FOSKOR

ANNUAL FINANCIAL STATEMENTS 2024

FOR THE YEAR ENDED 31 MARCH

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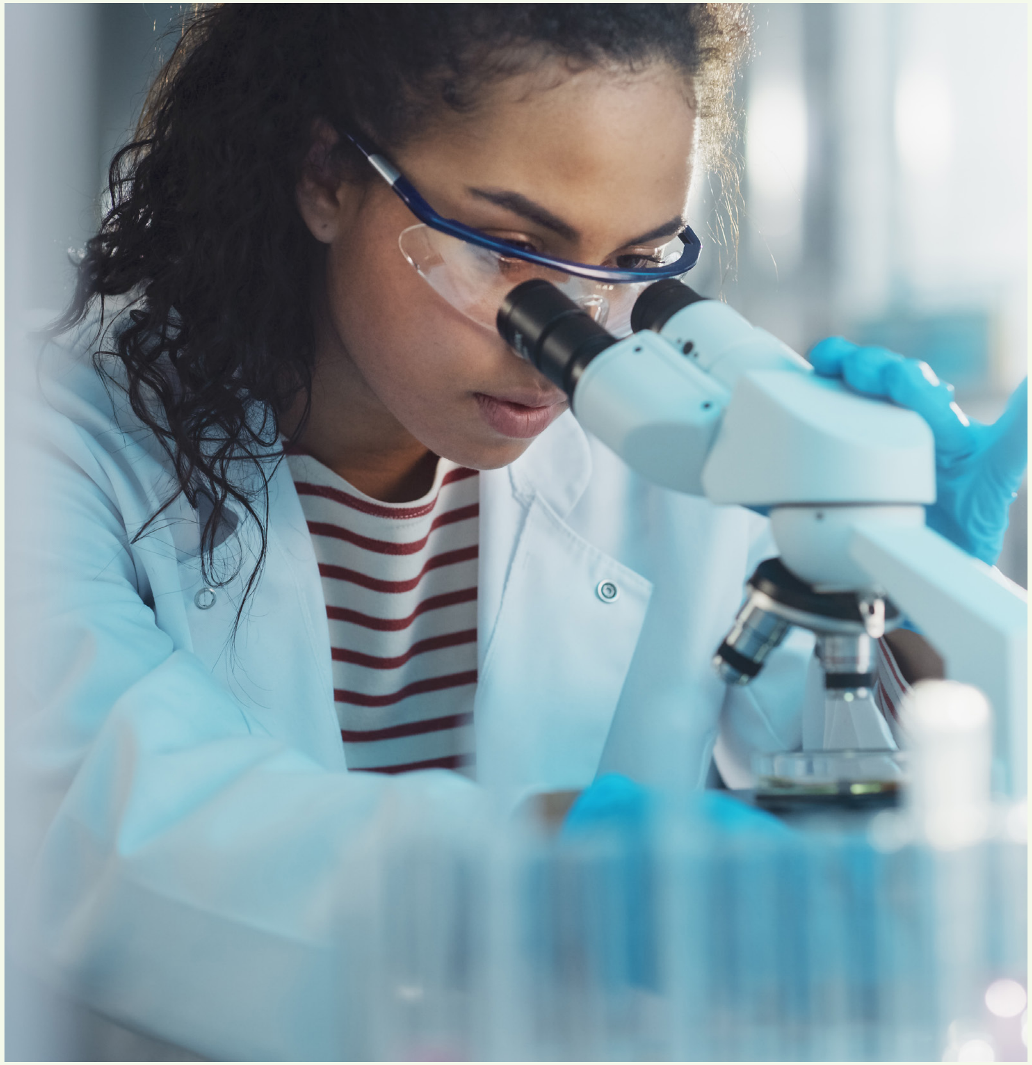
AUDITED ANNUAL FINANCIAL STATEMENTS



Level of assurance
The consolidated and separate annual financial statements were audited in compliance with the requirements of the Companies Act, No. 71 of 2008 ("Companies Act").

Preparer
The consolidated and separate annual financial statements have been prepared by the Foskor (Pty) Ltd finance staff under the guidance of the General Manager: Finance, Hoosen Moolla, AGA (SA) and General Manager: Tax and Treasury, Sthembiso Mzobe, B. Comm Honours, and were supervised by the Chief Financial Officer ("CFO"), Jubilant Speckman, CA(SA).

Date of publication
14 August 2024

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2024

TO THE MEMBERS OF FOSKOR (PTY) LTD

The directors are responsible for the preparation and fair presentation of the consolidated ("the Group") and separate ("the Company") annual financial statements, comprising the statements of financial position at 31 March 2024, and the statements of profit and loss and comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, and the directors' report, in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies Act of South Africa.

The consolidated and separate annual financial statements are prepared in accordance with IFRS and are based on appropriate accounting policies consistently applied and supported by reasonable prudent judgements and estimates.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as preparation of the supplementary schedules included in these financial statements.

The directors have reviewed the Group and Company cash flow forecast for the year to 31 August 2025 and made an assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The external auditors are responsible for independently auditing, and expressing an opinion on whether the consolidated and separate annual financial statements are fairly presented in accordance with IFRS and the manner required by the Companies Act of South Africa. The auditors' report is presented on page 7 to 11.

APPROVAL OF THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

The consolidated and separate annual financial statements, as identified in the first paragraph, were approved by the Board of Directors on 7 August 2024 and are signed on its behalf by:

Mr RM Godsell
Chairman

Mr JT Palliam
Chief Executive Officer ("CEO")

CERTIFICATE BY THE COMPANY SECRETARY

In terms of Section 88(2)e) of the Companies Act, thereby certify that, to the best of my knowledge and belief, Foskor (Pty) Ltd has lodged with the Companies and Intellectual Property Commission, for the financial year ended 31 March 2024, all such returns and notices as required in terms of the Companies Act, and that all such returns and notices are true, correct and up to date.

Ms AUS Khanyile
Company Secretary

DIRECTORS' REPORT

For the year ended 31 March 2024

The directors have pleasure to present their report together with the audited consolidated and separate annual financial statements of Foskor (Pty) Ltd for the year ended 31 March 2024.

NATURE OF BUSINESS

Foskor (Pty) Ltd is a private company incorporated within the Republic of South Africa. Foskor's ("Foskor (Pty) Ltd") core business is the beneficiation of phosphate rock at the Mining Division and the manufacture and supply of standard merchant grade phosphoric acid and related granular fertiliser products at the Acid Division. Approximately 67% of the phosphate rock concentrate is railed to the Acid Division for processing into phosphoric acid, which is then used as a raw material in the production of granular fertiliser. About 68% of the phosphoric acid sales are exported, while granular fertiliser sales are mainly sold to the local market.

ENVIRONMENTAL RESPONSIBILITIES

Management continually assesses and monitors the various environmental threats to the Group. Foskor's environmental provision strategy prescribes the use of a special purpose vehicle (Section 37A, Environmental Rehabilitation Trust) for scheduled mine closures, and bank guarantees for unscheduled or premature mine closure, as per Department of Mineral Resources and Energy ("DMR") regulations. The environmental impact of emissions and other hazardous materials at the Acid Division is closely monitored. A significant portion of the capital expenditure at the Division is dedicated to minimising harmful effects on the environment, such as groundwater contamination.

FINANCIAL RESULTS

The Group achieved turnover of R10 billion, a 13% reduction from the previous year, mainly due to reduction in prices and negative impact of the crusher failure in February 2023. Lower production at the mine due to crusher failure resulted in higher unit production costs at the Mining Division and Acid Division which had a negative impact to profitability. Earnings before interest and taxation ("EBIT") for the year decreased from R3.5 billion to R727 million in 2024. The prior year number was inclusive of impairment reversal of R2 billion. The Group net finance costs increased by R82 million from R602 million in 2023 to R684 million in the current year. The Group net profit after tax decreased from R2.8 billion to R365 million profit. The Group had a positive cash balance of R421 million (2023: R692 million), a long-term interest-bearing loan balance of R4.5 billion (2023: R4 billion) and a short-term interest-bearing loan balance of R230 million (2023: R929 million).

GENERAL REVIEW OF OPERATIONS

As at 31 March 2024, Foskor produced 1.56 million tons (2023: 1.93 million tons) of phosphate rock concentrate, 355 192 tons (2023: 307 720 tons) of phosphoric acid and 280 939 tons (2023: 256 429 tons) of granular fertiliser mono-ammonium phosphate ("MAP"). Lower production in mining was due to crusher failure which affected the production process.

SHARE CAPITAL

AUTHORISED

	Number of shares 2024	Number of shares 2023
Ordinary R1 par value shares	**9 157 647**	9 157 647

There was no change in the authorised share capital of the Company during the year. The authorised share capital of the Company is 9 157 647 ordinary value shares of R1 par value.

ISSUED

	Share capital 2024 R'000	Share capital 2023 R'000	Number of shares 2024	Number of shares 2023
Ordinary R1 par value shares	**4 170 979**	4 170 979	**9 157 647**	9 157 647

There was no change in the issued share capital of the Company during the year.

SHAREHOLDERS OF THE COMPANY

Shareholder	2024 Number of shares	2024 % of shares	2023 Number of shares	2023 % of shares
The Industrial development Corporation of South Africa	**5 403 009**	**59.00%**	5 403 009	59.00%
The Manyoro Consortium	**1 373 648**	**15.00%**	1 373 648	15.00%
CFL Mauritius Ltd (a Mauritius-based company owned by CIL)	**1 082 480**	**11.82%**	1 082 480	11.82%
The Kopano Foskor Employees Trust	**549 459**	**6.00%**	549 459	6.00%
The Ba-Phalaborwa and Umhlathuze Community	**457 884**	**5.00%**	457 884	5.00%
Coromandel International Ltd (CIL-based in India)	**199 590**	**2.18%**	199 590	2.18%
Sun International FZE (a company based in India)	**91 577**	**1.00%**	91 577	1.00%

There was no change in the shareholding ownership of the Company during the year.

ACCOUNTING POLICIES, RESTATEMENTS AND RECLASSIFICATIONS

The Group has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 April 2023.

SUBSIDIARIES

Details of subsidiaries of the Company are set out in note 6 and note 38 of the annual financial statements.

