

Merafe Resources Limited

(Registration number 1987/003452/06)

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2022

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Company	
	2022 R '000	2021 R '000	2022 R '000	2021 R '000

19. Revenue (continued)

Sales to the following customers individually comprise more than 10% of total sales:

Key customers	2022		2021	
	Revenue R'000	% of revenue in relation to total ferrochrome revenue	Revenue R'000	% of revenue in relation to total ferrochrome revenue
Customer A	2,018,385	30	1,750,189	25
Customer B	989,323	15	1,090,270	16
Customer C	783,272	11	793,307	11
	3,790,980	56	3,633,766	52

20. Earnings (loss) before interest, taxation, depreciation and impairment (EBITDA)

The following items have been taken into account in arriving at EBITDA:

Revenue	7,939,061	8,062,656	866,308	14,177
Cost of goods sold	(3,400,983)	(3,266,202)	-	-
Gain (loss) on exchange differences on other financial instruments	117,933	(109,095)	-	-
(Loss) gain on exchange differences on cash and cash equivalents	(49,623)	213,400	-	-
Auditors remuneration - external auditors	(2,477)	(4,020)	(960)	(1,946)
Consulting and professional fees	(7,817)	(6,371)	(6,219)	(5,337)
Selling expenses	(879,651)	(941,179)	-	-
Commissions	(330,380)	(325,516)	-	-
Net realisable value adjustment of inventory	(1,288)	(24,411)	-	-
Marketing fees	(2,013)	(1,818)	-	-
Corporate social investment	(20,637)	(13,321)	(3,107)	(3,149)
Social labour plans	(3,145)	(11,322)	-	-
Enterprise development	(3,125)	(2,566)	(631)	-
Movement in provision for closure and restoration	(15,796)	(14,877)	-	-
Profit on sale of property, plant and equipment	650	116	-	-
Short term and low value leases	(977)	(679)	(76)	-
Closure costs	-	(14,901)	-	-
Other expenses	(183,180)	(209,444)	(5,611)	(7,899)
Employee costs*	(1,015,901)	(898,390)	(19,218)	(13,581)
	2,140,651	2,432,060	830,486	(17,735)

* Includes remuneration relating to key management personnel (see note 33).

21. Employee costs

Employee costs				
Salaries and wages	828,015	732,300	3,630	3,055
Bonus	9,510	6,052	2,126	1,105
Medical aid - company contributions	74,805	68,636	100	92
Leave pay provision accrual	719	606	144	121
Post-employment benefits - Provident and post retirement benefits	90,004	81,927	370	339
Share-based payment	12,848	8,869	12,848	8,869
	1,015,901	898,390	19,218	13,581