical instrument is not available, a valuation model is used to estimate the fair value based on the net present value of the expected cash flows under the contract. Valuation assumptions are usually based on observable market data (for example commodity price curves) where available and are expected to change in future periods in response to changing market prices for the underlying commodities.

3. Revenue

	2021 US\$'000	2020 US\$'000 Restated*
Revenue from contracts with customers	13,436,096	6,031,279
Revenue from other sources	54,414	21,913
	<u>13,490,510</u>	<u>6,053,192</u>

Revenue from other sources consist of net trading income relating to trading and hedging activities.

Disaggregation of revenue from contracts with customers:

	2021 US\$'000	2020 US\$'000 Restated*
Sale of commodities		
Revenue by destination		
Asia	6,593,841	3,420,266
Europe	5,913,604	2,229,124
Americas	924,863	376,338
Rest of world	3,788	5,551
	<u>13,436,096</u>	<u>6,031,279</u>

* The comparative information is restated to conform to the current year's presentation. Refer to Note 2 for details.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***3. Revenue (continued)**

Disaggregation of revenue from contracts with customers (continued):

	2021 US\$'000	2020 US\$'000 Restated*
Sale of commodities		
Revenue by class		
Platinum Group Metals	12,726,540	5,569,886
Gold	190,317	150,938
Other Metals	519,239	310,455
	13,436,096	6,031,279

* The comparative information is restated to conform to the current year's presentation. Refer to Note 2 for details.

4. Staff costs

The average number of employees (including directors, excluding contractors) during the year was 15 (2020: 18).

	2021 US\$'000	2020 US\$'000
Staff costs for the above persons were as follows:		
Wages and salaries	7,569	5,513
Social security costs	1,048	733
Other pension costs	501	422
Share-based payment costs	1,165	234
Directors' emoluments were as follows:		
Aggregate emoluments	1,586	1,228
Share-based payment	363	659
Contributions to defined contribution pension scheme	108	99

For the year ended 31 December 2021, there were two (2020: two) directors paid in respect of their services to the Company. The other directors are remunerated by their respective employing Company within the Anglo American Group of companies.

The highest paid director of the Company received emoluments of \$863,000 (2020: \$712,000, share-based payment of \$195,000 (2020: \$337,000) and contributions to a defined contribution pension scheme of \$62,000 (2020: \$56,000). During the year ended 31 December 2021 and 31 December 2020, no director exercised share options.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***4. Staff costs (continued)**

For the year ended 31 December 2021, there were two (2020: two) directors who were members of a defined contribution pension scheme to which the Company contributed.

5. Operating profit

	2021 US\$'000	2020 US\$'000
Operating profit is stated after charging/ (crediting):		
Audit fees	243	117
Impairment losses on trade and other receivables	367	246
Loss/(gain) on foreign currency translation	333	(10,353)
	<u>333</u>	<u>(10,353)</u>

Fees paid to the Company's auditor, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's accounts since the consolidated accounts of the Company's ultimate parent company, Anglo American Plc, are required to disclose non-audit fees on a consolidated basis.

6. Other income

	2021 US\$'000	2020 US\$'000
Dividend income from equity investments	12,206	2,511
Reversal of impairment in joint venture (Note 12)	1,575	-
Proceeds from insurance	2,506	-
Tax incentives	155	-
	<u>16,442</u>	<u>2,511</u>

7. Other expenses

	2021 US\$'000	2020 US\$'000
Impairment of associate (Note 12)	(645)	(2,846)
Loss upon dilution of shareholding in AP Venture Fund II LLP	(4,671)	-
	<u>(5,316)</u>	<u>(2,846)</u>

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***8. Finance costs**

	2021 US\$'000	2020 US\$'000
Bank interest and charges	111	180
Guarantee fee and charges with Group company	494	188
Interest expense on trade receivables	46	11
	<u>651</u>	<u>379</u>

As part of the terms of the parental guarantees provided by Anglo American Platinum Limited (AAPL) on behalf of the Company, the beneficiaries have a guarantee value of \$350,000,000.