DIVIDENDS

Dividends are approved by the Board subject to the performance and affordability of the Company. After careful consideration of the financial affairs of the Company, dividends were not declared for the year ended 31 March 2024.

INSURANCE AND RISK MANAGEMENT

The Group's philosophy is to manage its risks in order to protect its assets and earnings against unacceptable financial loss and to avoid legal liabilities. In this regard, possible catastrophic type risks are insured with satisfactory cover, while non-catastrophic type risks are self-insured. The management of risk is further supported by the Group's health and safety programmes, and maintenance of the ISO 9001 (quality) and ISO 14001 (environmental) standards.

The policy loss limit is restricted to R2 billion per event, with sub-limits for each cover and a R10 million deductible for property damage for local and international cover. The deductible for local business interruption for material and property damage is 30 days average daily value minimum R30 million ("machinery breakdown and business interruption combined"). The deductible for international business interruption for material and property damage is 30 days average daily value minimum R20 million. The insured value of the assets is R24.13 billion. Risk surveys and assessments are integral to the Group's risk management policy and are performed as part of the integrated Group risk management system. Risks identified during these surveys are eliminated, reduced or transferred to the insurers.

PUBLIC FINANCE MANAGEMENT ACT

On 11 May 2022, Foskor was granted exemption from provisions of Section 3(b) of the Preferential Procurement Policy Framework Act ("PPPFA"), procurement from international suppliers referred to in our application as "Purchases of products which are procured internationally and not available locally", with exception of Section 8 of the PPPFA Regulations on local production and content. As Foskor is governed by policies suitable to private business enterprises, these are not aligned to the PPPFA, resulting in spend being irregular. The total amount of irregular expenditure for the period is R5.7 billion and is disclosed under note 34 in the financial statements.

The Company is implementing a plan to improve the internal controls to ensure that irregular expenditure is detected and recorded timeously and also that the process assessment and determinations of potential irregular expenditure arising from supply chain management breached were performed and the resultant irregular expenditure identified and disclosed.

RESOLUTIONS

No special resolution was passed during the financial year ended 31 March 2024.

LOANS TO THE FOSKOR GROUP

Foskor has a loan of R4.5 billion with Industrial Development Corporation ("IDC"), which was fully utilised on 30 April 2021 and is inclusive of capitalised interest of R1.2 billion. Foskor also has short-term facilities of R776 million available from other commercial banks.

MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENCIES

The Group's head office building in Midrand is currently leased on a month-to-month basis, as the previous lease agreement expired on 31 December 2024. As at the date of signature Foskor moved to a new head office in Midrand. The Acid Division leases a pipeline from the Umhlathuze Water Board (Richards Bay Municipality) to discharge effluent and the remaining period of the lease is two years. Contingencies are disclosed in note 36.2.

CAPITAL EXPENDITURE

R647 million (2023: R463 million) was invested as capital expenditure for the year ended 31 March 2024 and capital expenditure of R1.4 billion has been approved for the 2025 financial year.

GOING CONCERN

In determining the appropriate basis of preparation of the annual financial statements, the Board of Directors is required to consider whether the Group and Company can continue to operate for the foreseeable future. At the date of approving these financial statements, the directors have satisfied themselves that the Group and Company has access to sufficient borrowing facilities to meet its foreseeable cash requirements and therefore will remain a going concern.

SERVICE CONTRACTS WITH DIRECTORS AND EXECUTIVE MANAGEMENT

The CEO and the executive management of Foskor have signed contracts of employment with the Company. There are no service contracts between the Company and any of its non-executive directors.

POST FINANCIAL YEAR END EVENTS

No material events occurred between the date of these annual financial statements and the date of approval thereof, the knowledge of which would affect the ability of the user of these annual financial statements to make proper evaluation and decisions.

CORPORATE GOVERNANCE

Full details on the corporate governance policies and procedures are set out in the Corporate Governance section of the Integrated Annual Report.

DIRECTORS

The directors in office at the date of this report are as follows:

Name	Designation	Nationality	Changes
RM Godsell	Chairman	South African	Appointed 27 March 2019
NG Nika	Independent non-executive	South African	Appointed 3 February 2012
SS Subramanian	Non-executive	Indian	Appointed 11 March 2021
SP Ngwenya	Non-executive	South African	Appointed 27 March 2019
DP Martin	Independent non-executive	South African	Appointed 27 March 2019
TML Setiloane	Independent non-executive	South African	Deceased 30 April 2024
MJ Vuso	Independent non-executive	South African	Appointed 28 August 2020
MA Hermanus	Independent non-executive	South African	Appointed 28 June 2023
NP Zulu	Independent non-executive	South African	Appointed 28 June 2023
JT Palliam	Chief executive officer	South African	Appointed 22 November 2019
JM Speckman	Chief financial officer	South African	Appointed 1 November 2022

PRESCRIBED OFFICERS

The executive directors and the executive managers are deemed to be prescribed officers of Foskor (Pty) Ltd as contemplated in the Companies Act, No. 71 of 2008. The directors and prescribed officers' emoluments are disclosed in note 38 of the annual financial statements.

EMPLOYEE SHARE OWNERSHIP PLAN ("ESOP")

Initially when the ESOP was set up Foskor employees (including executive management) were entitled to receive units in the ESOP which holds 6% of Foskor's share capital through a special purpose vehicle. The initial allocation of the units was made in June 2011 to employees who had been employed with the Company on 1 April 2009, and a second allocation was made to employees engaged after 1 April 2009 but still in service on 30 June 2011 and the last allocation was done in 2013. All employees who joined the Company after 2013 were not allocated any units. The number of units allotted to date is 528 995 (2023: 528 995).

DIRECTORS' INTERESTS IN CONTRACTS

The non-executive directors have no interest in the Company.

INDEPENDENT AUDITORS

The Group has appointed Deloitte & Touche ("Deloitte") as auditors for the 31 March 2024 financial year. The appointment is in accordance with Section 30 of the Companies Act, No. 71 of 2008 of South Africa, as amended.

REGISTERED ADDRESS

Building K, 2nd Floor, Hertford Office Park,
90 Bekker Road, Vorna Valley, Midrand
1684

BOARD AUDIT COMMITTEE REPORT

This report is provided by the Board Audit Committee ("BAC") in respect of the 2024 financial year of Foskor (Pty) Ltd in compliance with Section 94 of the Companies Act, No. 71 of 2008, as amended ("the Act"). The BAC's function is guided by a detailed charter which is informed by the Act and the King IV Report on Corporate Governance and approved by the Board of Directors.

MEMBERSHIP

The BAC members were appointed by the Board of Directors in respect of the 2024 financial year. The committee is a sub-committee of the Board of Directors with specific statutory responsibilities to the shareholders in terms of the Companies Act.

The members are:

- Mr Nkosemntu Nika (Chairman) – Independent
- Mr Thero Micarios Lesego Setiloane – Independent – Deceased 30 April 2024
- Mr Sibusiso Peter Paul Ngwenya
- Ms Matsotso Johanna Vuso – Independent

PURPOSE

The purpose of the BAC is to assist the Board of Directors in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards

EXECUTION OF FUNCTIONS

The BAC has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to the Group's accounting, internal auditing, internal control and financial reporting practices.

- In respect of the External Auditor and the External Audit, the BAC amongst other matters:
  - Appointed Deloitte as the external auditor for the financial year ended 31 March 2024, and ensured that the appointment complied with all applicable legal and regulatory requirements for the appointment of an auditor. The BAC confirms that the auditors are accredited.
  - Approved the external audit engagement letter, the plan and the budgeted audit fees payable to the external auditors.
  - Reviewed the audit, evaluated the effectiveness of the auditor and its independence and evaluated the external auditor's internal quality control procedures.
  - Determined the nature and extent of all non-audit services provided by the external auditor and accepted that no services undertaken during the year.
  - Considered whether any reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 2005, and determined that there were none.
- In respect of the annual financial statements, the BAC amongst other matters:
  - Confirmed the going concern as the basis of preparation of the annual financial statements.
  - Examined and reviewed the annual financial statements, as well as all financial information disclosed to the public prior to submission and approval by the Board.
  - Ensured that the annual financial statements fairly present the financial position of the Group and Company as at the end of the financial year as well as the results of operations and cash flows for the financial year, and considered the basis on which the Group and Company was determined to be a going concern.
  - Reviewed the external auditor's audit report.
  - Reviewed the representation letter relating to the Group and Company financial statements which was signed by management.
  - Considered any problems identified and reviewed any significant legal and tax matters that could have a material impact on the financial statements.
- In respect of internal control and internal audit, the Internal Audit function provides a written assessment on the effectiveness of internal controls and internal financial controls to the BAC for recommendation to the Board. For the year under review, there were no material breakdowns in internal control, including internal financial controls, corporate governance, risk management and in maintaining effective material control systems.
- In respect of forensic audit, the fraud prevention and ethics programme approach implemented includes prevention, detection, investigation and resolution through the Internal Audit function. Fraud and other irregular activities are reported through the tip-offs anonymous hotline or directly to the Internal Audit function. Effective implementation of the recommendations and outcomes emanating from the investigations are continuously monitored and reported to the Executive Committee and the BAC.
- In respect of risk management and information technology, the BAC, insofar as relevant to its functions:
  - Reviewed the Group's policies on risk assessment and risk management, including fraud risks and Information and communication technology ("ICT") risks as they pertain to financial reporting and the going concern assessment, and found them to be sound.
  - Considered and reviewed the findings and recommendations of the Internal Audit.
  - Monitored and evaluated significant ICT investments, delivery of services, ICT governance and the management of ICT.
- In respect of legal and regulatory requirements to the extent that it may have an impact on the financial statements, the BAC:
  - Reviewed with the Company's internal legal team, the adequacy and effectiveness of the Group's procedures to ensure compliance with legal and regulatory responsibilities.
  - Monitored complaints and concerns received via the Group's tip-off line regarding accounting matters, internal audit, internal accounting controls, and contents of the financial statements, potential violations of the law and questionable accounting or auditing matters.

- In respect of the co-ordination of assurance activities, the BAC reviewed the plans and work outputs of the external and internal auditors and concluded that these were adequate to address all significant financial risks facing the business. There is ongoing collaboration between Internal Audit, external audit, compliance and risk management functions to ensure co-ordination of combined assurance activities.
- Considered the expertise, resources and experience of the finance function and concluded that these were appropriate, and considered the experience and expertise of the Chief Financial Officer and concluded that these were appropriate.

