41. Gain on acquisition of joint operation

Through its wholly-owned subsidiary, Merafe Ferrochrome, the Group agreed with GOSA to acquire a participation interest in the Eastern PGM Plants located at Thorncliffe mine. The new joint operation relates to all associated minerals produced pursuant to the Eastern Mining Right and was incorporated into the Venture in terms of the Venture agreement. The acquisition of the Eastern PGM operation was part of the Group's growth strategy. Joint control was obtained in accordance with the Venture agreement.

Effective 6 September 2023, the new joint operation consisted of an Eastern PGM Plant and a second plant (PGM X) that will treat PGM-bearing materials to extract and produce PGMs concentrate. The PGM East plant was classified as a business combination as defined by IFRS 3: *Business Combinations*, and the values for the assets acquired and liabilities assumed approximate fair value at the acquisition date. Merafe Ferrochrome acquired the assets and liabilities of PGM X, which was under construction at book value.

	Group	
R'000	**2024**	2023
Assets		
Non-current	–	54 939
Current	–	203 212
Total assets	–	258 151
Liabilities		
Non-current	–	269
Current	–	7 973
Total liabilities	–	8 242
Total fair value of identifiable assets and liabilities assumed	–	249 909

No consideration was paid by Merafe Ferrochrome for the purchase of the Eastern PGM operation. As a result, and in terms of IFRS 3, a gain on acquiring a joint operation for R250 million was recognised in the statement of profit or loss and other comprehensive income.

Merafe Ferrochrome incurred acquisition-related costs of R0.8 million, comprising of advisory and legal expenses. These costs were included in other expenses (note 20).

	Group	
R'000	**2024**	2023
Revenue and EBITDA of Eastern PGM plant since the acquisition date included in the consolidated statement of comprehensive income for the reporting period		
Revenue	–	59 522
EBITDA for the year	–	37 410
Eastern PGM plant contribution had it been consolidated from 1 January 2023		
Revenue	–	193 892
EBITDA for the year	–	140 255

42. Restatement due to change in presentation in the statement of cash flows

The comparative of the Company has been restated to correct the presentation of the loan to subsidiary. The loan to subsidiary was incorrectly presented as a net cash flow movement from investing activities and has now been reclassified to present the gross cash flows for the repayment and advancement of the loan to subsidiary. The restatement has no impact on the loan to subsidiary. In addition, the restatement has no impact on the statement of financial position, statement of profit and loss and other comprehensive income and statement of changes in equity. The previous presentation was restated as follows:

Statement of cash flows (extract)		**Company**	
R'000	Previously reported 31 Dec 2023	Restatement	Currently reported 31 Dec 2023
Cash flows from investing activities			
Settlement of loan to subsidiary	22 572	(22 572)	–
Loan to subsidiary - repaid by subsidiary	–	48 670	48 670
Loan to subsidiary - advanced by company	–	(26 098)	(26 098)
Total	22 572	–	22 572