9. Finance income

	2021 US\$'000	2020 US\$'000
Interest income from related company	2,999	7,094
Interest income from trade receivables	–	91
Interest income from bank	74	140
	<u>3,073</u>	<u>7,325</u>

10. Income tax expense**(a) Analysis of charge for the year**

	2021 US\$'000	2020 US\$'000
Current tax		
Foreign tax	9,658	5,089
UK current tax on profits for the year	69,280	32,366
UK tax adjustment in respect of prior years	2,165	(1,171)
Other	–	(15)
Tax on profit	<u>81,103</u>	<u>36,269</u>
Deferred tax		
Current year	(12)	7
Prior years	–	(10)
	<u>(12)</u>	<u>(3)</u>
Total tax per income statement	<u>81,091</u>	<u>36,266</u>

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***10. Income tax expense (continued)****(b) Numerical reconciliation of income tax expense**

	2021	2020
	US\$'000	US\$'000
Profit before tax	553,250	280,949
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	105,118	53,380
Effects of:		
Expenses not deductible for tax purposes	342	437
Income not taxable for tax purpose	(1,627)	(477)
Foreign tax	9,658	5,088
Current tax - prior year adjustment	2,165	(1,171)
Deferred tax - prior year adjustment	-	(10)
Effect of changes in tax rates	(4)	(1)
Overseas amounts exempt from UK tax	(34,561)	(20,965)
Other	-	(15)
	81,091	36,266

(c) Factors affecting tax charge for the year

The Finance (No. 2) Act 2015 reduced the standard rate of corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020, however, legislation in the Finance Act 2020, enacted in July 2020, repealed this reduction. The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Act 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances at 31 December 2021. Deferred tax has been measured at the rate it is expected to reverse.

11. Dividends

	2021	2020
	US\$'000	US\$'000
Interim dividends declared and paid of \$48.74 per share (2020: \$21.49 per share)	195,000	86,000

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***12. Investment in associates and joint ventures**

	2021	2020
	US\$'000	US\$'000
Investments in associates	–	86
Investments in joint ventures	36,902	29,439
	36,902	29,525
(a) Associates		
	2021	2020
	US\$'000	US\$'000
Cost		
At 1 January	18,432	15,500
Additions	559	2,932
At 31 December	18,991	18,432
Provision for impairment		
At 1 January	(18,346)	(15,500)
Impairments	(645)	(2,846)
At 31 December	(18,991)	(18,346)
Total carrying amount		
At 31 December	–	86

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***12. Investment in associates and joint ventures (continued)****(a) Associates (continued)**

Details of the Company's associates are as follows:

<u>Name</u>	<u>Place of incorporation (or registration) and operation</u>	<u>Registered address</u>	<u>Proportion of ownership interest %</u>	<u>Proportion of voting power held %</u>
Primus Power Corporation	California/Delaware, United States	3967 Trust Way, Hayward, CA, 94545 United States	17.98	20.00
Lion Battery Technologies Inc	Canada	Suite 2600, Three Bentall Centre 595 Burrard Street P.O. Box 49314 Vancouver BC V7X 1L3 Canada	46.30	33.33
Suzhou Yibai Environmental Protection Technologies Co., Ltd	China	No. 558, Fenhua Avenue, Lili Town, Wujiang District, Suzhou, PRC	15.88	33.33
Furuya Eco-Front Technology Co., Ltd	Japan	2-37-5 Minami Otsuka, Toshima-ku, Tokyo 170-0005 Japan	40.00	40.00
WPIC Holdings (Pty) Ltd (WPIC)	South Africa	5 Hollard Street Johannesburg, 1627 South Africa	53.70	54.80

The investments in associates are all stated at cost less provision for impairment. In the year ended 31 December 2021 an impairment of \$645,000 was recognised (2020: \$2,846,000).