KEY AUDIT MATTERS

The BAC applied its mind to the key audit matter identified by the external auditors and is comfortable that it has been adequately addressed and disclosed. The only key matter which require significant judgement is:

- key judgements and estimates used impairment of the cash-generating unit and impairment of assets.

ANNUAL FINANCIAL STATEMENTS

Following the review by the BAC of the annual financial statements of Foskor (Pty) Ltd for the year ended 31 March 2024, the committee is of the view that in all material respects they comply with the relevant provisions of the Act and the International Financial Reporting Standards, and fairly present the consolidated and separate financial positions at that date and the results of operations and cash flows for the year then ended except for irregular expenditure as concluded by the external auditors. Having achieved its objectives, the committee recommended the financial statements for the year ended 31 March 2024 for approval to the Foskor (Pty) Ltd Board of Directors. The Board of Directors has subsequently approved the financial statements, which will be open for discussion at the forthcoming annual general meeting.

The 2023 financial year brought a significant hurdle for Foskor. The company's financial statements were qualified due to uncertainties surrounding the quantification of irregular expenditure disclosure. While the audit opinion remains qualified in 2024, there's a crucial difference as there are no uncertainties around the quantification of the irregular expenditure but the reason for the qualification is due to the comparative.

While there is tangible improvement, the BAC will continue to monitor the improvement in controls in this ensure to enhance our PFMA compliance requirements.

FOCUS AREAS FOR 2025 FINANCIAL YEAR

- Further enhancement of the internal audit function.
- Continue to enhance and improve internal controls especially in key areas and functions.
- Continuous improvement and strengthening of the Group's balance sheet.
- Partnering with management and ICT to oversee cyber security improvements, internal controls, and other initiatives to mitigate fraud and third-party risks.
- Enhancement of internal controls in areas of PFMA compliance.
- Ensuring alignment of the combined assurance process.

CONCLUSION

The BAC is satisfied that it has considered and discharged its responsibilities in accordance with its terms of reference during the year under review.

On behalf of the Board Audit Committee

Mr NG Nika
Chairman of the Board Audit Committee

Johannesburg
7 August 2024

INDEPENDENT AUDITOR'S REPORT
TO PARLIAMENT THE SHAREHOLDERS OF FOSKOR PROPRIETARY LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

QUALIFIED OPINION

We have audited the consolidated and separate financial statements of Foskor Proprietary Limited Proprietary Limited and its subsidiaries ("the Group and Company") set out on pages 14 to 104, which comprise the consolidated and separate statements of financial position as at 31 March 2024, consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, except for the effects and possible effects of the matter described in the basis for qualified opinion section of our report, the consolidated and separate financial statements present fairly, in all material respects, the financial position of Foskor Proprietary Limited and its subsidiaries ("the Group and Company") as at 31 March 2024, and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") and the requirements of the Companies Act of South Africa and the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) ("PFMA").

BASIS FOR QUALIFIED OPINION

IRREGULAR EXPENDITURE

In the prior year the public entity did not fully and appropriately record and disclose irregular expenditure relating to the year ended 31 March 2023, to the consolidated and separate financial statements, as required by Section 55(2)(b)(i) of the PFMA. This was due to inadequate systems of internal control to timeously detect and record this expenditure in the financial statements. Consequently, we were unable to determine whether any adjustments were necessary to the corresponding figure of irregular expenditure, stated at R6.3 million in note 34.1 to the consolidated and separate financial statements. Our audit opinion on the financial statements for the period ended 31 March 2023 was modified accordingly. Our opinion on the current year financial statements is also modified because of the possible effect of this matter on the comparability of the irregular expenditure for the current period and the corresponding disclosures.

CONTEXT FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statem*ents section of our report.

We are independent of the Group and Company in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors ("IRBA Code") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in the audit
Impairment of the Cash Generating Unit ("CGU") of Foskor mining and manufacturing plant and equipment assets As disclosed in note 4 to the consolidated and separate financial statements, management assessed the CGU of Foskor mining and manufacturing plant and equipment assets for Impairment in accordance with IAS 36: *Impairment of assets*. The recoverable amount of a group of assets, or CGU, is to be measured whenever there is an indication that the value of the group of assets or the CGU may be impaired. Significant judgement is required by the management in assessing the impairment of the group of assets or the CGU, which is determined with reference to fair value less cost to sell or the value-in-use, which is based on the cash flow forecast for the CGU. This assessment was performed to determine whether it is necessary to recognise an impairment. Key inputs considered in the determination of impairment of the CGU include the following: • Weighted average cost of capital • Growth rates • Gross profit margin • EBIT margin The above impact the discount rates applied to the projected future cash flows. Due to the significant judgement and assumptions applied by management, the impairment of the CGU at Foskor was considered a key audit matter.	• We assessed the design and implementation of controls over the impairment assessment. We concluded that the key control was appropriately designed and implemented. • We considered management's assessment of impairment risk and its assessment of the indicators of impairment. • We performed an independent assessment of impairment considering the current economic environment. • We performed an assessment of management's determination of relevant CGUs by reference to the requirements of the accounting standards and our understanding of the nature of the mining and manufacturing operations and the extent to which active markets are considered to exist for intermediary products. • We obtained an understanding of the methodology applied by management in developing its impairment assessments, which included understanding the inherent subjectivity and complexity of underlying key assumptions. • We challenged the significant assumptions used and the evidence on which these assumptions were based. We considered the risk of management bias in macroeconomic forecast assumptions by analysing management's inputs against third-party forecast data. We used Deloitte specialists to perform an independent assessment of discount rates. • Where indicators of impairment were identified, we performed detailed testing on management's impairment calculations and where appropriate based on our risk assessment, we utilised Deloitte valuation and mining specialists to assess the reasonableness of management's underlying model inputs and key assumptions (e.g., reserve and resource estimation and Life of mine ("LOM")). • We analysed assumptions against historical performance as well as approved budgets and LOM plans. • We performed a retrospective review of previous forecasts of cash flow, revenue, profitability, and growth rates against actual results as part of evaluating management's ability to accurately forecast. • We compared the capital expenditure projections to existing planned works and the capital development work required. • We performed a stand back assessment and evaluated management's impairment or impairment reversal assessment for any evidence of management bias in assumptions and judgements applied. • We evaluated whether the accounting treatment applied in determining the impairment and the related disclosures are in accordance with the applicable financial reporting framework. Based on the audit procedures performed and the level of expertise and effort associated with the current year audit, we are satisfied that our audit procedures were sufficient to mitigate the risk associated with significant judgemental nature of the discounts rates and assumptions applied by management.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Board of Directors, which constitutes the accounting authority, is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS and the requirements of the Companies Act and PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting authority either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

A further description of our responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report. This description, which is located on the first page of the annexure to the auditor's report, forms part of our auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

The public entity's performance information was reported in the annual performance report of the IDC. We audited the reported performance information as part of the audit of the IDC and any audit findings are included in the IDC auditor's report.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

In accordance with the Public Audit Act 25 of 2004 ("PAA") and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Board of Directors is responsible for the public entity's compliance with legislation.

We performed procedures to test compliance with selected requirements in key legislation in accordance with the Auditors-General South Africa ("AGSA") findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

ANNUAL FINANCIAL STATEMENTS

The prior year financial statements submitted for auditing were not prepared in accordance with the prescribed reporting framework, as required by Section 55(1)(b) of the PFMA. Material misstatements and restatements were identified by the auditors and were corrected by management in the submitted prior year financial statements.

EXPENDITURE MANAGEMENT

Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R5,7 billion as disclosed in note 34.1 to the annual financial statements, as required by Section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure disclosed in the financial statements was caused by contravention of the PFMA, Preferential Procurement Policy Framework Act and Treasury Regulations requirements in the procurement of goods and services.

CONSEQUENCE MANAGEMENT

We were unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular and fruitless and wasteful expenditure as required by Section 51(1)(e)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed for the irregular expenditure incurred in the prior year.

Disciplinary hearings were not held for confirmed cases of financial misconduct committed by some of the officials, as required by Treasury Regulation 33.1.1.

We were unable to obtain sufficient appropriate audit evidence that allegations of fraud which exceeded R100 000 were reported to the SAPS, as required by Section 34(1) of the PRECCA.

PROCUREMENT AND CONTRACT MANAGEMENT

Most of the goods, works or services were not procured through a procurement process which is fair, equitable, transparent, and competitive, as required by Section 51(1)(a)(iii) of the PFMA. Similar non-compliance was also reported in the prior year.

The deviation was not in line with the circumstances provided in the SCM policy under which the procurement may occur as required by PFMA Instruction Note 3 of 2021/22 par. 4.3 and 4.4. Some of the deviation processes followed in respect of identifying prospective suppliers are not in line with the process prescribed in the institution's SCM policy as required by PFMA Instruction Note no. 3 of 2021/22 par. 4. (d).

The preference point system was not applied in some of the procurement of goods and services as required by Section 2(a) of the PPPFA and Treasury Regulation 16A6.3(b).

Some of the contracts and quotations were awarded to bidders based on preference points that were not allocated and/or calculated in accordance with the requirements of the PPPFA and Preferential Procurement Regulation 2022. A similar non-compliance was also reported in the prior year.

Most of the construction contracts were awarded to contractors that were not registered with the Construction Industry Development Board and/or did not qualify for the contract in accordance with Section 18(1) of the CIDB Act and CIDB Regulations 17 and 25(7A).

OTHER INFORMATION IN THE ANNUAL REPORT

The accounting authority is responsible for the other information. The other information we obtained prior to the date of this auditor's report comprises the information included in the document titled "Foskor Annual financial statements 31 March 2024" which includes the directors' report, the audit committee's report and the company secretary's certificate as required by the Companies Act of South Africa. The Foskor Annual Report is expected to be made available to us after this auditor's report date. The other information does not include the consolidated and separate financial statements and the auditor's reports.

