

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

5. Investment in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Directly held	Issued share capital		Percentage holding 2022	Percentage holding 2021	Carrying amount 2022*	Carrying amount 2021*
	Number of shares 2022	Number of shares 2021				
Merafe Chrome and Alloys (Pty) Ltd	200	200	100 %	100 %	-	-
Merafe Ferrochrome	400	400	100 %	100 %	-	-
					-	-

The Company's share in the profits of subsidiaries for the year ended 31 December 2022 amounted to R1 422m (2021: R1 689m).

* Less than R1,000

Controlled entities

Merafe Kroondal Rehabilitation Trust is consolidated as it is a controlled entity of the Company.

Refer to note 1.3 for further details on consolidation of controlled entities. There have been no significant changes in the nature and risks associated with this entity.

6. Investment in associate

The following table lists the associate of the Group. The investment in associate, being Impala Chrome (Pty) Ltd (Impala Chrome), is as a result of the acquisition of the 20.5% interest in Unicorn Chrome which has been proportionately consolidated in the consolidated financial statements. Unicorn Chrome is jointly controlled by the Group and GOSA. Unicorn Chrome holds the 31.15% investment in Impala Chrome. The Group's effective shareholding in Impala Chrome equates to 20.5% of 31.15%.

Group

Name of company	Method	% effective ownership interest 2022	% effective ownership interest 2021	Carrying amount 2022 R'000	Carrying amount 2021 R'000
Impala Chrome (Pty) Ltd	Equity accounting	6.39	6.39	6,709	2,765

The principal place of business of Impala Chrome is the North West province.