The Company does not have control over WPIC Holdings (Pty) Ltd ("WPIC") as it cannot act unilaterally to control decisions over the activities of WPIC. Hence, WPIC is classified as an investment an associate rather than an investment in a subsidiary company.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***12. Investment in associates and joint ventures (continued)****(b) Joint ventures**

	2021	2020
	US\$'000	US\$'000
Cost		
At 1 January	31,014	26,097
Additions	20,528	4,917
Dilution of shareholdings in AP Ventures Fund II LLP	(14,640)	–
At 31 December	<u>36,902</u>	<u>31,014</u>
Provision for impairment		
At 1 January	(1,575)	(1,575)
Reversal of impairment	1,575	–
At 31 December	<u>–</u>	<u>(1,575)</u>
Total carrying amount		
At 31 December	<u>36,902</u>	<u>29,439</u>

The Company's joint venture is as follows:

<u>Name</u>	<u>Place of incorporation (or registration) and operation</u>	<u>Registered address</u>	<u>Proportion of ownership interest</u> %	<u>Proportion of voting power held</u> %
AP Ventures Fund I LLP	United Kingdom	16 Littleworth Lane, Esher, Surrey, United Kingdom, KT10 9PF	49.5	49.5

In 2018, the Company subscribed for interests in two UK based venture capital funds under AP Ventures LLP; AP Ventures Fund I LLP and AP Ventures Fund II LLP ("Fund II"). AP Ventures Fund I LLP is closed to other investors with the Company and the Public Investment Corporation of South Africa holding equal ownership interests of 49.5% each and 1% held by General Partners, who have power and authority over AP Ventures LLP. AP Ventures LLP is a legally separate entity from the Limited Partners.

During the year, other investors made larger contributions to Fund II than the Company, which resulted in a dilution of the Company's shareholding in Fund II and the effective disposal of the Company's investment in the joint venture. The Company's remaining investment in Fund II was recognised as an equity investment irrevocably designated as fair value through other comprehensive income (Note 13).

The investments in joint ventures are all stated at cost less provision for impairment. In 2018, a provision for impairment amounting to \$1,575,000 was recognised against the Company's investment in AP Ventures Fund I LLP, which was taken up in view of lower internal valuations. During 2021, this impairment of \$1,575,000 was reversed in full due to an improvement in the performance of the fund.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***13. Financial asset investments**

Details of the Company's financial asset investments are as follows:

	2021 US\$'000	2020 US\$'000
Equity instruments designated at fair value through other comprehensive income		
Investment in quoted equity instruments	52,386	97,597
Investment in unquoted equity instruments	29,777	22
	82,163	97,619
(a) Investment in quoted equity instruments		
	2021 US\$'000	2020 US\$'000
At 1 January	97,597	34,190
Disposal	–	(9,019)
Fair value (losses)/gains	(45,211)	72,426
At 31 December	52,386	97,597
(b) Investment in unquoted equity instruments		
	2021 US\$'000	2020 US\$'000
At 1 January	22	–
Additions	17,329	389
Transfer from investments in joint venture	9,969	–
Fair value gains/(losses)	2,307	(389)
Effect of foreign currency translation	150	22
At 31 December	29,777	22

The financial reporting standard on financial instruments require that all investments in unquoted equities be measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Fair value losses recognised in other comprehensive income, net of tax, for the financial year amounted to \$39,455,000 (2020 fair value gains: \$59,627,000). During 2020, the Company disposed listed equity securities which had a fair value of \$9,019,000 at the date of disposal, and the cumulative gain on disposal amounted to \$6,611,000, net of tax. The cumulative gain on disposal was reclassified from the fair value reserve to retained earnings.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***13. Financial asset investments (continued)**

The Company had the following investments as at 31 December 2021.