Our opinion on the consolidated and separate financial statements and our findings on the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we do receive and read the Foskor Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

We considered internal control relevant to our audit of the consolidated and separate financial statements, and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

The accounting authority did not implement adequate internal controls over the preparation and review of irregular expenditure registers to ensure they were fully compliant with the requirements of the National Treasury Instruction No. 4 of 2022/2023 on the PFMA Compliance Reporting Framework.

As part of exercising its oversight responsibility regarding compliance with applicable legislation and related internal controls, the accounting authority has not implemented all internal controls necessary to comply with legislative requirements related to the implementation of effective procurement and contract management, expenditure management and consequence management processes.

OTHER REPORTS

We draw attention to certain investigations into allegations of fraud that are in progress being conducted by various forensic investigators appointed by Foskor Proprietary Limited which had, or could have, an impact on the matters reported in the consolidated and separate financial statements, compliance with applicable legislation and other related matters. These reports did not form part of our opinion on the financial statements or our findings on compliance with legislation.

AUDIT TENURE

In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of Foskor Proprietary Limited and its subsidiaries for two years with the appointment being affected on 15 February 2023.

Yours faithfully

Signed by:
Deloitte & Touche
589A1FC78B1A4E1...

Deloitte & Touche
Registered Auditor
Per: Tumellano Lavhengwa
Registered Partner

7 August 2024
5 Magwa Crescent
Waterfall City
Waterfall
2090

ANNEXURE TO THE AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITY FOR THE AUDIT

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the consolidated and separate financial statements and the procedures performed on Foskor's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

In addition to our responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the consolidated and separate financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Foskor and its subsidiaries, internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made;
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of Foskor and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the consolidated and separate financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause the public entity to cease operating as a going concern;
- evaluate the overall presentation, structure, and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements for the current period and are therefore key audit matters. We describe these matters in this auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in this auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

COMPLIANCE WITH LEGISLATION

The list of selected legislative requirements are as follows:

Selected legislation and regulations	Consolidated firm level requirements
Public Finance Management Act No.1 of 1999 ("PFMA")	• Section 50(3); 50(3)(a); 50(3)(b) • Section 51(1)(a)(ii); 51(1)(a)(iii); 51(1)(a)(iv); 51(1)(b); 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii) • Section 52(b) • Section 53(4) • Section 54(2)(c); 54(2)(d) • Section 55(1)(a); 55(1)(b); 55(1)(c)(i) • Section 56 • Section 57(b); 57(d) • Section 66(3)(a)
Treasury Regulations for departments, trading entities, constitutional institutions, and public entities ("TR")	• Regulation 29.1.1; 29.1.1(a); 29.1.1(c;); 29.2.1; 29.2.2; 29.3.1 • Regulation 31.2.5; 31.2.7(a) • Regulation 33.1.1; 33.1.3
Companies Act No. 71 of 2008	• Section 30(3)(b)(i); 33(1)(a) • Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4) • Section 46(1)(a); 46(1)(b); 46(1)(c) • Section 72(4)(a) • Section 75(6) • Section 86(1); 86(4) • Section 88(2)(d) • Section 112(2)(a) • Section 129(7)
Prevention and Combating of Corrupt Activities Act No. 12 of 2004 ("PRECCA")	• Section 34(1)
Companies Regulations	• Regulation 30(2); 43(2)(a)
Construction Industry Development Board Act No. 38 of 2000 ("CIDB")	• Section 18(1) • Section 22(3)
CIDB Regulations	• CIDB regulation 17; 18(1A)1; 25(1); 25 (5) & 25(7A)
PPPFA	• Section 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations of 2022	• Paragraph 4.1; 4.2 • Paragraph 5.1; 5.3; 5.6; 5.7 • Paragraph 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 • Paragraph 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 • Paragraph 8.2; 8.5 • Paragraph 9.1; 9.2 • Paragraph 10.1; 10.2 • Paragraph 11.1; 11.2 • Paragraph 12.1 and 12.2

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

as at 31 March 2024

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	**4 924 166**	4 840 630	**4 906 880**	4 823 084
Intangible assets	5	**645**	2 119	**645**	2 119
Investments in subsidiaries	6	**–**	–	**116 006**	116 006
Investment in Rehabilitation Trust	6	**–**	–	**281 563**	254 179
Loans to subsidiaries	6	**–**	–	**32 788**	26 320
Investment in joint venture	7	**81 723**	25	**22**	23
Investment in associate	8	**–**	–	**–**	–
Financial investments	9	**611 214**	517 749	**110 782**	80 996
Deferred tax	14	**973 171**	705 687	**972 436**	703 330
		6 590 919	6 066 210	**6 421 122**	6 006 057
Current assets					
Inventories	10	**1 896 023**	2 818 356	**1 896 023**	2 818 356
Trade and other receivables	11	**1 506 295**	1 136 862	**1 494 006**	1 126 684
Derivative financial instruments	12	**2 574**	–	**2 574**	–
Current tax assets		**42 255**	42 675	**42 133**	42 675
Cash and cash equivalents	13	**421 359**	691 555	**409 447**	681 431
		3 868 506	4 689 448	**3 844 183**	4 669 146
Total assets		**10 459 425**	10 755 658	**10 265 305**	10 675 203
EQUITY AND LIABILITIES					
Equity attributable to owners					
Share capital	15.1	**4 170 979**	4 170 979	**4 170 979**	4 170 979
Share premium	15.1	**132 013**	132 013	**132 013**	132 013
Retained losses		**(820 526)**	(1 185 394)	**(1 224 292)**	(1 474 510)
Share-based payment reserve	17.1	**303 914**	303 914	**303 914**	303 914
Total equity		**3 786 380**	3 421 512	**3 382 614**	3 132 396
Liabilities					
Non-current liabilities					
Lease liability	18	**1 996**	4 068	**56**	1 993
Environmental rehabilitation liability	19	**239 522**	376 110	**239 522**	376 110
Long-term interest-bearing loans	30	**4 528 994**	4 059 670	**4 528 994**	4 059 670
Retirement benefit obligations	20	**143 376**	139 274	**143 376**	139 274
		4 913 888	4 579 122	**4 911 948**	4 577 047
Current liabilities					
Trade and other payables	21	**1 423 168**	1 683 803	**1 419 258**	1 678 638
Loans from subsidiaries	6	**–**	–	**221 549**	221 659
Short-term legal liability	31	**–**	4 583	**–**	4 583
Short-term interest-bearing loans	30	**230 068**	929 483	**230 068**	929 483
Current tax liability		**–**	450	**–**	539
Lease liability	18	**2 073**	2 050	**1 937**	1 945
Derivative financial instruments	12	**5 917**	5 742	**–**	–
Provisions	22	**97 931**	128 913	**97 931**	128 913
		1 759 157	2 755 024	**1 970 743**	2 965 760
Total liabilities		**6 673 045**	7 334 146	**6 882 691**	7 542 807
Total equity and liabilities		**10 459 425**	10 755 658	**10 265 305**	10 675 203

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2024

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Revenue	23	**9 980 196**	11 511 841	**9 979 474**	11 511 203
Cost of sales	24	**(7 855 899)**	(8 141 727)	**(7 859 603)**	(8 143 947)
Gross profit		**2 124 297**	3 370 114	**2 119 871**	3 367 256
Distribution expenses	24	**(1 356 091)**	(1 558 013)	**(1 358 336)**	(1 560 299)
Administrative expenses	24	**(503 418)**	(436 528)	**(500 334)**	(434 124)
Other operating income	23	**445 603**	163 729	**451 989**	169 762
Loss from financial assets measured at fair value	33	**–**	–	**–**	(23)
Share of profit from joint venture	7	**81 701**	–	**–**	–
Impairment reversal		**–**	1 999 120	**–**	1 999 120
Expected credit loss		**(64 707)**	5 271	**(63 780)**	5 749
Operating profit before interest and tax		**727 385**	3 543 693	**649 410**	3 547 441
Finance income	26	**94 717**	75 825	**49 899**	48 762
Finance costs	26	**(778 487)**	(678 050)	**(771 994)**	(687 627)
Net foreign exchange gain/(loss)	27	**55 170**	(83 392)	**55 198**	(83 388)
Profit/(loss) before taxation		**98 785**	2 858 076	**(17 487)**	2 825 188
Income tax	28	**266 278**	(48 244)	**267 900**	(49 256)
Profit for the year		**365 063**	2 809 832	**250 413**	2 775 932
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurements of post-employment benefit obligation	20	**(1 401)**	3 065	**(1 401)**	3 065
Income tax	28	**1 206**	656	**1 206**	656
Other comprehensive (loss)/income for the year, net of tax		**(195)**	3 721	**(195)**	3 721
Total comprehensive profit for the year		**364 868**	2 813 553	**250 218**	2 779 653

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Share capital R'000	Share premium R'000	Retained earnings R'000	Share-based payment reserve R'000	Total R'000
GROUP					
Balance at 31 March 2022	4 170 979	132 013	(3 972 462)	303 914	634 444
Prior year period revenue adjustment	–	–	(26 485)	–	(26 485)
Profit for the year	–	–	2 809 832	–	2 809 832
Other comprehensive income	–	–	3 721	–	3 721
Balance at 31 March 2023	4 170 979	132 013	(1 185 394)	303 914	3 421 512
Profit for the year	**–**	**–**	**365 063**	**–**	**365 063**
Other comprehensive loss	**–**	**–**	**(195)**	**–**	**(195)**
Balance at 31 March 2024	**4 170 979**	**132 013**	**(820 526)**	**303 914**	**3 786 380**
COMPANY					
Balance at 31 March 2022	4 170 979	132 013	(4 227 678)	303 914	379 228
Prior year period revenue adjustment	–	–	(26 485)	–	(26 485)
Profit for the year	–	–	2 775 932	–	2 775 932
Other comprehensive income	–	–	3 721	–	3 721
Balance at 31 March 2023	4 170 979	132 013	(1 474 510)	303 914	3 132 396
Profit for the year	**–**	**–**	**250 413**	**–**	**250 413**
Other comprehensive loss	**–**	**–**	**(195)**	**–**	**(195)**
Balance at 31 March 2024	**4 170 979**	**132 013**	**(1 224 292)**	**303 914**	**3 382 614**

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

for the year ended 31 March 2024

		GROUP		COMPANY	
	Notes	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Cash flows from operating activities					
Cash generated from operating activities	29	**1 289 622**	1 144 553	**1 288 434**	1 148 923
Interest income	26	**37 747**	13 335	**20 443**	12 632
Finance cost paid	26	**(500 559)**	(239 318)	**(493 194)**	(239 246)
Finance cost paid – lease liability	18	**(602)**	(964)	**(387)**	(741)
Foreign exchange gain	27	**196 529**	204 418	**196 529**	204 418
Foreign exchange loss	27	**(146 936)**	(283 349)	**(146 908)**	(283 349)
Repayment of legal liability	31	**(4 583)**	(49 778)	**(4 583)**	(49 778)
Tax paid		**–**	(42 523)	**–**	(42 675)
Repayment of retirement medical benefits	20	**(12 930)**	(11 234)	**(12 930)**	(11 234)
Net cash generated from operating activities		**858 291**	735 140	**847 404**	738 950
Cash flows from investing activities					
Purchase of property, plant and equipment		**(646 530)**	(462 648)	**(646 530)**	(462 648)
Purchase of intangible assets		**(104)**	–	**(104)**	–
Purchase of financial investment		**(36 164)**	(35 011)	**(27 384)**	(35 011)
Proceeds from other financial investments		**5 939**	7 000	**5 939**	7 000
Net cash used in investing activities		**(676 859)**	(490 659)	**(668 079)**	(490 659)
Cash flows from financing activities					
Repayment of loans to subsidiaries		**–**	–	**–**	(11 847)
Proceeds of loans from subsidiaries		**–**	–	**–**	504
Repayment of lease liability-Capital	18	**(2 651)**	(3 785)	**(2 332)**	(3 483)
Proceeds from long-term interest-bearing loans	30	**2 540 019**	2 412 890	**2 540 019**	2 412 890
Repayment of long-term interest-bearing loans	30	**(2 289 581)**	(2 302 608)	**(2 289 581)**	(2 302 608)
Proceeds from short-term interest-bearing loans	30	**4 524 673**	5 643 469	**4 524 673**	5 643 469
Repayment of short-term interest-bearing loans	30	**(5 224 088)**	(5 465 106)	**(5 224 088)**	(5 465 106)
Net cash from financing activities		**(451 628)**	284 860	**(451 309)**	273 819
Total cash movements for the year		**(270 196)**	529 341	**(271 984)**	522 110
Cash and cash equivalents at the beginning of the year		**691 555**	162 214	**681 431**	159 321
Total cash and cash equivalents at the end of the year	13	**421 359**	691 555	**409 447**	681 431

PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. PRESENTATION OF THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

1.1 BASIS OF PREPARATION

The consolidated financial statements of the Foskor Group have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act of South Africa, No. 71 of 2008. The financial statements have been prepared under the historical cost convention except for financial assets and liabilities which are measured at fair value through profit or loss and financial assets measured through other comprehensive income.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period based on management's best knowledge of current events and actions. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed under each note.

All amounts in the financial statements are presented in South African Rand, rounded to the nearest thousand, unless otherwise stated.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

The effective date of the following standards is for accounting periods beginning on or after 1 January 2023. The Group has adopted the standards and interpretations for the first time in the 2024 consolidated and separate annual financial statements. The impact of the adoption is not material.

DEFINITION OF ACCOUNTING ESTIMATES (AMENDMENTS TO IAS 8)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

INTERNATIONAL TAX REFORM — PILLAR TWO MODEL RULES (AMENDMENTS TO IAS 12)

The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.

DISCLOSURE OF ACCOUNTING POLICIES (AMENDMENTS TO IAS 1 AND IFRS PRACTICE STATEMENT 2)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in IFRS Practice Statement 2.

DEFERRED TAX RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION (AMENDMENTS TO IAS 12)

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction, must not give rise to equal taxable and deductible temporary differences.

2.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 April 2024 or later periods:

IFRS S1 GENERAL REQUIREMENTS FOR DISCLOSURE OF SUSTAINABILITY-RELATED FINANCIAL INFORMATION

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The impact of this amendment is currently being assessed.

IFRS S2 CLIMATE-RELATED DISCLOSURES

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The impact of this amendment is currently being assessed.

CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT (AMENDMENTS TO IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

The effective date of the amendment is for years beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

LEASE LIABILITY IN A SALE AND LEASEBACK (AMENDMENTS TO IFRS 16)

The amendments require a seller-lessee to apply the subsequent measurement requirements for lease liabilities unrelated to a sale and leaseback transaction to lease liabilities arising from a leaseback in a way that it recognises no amount of the gain or loss related to the right-of-use that it retains.

The effective date of the amendment is for years beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

NON-CURRENT LIABILITIES WITH COVENANTS (AMENDMENTS TO IAS 1)

The amendment state that at the reporting date, the entity does not consider covenants that will need to be complied with in the future, when considering the classification of the debt as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements.

The effective date of the amendment is for years beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

SUPPLIER FINANCE ARRANGEMENTS (AMENDMENTS TO IAS 7 AND IFRS 7)

The amendments add disclosure requirements, and "signposts" within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

The effective date of the amendment is for years beginning on or after 1 January 2024.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

LACK OF EXCHANGEABILITY (AMENDMENTS TO IAS 21)

The effective date of the amendment is for years beginning on or after 1 January 2025.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

AMENDMENTS TO THE SASB STANDARDS TO ENHANCE THEIR INTERNATIONAL APPLICABILITY

The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering industries, topics or metrics.

The effective date of the amendment is for years beginning on or after 1 January 2025.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

IFRS 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.

The effective date of the amendment is for years beginning on or after 1 January 2027.

The impact of the amendment is currently being assessed.

3. GOING CONCERN

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Group and Company can continue in operational existence for the foreseeable future.

In assessing the Group's and Company's ability to continue as a going concern, management have prepared cash flow forecasts for a period in excess of 12 months. Based on the cash flow forecasts, positive cash flows are expected to be generated from operations for the 2025 financial year.

Management have considered various scenarios to test the Group's and Company's resilience against operational risks including adverse movements in commodity prices and ZAR/USD exchange rate or a combination thereof and the failure to meet forecast production targets.

Management will continue with its foreign exchange management policies to cover the Group's and Company's exposure to the ZAR/USD volatility. The Group and Company has working capital facilities in place to meet its future cash flow requirements. The borrowing facilities together with the positive cash-generation forecast, provide an adequate headroom to cater for any downside risks in the forecast.

As a result of management's mitigation strategy detailed above, no material uncertainty exists which may cast significant doubt on the Group's and Company's ability to continue as a going concern as at 31 March 2024.

Furthermore, the directors have considered the solvency and liquidity requirements of the Companies Act, 2008.

The Group's total assets at 31 March 2024 are R10.46 billion and its total liabilities are R6.67 billion, a surplus of R3.79 billion. The net asset position for the past few years is as follows:

(R'm)	2025 Forecast	2024	2023	2022	2021	2020
Total assets	10 328	**10 459**	10 756	7 536	7 164	8 199
Total liabilities	6 699	**6 673**	7 334	6 902	6 032	4 621
Net assets	3 639	**3 786**	3 422	635	1 132	3 578

The current assets of the Group at 31 March 2024 are R3.87 billion, while current liabilities are R1.76 billion. This indicates that there are sufficient current assets to meet the current liabilities. The table below reflects the trend in current assets and liabilities.

(R'm)	2025 Forecast	2024	2023	2022	2021	2020
Total current assets	3 188	**3 868**	4 689	3 632	3 082	2 606
Total current liabilities	1 337	**1 759**	2 755	1 987	1 860	1 302
Net current assets	1 851	**2 109**	1 934	1 645	1 222	1 304

The Company total assets at 31 March 2024 are R10.26 billion and its total liabilities are R6.88 billion, a surplus of R3.88 billion. The net asset position for the past few years is as follows:

(R'm)	2025 Forecast	2024	2023	2022	2021	2020
Total assets	10 328	**10 265**	10 675	7 494	7 118	8 299
Total liabilities	6 699	**6 883**	7 543	7 115	6 243	4 835
Net assets	3 629	**3 382**	3 132	379	875	3 464

The current assets of the Company at 31 March 2024 are R3.84 billion while current liabilities are R1.97 billion. This indicates that there are sufficient current assets to meet current liabilities. The table below reflects the trend in current assets and liabilities.

(R'm)	2025 Forecast	2024	2023	2022	2021	2020
Total current assets	3 188	**3 844**	4 669	3 624	3 072	2 595
Total current liabilities	1 337	**1 971**	2 966	2 202	2 071	1 516
Net current assets	1 851	**1 873**	1 703	1 422	1 001	1 079

From the above, it is evident that Foskor has historically met the solvency and liquidity test as set out in the Company's Act, 2008. These tests are also expected to be met in future, based on the forecasts.

The directors believe that the Group and Company will continue to have adequate financial resources to meet obligations as they fall due. Accordingly, the directors have formed a judgement that it is appropriate to prepare the financial statements on a going concern basis.

4. PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

Property, plant and equipment

Property, plant and equipment includes mining assets, land and buildings, plant, equipment, vehicles and capital work in progress as well as certain essential plant spares that are held to minimise delays arising from plant breakdowns. All property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Land and capital work in progress is stated at cost less accumulated impairment.

Direct costs incurred on major projects during the period of development or construction are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Gains or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Depreciation

Land and capital work in progress

Land and capital work in progress is stated at cost and is not depreciated.

Property, plant and equipment (excluding land and capital work in progress)

All other items of property, plant and equipment are depreciated on a straight-line method at cost less estimated residual values over their useful lives as follows:

Mining asset, land and buildings:

Building and structures	30 to 50 years
Mining assets	10 to 20 years

Plant, equipment and vehicles:

Vehicles	4 to 5 years
Heavy plant and machinery	10 to 25 years
Equipment	8 to 10 years
Computer equipment	3 to 5 years
Factory equipment	4 to 10 years
Capital insurance spares	10 to 20 years

Useful lives and residual values

The assets' useful lives and residual values are reviewed, and adjusted if appropriate, at each reporting date.