<u>Name</u>	<u>Equity type</u>	<u>Registered address</u>	<u>Proportion of ownership interest</u> %	<u>Proportion of voting power held</u> %
Ballard Power Systems Inc.	Quoted	Suite 1700, 666 Burrard Street, Vancouver, British Columbia, Canada V6C 2X8	1.40	1.40
Alloyed Limited	Unquoted	Unit 15 Oxford Industrial Park, Mead Road, Yarnton, Oxfordshire, United Kingdom, OX5 1QU	9.57	12.50
AP Venture Fund II LLP	Unquoted	16 Littleworth Lane, Esher, Surrey, United Kingdom, KT10 9PF	19.24	19.24

14. Inventories

	2021 US\$'000	2020 US\$'000
Raw materials and consumables	127,169	5,010
Work in progress	165,672	173,894
Finished goods and goods for resale	228,909	211,925
	<u>521,750</u>	<u>390,829</u>

Inventories include \$135,000 (2020: \$37,614,000) of inventory held at fair value under the broker-trader exemption established in IAS 2 Inventories.

The cost of inventories recognised as an expense and included in cost of sales amounted to \$12,869,341,000 (2020 restated ⁽¹⁾: \$5,731,789,000).

⁽¹⁾ See Note 2 to the financial statements.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***15. Trade and other receivables**

Amounts expected within one year:

	2021 US\$'000	2020 US\$'000
Trade and other receivables at amortised costs		
Trade receivables	99,734	45,156
Prepayments and accrued income	175	1
Other receivables	515	87,020
	<u>100,424</u>	<u>132,177</u>
Trade and other receivables at fair value through profit and loss		
Receivables from provisionally priced purchase of concentrate	44,178	–
Total trade and other receivables	<u>144,602</u>	<u>132,177</u>

Trade receivables do not incur interest unless overdue and are measured at nominal value (with the exception of receivables related to provisionally priced sales as set out in the revenue recognition accounting policy, see Note 2).

The Company applies the simplified expected credit loss model for its trade receivables measured at amortised cost, as permitted by IFRS 9 Financial Instruments. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience and credit rating, adjusted as appropriate for current observable data.

Trade receivables are as follows:

	31 December 2021 US\$'000	2020 US\$'000	1 January 2020 US\$'000
<u>Current assets</u>			
Trade receivables	100,345	45,402	39,019
Less: loss allowance	(611)	(246)	–
	<u>99,734</u>	<u>45,156</u>	<u>39,019</u>

Of the year end trade receivables balance, there is a provision of expected credit loss of \$611,000 (2020: \$246,000) and \$1,920,000 (2020: \$1,396,000) were past due. The historical level of customer default is none and there is no current observable data to indicate a material future default. As a result, the credit quality of year end trade receivables is considered to be high.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***16. Other financial assets**

	2021 US\$'000	2020 US\$'000
Metal borrowing	–	140,000
Derivative financial assets	46,644	11,412
	46,644	151,412

17. Cash and cash equivalents

	2021 US\$'000	2020 US\$'000
Deposit with a related company	1,851,238	1,122,073
Cash at bank	38,009	37,271
Restricted cash	1,596	2,514
	1,890,843	1,161,858

The deposit with a related company is unsecured, repayable on demand and carries an interest rate of 0.01% (2020: 0.50%). This is classified as a cash equivalent. There was restricted cash of \$1,596,000 as at 31 December 2021 (2020: \$2,514,000), which is restricted as it is required to cover initial margin on trading exchanges.

18. Trade and other payables

	2021 US\$'000	2020 US\$'000
Trade and other payables at amortised cost		
Trade payables	3,098	3,720
Amounts owing to immediate parent company	322,968	86,508
Amounts owing to other related companies	38,583	16,225
Accruals	9,964	9,811
Other payables	16,372	4,492
	390,985	120,756
Trade and other payables at fair value through profit and loss		
Payable relating to purchase of concentrate	–	121,048
Total trade and other payables	390,985	241,804

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***18. Trade and other payables (continued)**

Amounts owing to other related companies are unsecured, non-interest bearing and repayable on demand. Amounts owing to the immediate parent company are unsecured, payable within 0 - 30 days (2020: 0 - 30 days) and carry interest of 1 month US dollar Libor plus 2% (2020: 1 month US dollar Libor plus 2%) charged on the outstanding balances.