Capitalisation of borrowing costs

Interest costs on borrowings to finance the construction of property, plant and equipment that are considered to be "qualifying assets" are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

Impairment of assets

The carrying amounts of the Group's assets and cash-generating units are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is determined. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Cash generating units

A CGU is the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For an asset whose cash flow is largely dependent on that of other assets, the recoverable amount is determined for the CGU to which the asset belongs.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the net book value of any goodwill allocated to CGUs and then to reduce the net book value of the other assets in the unit on a *pro rata* basis. Impairment losses are recognised in profit or loss.

Impairment reversals

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

At each financial reporting date, the Group assesses whether there is any indication that non-financial assets are impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment (If any). The recoverable amount is the higher of fair value less costs to sell and value-in-use.

For impairment assessment, all the Group's assets are assessed to be the smallest independent group of assets that generated independent cash flows as more than 67% of the Mine Division's output is utilised in the Acid Division.

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

SIGNIFICANT ESTIMATES AND JUDGEMENTS CONTINUED

The key assumptions contained within the business forecast and management's approach to determine appropriate values-in-use are set out below:

Commodity prices	Projections are determined through a combination of the views of the directors, market estimates and forecasts, market analysts' views and other sector information.
Production volume	Projections are based on the capacity and expected operational capabilities of the operations, the conversion ratios and the efficiencies of processing.
Production costs	Projections are based on current cost adjusted for expected cost changes as well as giving consideration to specific issues relevant to each cost element.
Capital expenditure requirements	Projections are based on the operational plan, which sets out the long-term plan of the business that is approved by the Board.
Foreign currency exchange rates	Average spot rates for the duration of each reporting period are applied. These are based on market analysts' views.
Reserves and resources of the mine	Projections are determined through surveys performed by Competent Persons and the views of the directors of the Company.
Discount rate	The discount rate is based on a Weighted Average Cost of Capital ("WACC") calculation using the Capital Asset Pricing Model grossed up to a pre-tax rate. The Group uses market consensus information and benchmarks to calculate an appropriate WACC.
Risk free rate	The risk free rate obtained from various sources such as the South African Reserve Bank, IDC and data search engines like Reuters and Bloomberg. They consist of bond rate and return swaps from different indices.

For impairment testing, management projects cash flows over a period of 92 years (current year plus ninety-one years). For the Mining Division, a life of mine assessment was conducted by independent external experts. Based on the current mining rates, the life of mine is estimated to be more than 90 years. While the majority of mining licences are currently valid until 2037 the Director's expect the licences will be renewed until beyond 2070.

The forecasted gross margins are estimated at 33% which is driven by the increase in production output. The current year's gross margin was 21% due to the impact of the crusher failure at the Mining Division that impacted productivity negatively.

In arriving at the value-in-use, cash flows expressed in real terms have been estimated and discounted using a discount rate of 15.98% (2023: 15.41%), giving consideration to the specific amount and timing of future cash flows as well as the risks specific to the operations. The risk-free rate increased from 11.55% in 2023 to 13% in 2024 and the average cost of debt increased from 9.31% in 2023 to 9.62% in 2024.

For the 2024 financial year, the Group's non-financial assets (Plant and Equipment) had a carrying amount of R4.92 billion and recoverable amount of R6.67 billion resulting in no impairment adjustment for 2024 (2023: impairment reversal of R2 billion).

In preparing the financial statements, management has done comparisons on the WACC of 15.98% on 2024 as compared to the 15.41% from 2023. The WACC was higher due to the increase in cost of equity as well as an increase in the cost of debt.

Foskor remains extremely sensitive to changes in WACC a % change will result in impairment as follows:

Measurement	Movement in assumption	Net valuation impact
Increase in WACC	1%	(R1.36 billion)
Decrease in WACC	1%	(R1.85 billion)

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

	GROUP						
	2024 R'000			2023 R'000			
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Accumulated impairment reversal	Carrying amount
Land	**62 707**	**–**	**62 707**	62 707	–	–	62 707
Mining asset, buildings and rehabilitation assets	**1 700 443**	**(794 396)**	**906 047**	1 217 465	(754 272)	633 816	1 097 009
Plant, equipment and vehicles	**7 147 103**	**(4 149 256)**	**2 997 847**	5 125 130	(3 286 713)	1 026 622	2 865 039
Capital work in progress	**957 565**	**–**	**957 565**	477 193	–	338 682	815 875
Total	**9 867 818**	**(4 943 652)**	**4 924 166**	6 882 495	(4 040 985)	1 999 120	4 840 630

	COMPANY						
	2024 R'000			2023 R'000			
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Accumulated impairment reversal	Carrying amount
Land	**62 707**	**–**	**62 707**	62 707	–	–	62 707
Mining asset, buildings and rehabilitation assets	**1 696 321**	**(792 169)**	**904 152**	1 213 343	(752 305)	633 816	1 094 854
Plant, equipment and vehicles	**7 120 620**	**(4 138 164)**	**2 982 456**	5 098 456	(3 275 430)	1 026 622	2 849 648
Capital work in progress	**957 565**	**–**	**957 565**	477 193	–	338 682	815 875
Total	**9 837 213**	**(4 930 333)**	**4 906 880**	6 851 699	(4 027 735)	1 999 120	4 823 084

Details of land and buildings are available for inspection at the registered office of the Company.

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

	GROUP						
	Opening balance R'000	Additions R'000	Gypsum Dam and acid plant rehabilitation R'000	Mining rehabilitation R'000	Depreciation charge R'000	Disposals R'000	Closing balance R'000
Year ended 31 March 2024							
Movement in carrying value for the year							
Land	62 707	–	–	–	–	–	62 707
Mining asset, buildings and rehabilitation assets	1 097 009	2 649	(28 250)	(125 235)	(40 126)	–	906 047
Plant, equipment and vehicles	2 865 039	504 880	–	–	(370 579)	(1 493)	2 997 847
Capital work in progress	815 875	141 690	–	–	–	–	957 565
Total	4 840 630	649 219	(28 250)	(125 235)	(410 705)	(1 493)	4 924 166

	COMPANY						
	Opening balance R'000	Additions R'000	Gypsum Dam and acid plant rehabilitation R'000	Mining rehabilitation R'000	Depreciation charge R'000	Disposals R'000	Closing balance R'000
Year ended 31 March 2024							
Movement in carrying value for the year							
Land	62 707	–	–	–	–	–	62 707
Mining asset, buildings and rehabilitation assets	1 094 854	2 649	(28 250)	(125 235)	(39 866)	–	904 152
Plant, equipment and vehicles	2 849 648	504 880	–	–	(370 579)	(1 493)	2 982 456
Capital work in progress	815 875	141 690	–	–	–	–	957 565
Total	4 823 084	649 219	(28 250)	(125 235)	(410 445)	(1 493)	4 906 880

During the year, the Group capitalised borrowing costs of R2.7 million (2023: R5 million) on qualifying assets. The borrowing costs were capitalised at the Group general borrowings weighted average annual rate of 14.67% (2023: 12.28%).

Movable plant and equipment have been pledged as security for loans granted by the IDC of South Africa Ltd.

Included in our assets are assets at an original cost of R938 million (2023: R1.3 billion) that is carried at nil value as these assets have been fully depreciated and still in use.

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

	GROUP							
	Opening balance R'000	Additions R'000	Gypsum Dam and acid plant rehabilitation R'000	Mining rehabilitation R'000	Depreciation charge R'000	Impairment reversal R'000	Disposals R'000	Closing balance R'000
Year ended 31 March 2023								
Movement in carrying value for the year								
Land	62 707	–	–	–	–	–	–	62 707
Mining asset, buildings and rehabilitation assets	562 717	2 285	(47 263)	(9 830)	(43 552)	633 816	(1 164)	1 097 009
Plant, equipment and vehicles	1 683 348	434 977	–	–	(264 673)	1 026 622	(15 235)	2 865 039
Capital work in progress	442 518	34 675	–	–	–	338 682	–	815 875
Total	2 751 290	471 937	(47 263)	(9 830)	(308 225)	1 999 120	(16 399)	4 840 630

	COMPANY							
	Opening balance R'000	Additions R'000	Gypsum Dam and acid plant rehabilitation R'000	Mining rehabilitation R'000	Depreciation charge R'000	Impairment reversal R'000	Disposals R'000	Closing balance R'000
Land	62 707	–	–	–	–	–	–	62 707
Mining asset, buildings and rehabilitation assets	560 480	2 106	(47 263)	(9 830)	(43 291)	633 816	(1 164)	1 094 854
Plant, equipment and vehicles	1 667 953	434 977	–	–	(264 669)	1 026 622	(15 235)	2 849 648
Capital work in progress	442 518	34 675	–	–	–	338 682	–	815 875
Total	2 733 658	471 758	(47 263)	(9 830)	(307 960)	1 999 120	(16 399)	4 823 084

4.1 RIGHT-OF-USE ASSETS

ACCOUNTING POLICY

Right-of-use of assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are included under property, plant and equipment and depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

	GROUP					
	2024 R'000			2023 R'000		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Buildings	**2 295**	**(593)**	**1 702**	2 294	(363)	1 931
Plant, equipment and vehicles	**45 866**	**(43 982)**	**1 884**	45 866	(40 438)	5 428
Total	**48 161**	**(44 575)**	**3 586**	48 160	(40 801)	7 359

	COMPANY					
	2024 R'000			2023 R'000		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Plant, equipment and vehicles	**45 866**	**(43 982)**	**1 884**	45 866	(40 438)	5 428

Included in property, plant and equipment is capitalised leased assets which comprises building, effluent pipeline and other equipment.

	GROUP		
	Opening balance R'000	Depreciation R'000	Closing balance R'000
Year ended 31 March 2024			
Movement in carrying value for the year			
Buildings	**1 931**	**(229)**	**1 702**
Plant, equipment and vehicles	**5 428**	**(3 544)**	**1 884**
	7 359	**(3 773)**	**3 586**

	COMPANY		
	Opening balance R'000	Depreciation R'000	Closing balance R'000
Year ended 31 March 2024			
Movement in carrying value for the year			
Plant, equipment and vehicles	**5 428**	**(3 544)**	**1 884**

4. PROPERTY, PLANT AND EQUIPMENT CONTINUED

	GROUP			
	Opening balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Year ended 31 March 2023				
Movement in carrying value for the year				
Mining asset, buildings and rehabilitation assets	1 983	177	(229)	1 931
Plant, equipment and vehicles	4 676	4 298	(3 546)	5 428
	6 659	4 475	(3 775)	7 359

	COMPANY			
	Opening balance R'000	Additions R'000	Depreciation R'000	Closing balance R'000
Year ended 31 March 2023				
Movement in carrying value for the year				
Plant, equipment and vehicles	4 676	4 298	(3 546)	5 428

5. INTANGIBLE ASSETS

ACCOUNTING POLICY

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use it;
- There is an ability to use the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as and when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, using the straight-line method, which does not exceed three years. Expenditure on research phase is expensed when it is incurred.

Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

5. INTANGIBLE ASSETS CONTINUED

	GROUP					
	2024 R'000			2023 R'000		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Computer software	**77 235**	**(76 590)**	**645**	82 984	(80 865)	2 119
Total	**77 235**	**(76 590)**	**645**	82 984	(80 865)	2 119

	COMPANY					
	2024 R'000			2023 R'000		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Computer software	**77 235**	**(76 590)**	**645**	82 984	(80 865)	2 119
Total	**77 235**	**(76 590)**	**645**	82 984	(80 865)	2 119

	GROUP							
	2024 R'000					2023 R'000		
Movement in carrying value for the year	Opening balance R'000	Additions R'000	Amortisation R'000	Disposal R'000	Closing balance R'000	Opening balance R'000	Amortisation R'000	Closing balance
Computer software	**2 119**	**104**	**(1 425)**	**(153)**	**645**	3 976	(1 857)	2 119

	COMPANY							
	2024 R'000					2023 R'000		
	Opening balance	Additions	Amortisation	Disposal	Closing balance	Opening balance	Amortisation	Closing balance
Computer software	**2 119**	**104**	**(1 425)**	**(153)**	**645**	3 976	(1 857)	2 119

6. INVESTMENTS IN SUBSIDIARIES

ACCOUNTING POLICY

Subsidiaries are all entities, including structured entities, which the Group controls.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for the acquisition of subsidiaries. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a subsidiary are measured initially at their fair value at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Where a business combination is achieved in stages, the previously held equity interest is re-measured at the acquisition-date fair value with the resulting gain or loss recognised in the income statement.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-Company transactions, balances and unrealised profits and losses on transactions between Group companies are eliminated. The accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Changes in ownership interest in a subsidiary which do not result in a loss of control are treated as transactions between equity holders and are reported in equity.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

The loans to and from subsidiaries are interest-free and they have no fixed repayment terms.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6. INVESTMENTS IN SUBSIDIARIES CONTINUED

			Issued ordinary and preference shares				Shares at cost		Indebtedness	
	Country of Incorporation	Nature of business	Number 2024	Number 2023	% 2024	% 2023	R'000 2024	R'000 2023	R'000 2024	R'000 2023
Indian Ocean Fertilizer (Pty) Ltd	South Africa	Previous Acid Division	**93 265 304**	93 265 304	**100**	100	**103 956**	103 956	**(218 501)**	(218 501)
Inter Minerals Holdings AG	Switzerland	Dormant SPV	**–**	–	**–**	–	**10**	10	**(10)**	(10)
Phosphate Shipping (Pty) Ltd	South Africa	Ship Broker Agency	**1**	1	**100**	100	**–**	–	**(3 038)**	(3 148)
Shares in and loans from subsidiaries							**103 966**	103 966	**(221 549)**	(221 659)
Phosfert Marine (Pty) Ltd	South Africa	Clearing & Forward Agency	**40 000**	40 000	**100**	100	**40**	40	**22 493**	15 999
Verdino 174 (Pty) Ltd	South Africa	Storage Tanks	**120**	120	**100**	100	**12 000**	12 000	**10 093**	10 137
Foskor Social Responsibility Trust	South Africa	Social Responsibility Trust	**–**	–	**–**	–	**–**	–	**173**	154
IOF Property Trust	South Africa	Property Trust	**–**	–	**–**	–	**–**	–	**29**	30
Shares in and loans to subsidiaries							**12 040**	12 040	**32 788**	26 320
Foskor Rehabilitation Trust	South Africa	Environmental Rehabilitation Trust					**281 563**	254 179	**–**	–
Investment in Rehabilitation Trust							**281 563**	254 179	**–**	–
Total shares at cost/net loans owing							**397 569**	370 185	**(188 761)**	(195 339)

The subsidiaries have financial years ending 31 March and are consolidated to that date. Loans to and from subsidiaries are interest-free with no repayment terms. The intention of the subsidiaries is to settle the loans in the long term.

Indicators for impairment were considered at 31 March 2024 and the impairment of loans to subsidiaries was recognised in profit and loss.

7. INVESTMENT IN JOINT VENTURE

ACCOUNTING POLICY

Joint arrangements

Joint arrangements are where two or more parties contractually agree to the sharing of control in respect to:

- The assets, and obligations of the joint arrangement (joint operations) or have rights to the net assets of the joint arrangement (joint venture). The Group evaluates the contractual terms of joint arrangements to determine whether a joint arrangement is a joint operation or a joint venture.
- The Group's interest in joint ventures is accounted for by the equity method of accounting. Under this method, the investment in the jointly-controlled entity is initially recognised at cost. For subsequent measurement, the Company's share of the post-acquisition profits or losses of joint ventures is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.
- At each balance sheet date, the Group assesses whether there is any indication of impairment. Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated to the extent of the Group's interest in the joint venture, unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of joint ventures are consistent with the policies adopted by the Group.
- In the Company's stand-alone accounts, joint ventures are recorded at cost less impairment.

7. INVESTMENT IN JOINT VENTURE CONTINUED

7.1 FOSKOR (PTY) LTD HAS A 50% INTEREST IN A JOINT VENTURE, PALFOS AVIATION (PTY LTD)

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Palfos Aviation (Pty) Ltd				
Carrying amount of Investment	**22**	25	**22**	23

The investment consists of 12 500 shares of R2 each, being 50% of the authorised and issued share capital. The Company is currently in the process of being deregistered. The 50% share of the assets, liabilities and results of the joint venture are not significant. Refer to note 38.2 for the nature of activities and principal place of business.

7.2 FOSKOR (PTY) LTD HAS A 40% INTEREST IN A JOINT VENTURE, LIMPOPO IRON ORE (PTY) LTD

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Limpopo Iron Ore (Pty) Ltd				
Opening balance	**–**	–	**–**	–
Share of profit	**128 004**	–	**–**	–
Prior years, net loss[1]	**(46 303)**	–	**–**	–
Carrying amount of Investment	**81 701**	–	**–**	–
Total investment in joint venture	**81 723**	25	**22**	23

The investment consists of 400 shares at no par value, being 40% of the authorised and issued share capital.

[1] *The financial statements for the joint venture were not available in the prior years.*

7. INVESTMENT IN JOINT VENTURE CONTINUED

Set out below is the summarised financial information for Limpopo Iron Ore which is accounted for using the equity method:

	GROUP	
Summarised statement of financial position	2024 R'000	2023 Restated* R'000
Assets		
Non-current assets		
Property, plant and equipment	**373 752**	400 648
Deferred tax	**–**	22 499
Current assets		
Inventories	**27 948**	32 782
Trade and other receivables	**290 599**	250 017
Cash and cash equivalents	**266 941**	876
Total assets	**959 240**	706 822
Equity		
Retained earnings	**204 252**	(115 757)
Total equity	**204 252**	(115 757)
Liabilities		
Non-current liabilities		
Loans from Group companies	**329 523**	295 239
Loans from shareholders	**37 745**	35 725
Deferred taxation	**53 736**	–
Other financial liabilities	**196 599**	406 745
Current liabilities		
Trade and other payables	**104 240**	84 870
Income tax	**33 146**	–
Total liabilities	**754 989**	822 579

7. INVESTMENT IN JOINT VENTURE CONTINUED

Summarised statement of comprehensive income	GROUP 2024 R'000	GROUP 2023 Restated* R'000
Revenue	**1 277 394**	723 617
Cost of sales	**(612 616)**	(372 775)
Other income	**–**	5 431
Depreciation and amortisation	**(26 899)**	(19 896)
Operating expenses	**(162 972)**	(190 295)
Investment income	**1 953**	123
Gain on extinguishment of debt	**22 160**	–
Finance cost	**(49 437)**	(68 480)
Profit before taxation	**449 853**	77 726
Taxation	**(129 574)**	(38 225)
Profit after taxation	**320 009**	39 501
Share of profit from Joint venture at 40%	**128 004**	15 800

* *The investment in Limpopo Iron Ore was not disclosed in the prior year's financial statements. The net cumulative share of losses up to 31 March 2022 amounted to R62.1 million and share of profit for 31 March 2023 was R15.8 million. The net effect accounted for as at 31 March 2023 amounts to R46.3 million.*

8. INVESTMENT IN ASSOCIATE

ACCOUNTING POLICY

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of its associates' post-acquisition profits and losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted for against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated to the extent of the Group's interest in the associates, unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates are consistent with the policies adopted by the Group. Dilution profits and losses arising in investments in associates are recognised in profit or loss.

Investments in associates are accounted for at cost less impairment in the Company's stand-alone financial statements.

8. INVESTMENT IN ASSOCIATE CONTINUED

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
At beginning of year					
Investment in Foskor Zirconia (Pty) Ltd	8.1	–	–	**–**	–

Foskor (Pty) Ltd owns 29.9% of Foskor Zirconia (Pty) Ltd. The remaining shareholding of Foskor Zirconia (Pty) Limited is owned by Carborundum Universal Limited (51%) and Perfect Positions Investments 41 CC (19.1%). Foskor Zirconia (Pty) Ltd is a company incorporated in South Africa that manufactures monoclinic and calcia stabilised Zirconia. Foskor Zirconia (Pty) Ltd is a private company and there is no quoted market price available for its shares. There are no contingent liabilities relating to the Group's interest in the associate. The investment is nil due to impairment recognised in the prior year's up until 31 March 2019. The associate has 31 March as its financial year end. Refer to note 38 for the nature of activities and principal place of business.