19. Other financial liabilities

	2021 US\$'000	2020 US\$'000
Derivative financial liabilities	<u>11,541</u>	<u>16,200</u>

20. Contract liabilities

	2021 US\$'000	2020 US\$'000
At beginning of the year	1,262,555	667,078
Consideration received from customers during the year	4,089,225	2,916,719
Recognised as revenue	<u>(3,706,787)</u>	<u>(2,321,242)</u>
At end of the year	<u>1,644,993</u>	<u>1,262,555</u>
Revenue recognised in current year that was included in the contract liabilities balance at beginning of the year	<u>1,262,555</u>	<u>667,078</u>

Contract liabilities represent \$1,644,993,000 (2020: \$1,262,555,000) for payments received in advance for metals to be delivered in six months' time.

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***21. Deferred tax liabilities**

The following is the deferred tax liability recognised by the Company during the current year:

	Unpaid remuneration		Revaluation of financial asset investments at FVTOCI		Total	
	2021 US\$'000	2020 US\$'000	2021 US\$'000	2020 US\$'000	2021 US\$'000	2020 US\$'000
At 1 January	(3)	–	15,497	4,639	15,494	4,639
Credit to income statement (Credit)/charge to other comprehensive income	(12)	(3)	–	–	(12)	(3)
	–	–	(3,449)	10,858	(3,449)	10,858
At 31 December	(15)	(3)	12,048	15,497	12,033	15,494

22. Called-up share capital

	2021 US\$'000	2020 US\$'000
Authorised: 60,000,000 ordinary shares of \$1 each	60,000	60,000
Called up, allotted and fully paid: 4,000,950 (2020: 4,000,950) ordinary shares of \$1 each	4,001	4,001

The company has one class of ordinary shares which carry no right to fixed income.

23. Revaluation reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 2. These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

24. Capital contribution reserve

The capital contribution reserve comprises the cumulative value of employee services received under share-based payment arrangements which are settled in the shares of Anglo American Plc.

25. Share-based payments

During the year ended 31 December 2021, the Company had the following equity-settled share-based payment arrangements with employees:

Anglo American plc (Anglo American)

Bonus Share Plan (BSP)

The BSP is offered to executive directors and senior employees of the Group to encourage and reward delivery of the Group strategic priorities and strong individual performance. The scheme is governed by the remuneration committee of Anglo American plc and is settled in the shares of Anglo American plc.

50% of the annual bonus earned will be deferred into shares under BSP, vesting 17% after two years and 33% after three years.

The remuneration committee of Anglo American plc reviews the BSP annually to ensure it remains appropriate.

Long Term Incentive Plan (LTIP)

The remuneration committee of Anglo American plc makes an annual conditional award of shares in Anglo American plc to executive directors and senior management of the Group to encourage and reward the delivery of superior shareholder returns and business objectives. The conditional award will generally vest after a period of three years, subject to the achievement of specific performance targets.

Prior to grant, the committee reviews the performance targets for each measure, where applicable, to ensure they remain sufficiently stretching. Dividend equivalents are paid on any shares that vest.

The provision of shares under certain of the Anglo American plc share incentive schemes is facilitated by an employee benefit trust. The employee benefit trust has waived the right to receive dividends on all shares except those allocated to dividend bearing share awards.

The costs of operating the trust are borne by Anglo American Group but are not material.

The total share-based payment expense for the year is disclosed in Note 4.

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

25. Share-based payments (continued)

Bonus Share Plan (BSP)

Anglo American BSP and LTIP

The fair value of ordinary shares awarded under the Anglo American BSP and Anglo American LTIP was calculated using a Black-Scholes model. The assumptions used in the calculation are set out below:

	Anglo American BSP 2021	Anglo American LTIP 2021	Anglo American BSP 2020	Anglo American LTIP 2020
Date of grant	12/3/2021	12/3/2021	09/03/2020	06/05/2020
Number of instruments	24,523	38,300	50,845	66,800
Share price at date of grant (£)	29.28	29.28	18.13	18.13
Contractual life (years)	3	3	3	3
Vesting conditions	(1)	(1)	(1)	(1)
Expected volatility (2)	35%	35%	50%	50%
Risk free interest rate (3)	0.00%	0.00%	0.18%	0.18%
Expected departures	5% pa	5%pa	5% pa	5%pa
Dividend yield	3.50%	3.50%	4.2%	4.2%
Fair value at date of grant (weighted average) (£)	29.28	29.28	18.13	18.13

(1) Three years of continuous employment.

(2) Based on historic volatility over the last five years.

(3) The yield on zero-coupon UK government bonds with a term similar to the expected life of the award.

Bonus Share Plan (BSP)

Ordinary shares of 54⁸⁶/₉₁ US cents may be awarded under the terms of this scheme for no consideration. The number of shares outstanding is shown below:

	2021 Number of shares	2020 Number of shares
Outstanding at 1 January	106,045	82,275
Conditionally awarded in year	24,523	50,845
Vested in year	(15,421)	(27,075)
Forfeited in year	(19,962)	-
Outstanding at 31 December	95,185	106,045

ANGLO PLATINUM MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2021***25. Share-based payments (continued)****Long Term Incentive Plan (LTIP)**

Ordinary shares of 54⁸⁶/₉₁ US cents may be awarded under the terms of this scheme for no consideration. The number of shares outstanding is shown below:

	2021	2020
	Number	Number
	of shares	of shares
Outstanding at 1 January	154,800	101,700
Conditionally awarded in year	38,300	66,800
Vested in year	(22,000)	(13,700)
Forfeited in year	(18,800)	-
Outstanding at 31 December	152,300	154,800

26. Related party transactions

During the reporting period, the Company purchased platinum group metals and concentrates at arm's length from its immediate parent Company, a 100% owned subsidiary of Anglo American Platinum Limited, Rustenburg Platinum Mines Limited. The Company has taken advantage of the exemption granted by FRS 101, not to disclose related party transactions with Anglo American Platinum Group companies.

The Company, in the ordinary course of business, enters into other transactions with other related parties. These transactions are under terms that are no less favourable than those arranged with third parties.

In addition to related party information disclosed elsewhere in the financial statements, the Company had the following related party transactions.

	2021	2020
	US\$'000	US\$'000
Recharges and service expenses from other related companies	63,873	51,309

ANGLO PLATINUM MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

27. Ultimate parent company

The directors consider Anglo American plc to be the ultimate holding company and controlling party. Copies of the consolidated group financial statements of Anglo American plc, which is the holding company of the largest group of which the Company is a member and for which consolidated financial statements are prepared, are available from the registered office of Anglo American plc at 17 Charterhouse Street, London, EC1N 6RA.

The Company's immediate parent company is Rustenburg Platinum Mines Limited, a company incorporated in South Africa. Rustenburg Platinum Mines Limited is wholly owned by Anglo American Platinum Limited, a company incorporated in South Africa and listed on the Johannesburg Stock Exchange (JSE). Copies of the consolidated financial statements of Anglo American Platinum Limited, which is the holding company of the smallest group of which the Company is a member and for which group financial statements are prepared, are available from Anglo American Platinum Limited at its registered office at 144 Oxford Road, Melrose, Rosebank 2196.

28. Events since the end of the year

On 7 March 2022, an interim dividend of \$150,000,000 (\$37.49 per share) was approved by the Board of Directors of the Company. The interim dividend was subsequently paid out on 29 March 2022.