Set out below is the summarised financial information for Foskor Zirconia which is accounted for using the equity method:

Summarised statement of financial position	GROUP 2024 R'000	GROUP 2023 R'000
Current		
Inventories	**131 665**	97 761
Trade and other receivables	**94 585**	45 537
Cash and cash equivalents	**10 758**	26 953
Other current assets	**13 838**	10 106
Total current assets	**250 846**	180 357
Non-current assets		
Property, plant and equipment	**35 116**	33 162
Deferred tax	**44 846**	38 599
Total non-current assets	**79 962**	71 761
Total assets	**330 808**	252 118
Equity		
Share capital	**1 000**	1 000
Reserves	**208 972**	178 972
Accumulated losses	**(107 395)**	(90 498)
Total equity	**102 577**	89 474
Non-current liabilities		
Borrowings	**28 903**	41 264
Other liabilities	**5 085**	4 930
Total non-current liabilities	**33 988**	46 194
Current liabilities		
Borrowings	**13 755**	–
Other financial liabilities	**4 129**	4 411
Trade and other payables	**176 359**	111 888
Other current liabilities	**–**	151
Total current liabilities	**194 243**	116 449
Total equity and liabilities	**330 808**	253 118

8. INVESTMENT IN ASSOCIATE CONTINUED

	GROUP	
Summarised statement of comprehensive income	**2024 R'000**	**2023 R'000**
Revenue	**381 965**	449 320
Other income	**1 679**	9 622
Cost of materials	**(265 072)**	(279 537)
Depreciation and amortisation	**(3 420)**	(3 057)
Staff costs	**(54 704)**	(43 948)
Other operating expenses	**(75 871)**	(104 256)
(Loss)/profit before tax	**(22 974)**	22 252
Taxation	**6 246**	37 474
(Loss)/profit after tax	**(16 728)**	59 726
Other comprehensive (loss)/profit	**(169)**	(103)
Total comprehensive (loss)/ income for the year	**(16 897)**	59 623

	GROUP	
Reconciliation of summarised financial information	**2024 R'000**	**2023 R'000**
Reconciliation of the summarised financial information presented to the carrying amount of its interest in associate:		
Opening net assets as at beginning of year	**89 474**	(97 049)
Reserves – Shareholders' investment	**30 000**	126 900
Total comprehensive (loss)/profit	**(16 728)**	59 726
Other comprehensive profit	**(169)**	103
Closing net assets at 31 March	**102 577**	89 474
Interest in associates (29.9%)	**30 671**	26 753
Limitation of loss*	**(30 671)**	(26 753)
Carrying value	**–**	–

* *The cumulative share of loss at 31 March 2024 amounts to R32.11 million (2023: R27.06 million). Foskor (Pty) Ltd initial investment of R26 million is fully impaired due to cumulative losses in Foskor Zirconia (Pty) Ltd. The positive net asset value in Foskor Zirconia (Pty) Ltd is due to capital investments from different shareholders.*

9. FINANCIAL INVESTMENTS

		GROUP		COMPANY	
		2024 R'000	2023 R'000	2024 R'000	2023 R'000
9.1	**ENVIRONMENTAL REHABILITATION TRUST INVESTMENTS – AT FAIR VALUE THROUGH PROFIT AND LOSS**	**498 796**	**435 251**	**–**	–
	Unit trusts	**295 279**	**266 268**	**–**	–
	Money market investments	**26 377**	**21 969**	**–**	–
	Rehabilitation guarantee investment	**176 232**	**146 245**	**–**	–
	Sanlam shares	**602**	**489**	**–**	–
	Old Mutual shares	**306**	**280**	**–**	–
	Reconciliation of balance				
	Opening balance	**435 251**	**381 370**	**–**	–
	Fair value gain*	**15 825**	**9 566**	**–**	–
	Contribution	**27 383**	**35 011**	**–**	–
	Interest income	**25 705**	**14 739**	**–**	–
	Dividends received	**1 996**	**1 931**	**–**	–
	Management fees	**(7 364)**	**(7 366)**	**–**	–
		498 796	**435 251**	**–**	–

The unit trust portfolio for these investments is invested in equity (44%), property (1%), bonds (43%), money market and cash (11%) and other (1%). The Environmental Rehabilitation Trust is an irrevocable trust under the Company's control.

**The fair value gain is disclosed under interest income, refer to note 26.*

9. FINANCIAL INVESTMENTS CONTINUED

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
9.2 ENVIRONMENTAL REHABILITATION TRUST INVESTMENTS – AT AMORTISED COST				
Cash deposits held by the Environmental Rehabilitation Trust	**1 637**	1 485	**–**	–
RMB	**1 057**	978	**–**	–
Absa	**580**	507	**–**	–
Reconciliation of balance – RMB				
Opening balance	**978**	926	**–**	–
Interest income	**79**	52	**–**	–
Closing balance	**1 057**	978	**–**	–
Reconciliation of balance – ABSA				
Opening balance	**507**	438	**–**	–
Interest income	**29**	14	**–**	–
Dividends received	**47**	58	**–**	–
Bank charges	**(3)**	(3)	**–**	–
Closing balance	**580**	507	**–**	–

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
9.3 PREFERENCE SHARES HELD IN FOSKOR ZIRCONIA (PTY) LTD – AT FAIR VALUE THROUGH PROFIT OR LOSS				
At beginning of the year	**31 900**	–	**31 900**	–
Additional investment	**30 000**	31 900	**30 000**	31 900
At 31 March	**61 900**	31 900	**61 900**	31 900

The preference shares issued are redeemable in tranches as decided from time to time by the company's Board of Directors.

9. FINANCIAL INVESTMENTS CONTINUED

		Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
9.4	**RICHARD'S BAY AMMONIUM CONSORTIUM – AT FAIR VALUE THROUGH PROFIT OR LOSS**				
	At beginning of the year	**7 849**	13 391	**7 853**	13 384
	IFRS 9 valuation	**5**	(8)	**1**	3
	Investment income	**898**	1 466	**898**	1 466
	Repayments	**(2 500)**	(7 000)	**(2 500)**	(7 000)
	At 31 March	**6 252**	7 849	**6 252**	7 853

The Richard's Bay Ammonium Consortium is an investment deposit that commenced in 2012 and provides a return at 15% per annum. The purpose of the investment for the upgrading of ammonia facilities.

		Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
9.5	**FINANCIAL INVESTMENT IN FOSKOR ZIRCONIA (PTY) LTD**				
	At beginning of the year				
	Additional investment	**41 264**	41 264	**41 243**	41 264
	Investment income	**5 935**	–	**5 935**	–
	Repayments	**(4 547)**	–	**(4 547)**	–
	IFRS 9 valuation	**(24)**	–	**(1)**	(21)
	At 31 March	**42 629**	41 264	**42 630**	41 243
	Total investments	**611 214**	517 749	**110 782**	80 996

As part of Foskor Zirconia balance sheet restructure, Foskor (Pty) Ltd has converted current debt into a long-term agreement payable over 33 months at an interest rate of prime plus 3%.

10. INVENTORIES

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Phosphate rock	**174 543**	526 693	**174 543**	526 693
Raw materials	**230 911**	622 210	**230 911**	622 210
Finished goods	**710 859**	1 055 142	**710 859**	1 055 142
Spares and consumables stores	**879 010**	711 851	**879 010**	711 851
	1 995 323	2 915 896	**1 995 323**	2 915 896
Inventories (write-downs)	**(99 300)**	(97 540)	**(99 300)**	(97 540)
Total inventories	**1 896 023**	2 818 356	**1 896 023**	2 818 356

Magnetite inventory is disclosed at nil value as there was no active market when the product was produced up to 2009 and cost of production was not assigned at that point in time. The future sales of magnetite will result in no expense being recorded other than additional costs incurred such as decapping and material handling.

The Group has pledged spares and consumables as security for the loan from the IDC of South Africa Ltd.

Spares and consumables stores to the value of R349 million was expensed during the year.

The cost of inventories recognised as an expense and included in cost of sales amounted to R2.7 billion (2023: R3 billion).

11. TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICY

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business to both local as well as export customers. Trade receivables balances have been grouped so that the Expected Credit Loss ("ECL") calculation is performed on groups of receivables with similar risk characteristics and ability to pay, these groupings predominately reflect the geographic location of the counterparty, being local to South Africa, or foreign to South Africa. Furthermore, Foskor has entered into a factoring arrangement with a commercial bank, whereby certain trade receivables are sold shortly after invoicing to provide the Group with Liquidity. In terms of this arrangement, Foskor does not meet the requirements for derecognition of the trade receivables due to its continued involvement in the trade receivable, particularly with regards to credit losses.

If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

Foskor has classified its trade receivables, in accordance with the requirements of IFRS 9, as follows:

- Trade receivables which have been factored in terms of the factoring arrangement, are classified and measured at amortised cost.
- Trade as well as other receivables, which have not been factored, are held in a "Hold to collect" business model and generate cash flows which comprise the principal amount outstanding as well as interest where applicable, accordingly, these receivables are classified and measured at amortised cost.

ECLs are calculated using the simplified method allowed for by IFRS 9, by applying a loss ratio to the aged balance of trade receivables at each reporting date. This method results in Foskor recognising the lifetime expected credit losses for all trade receivables. The loss ratio is calculated according to the ageing/payment profile of sales and geographical location by applying historic/proxy write offs to the payment profile of the sales population further adjusted for forward-looking indicators of expected loss where applicable. In instances where there was no evidence of historical write offs management used a proxy write off. Where applicable, management has adjusted the allowance for impairment losses to integrate into the calculation the fact that certain trade receivables have been insured. This insurance cover compensates the Group in the case of default to 90% of the face value of the receivable, and thus the Group's ECL is limited to 10% of the value of the trade receivable. Furthermore, a specific allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows integrating the probability of default and forward-looking indicators, discounted at the original effective interest rate. The amount of the provision is recognised in profit or loss.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Expected credit loss allowance

The Group measures the loss allowance for trade receivables and contract assets on the simplified approach (Lifetime ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past payment history of the debtor, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date such as inflation and GDP growth. The Group has recognised a loss allowance of 100% against all receivables where historical experience has indicated that these receivables are generally not recoverable.

11. TRADE AND OTHER RECEIVABLES CONTINUED

	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Financial instruments				
Trade receivables – factored[1]	**516 956**	455 536	**516 956**	455 536
Trade receivables – non-factored	**614 556**	417 858	**601 329**	407 307
Trade receivables[1]	**1 131 512**	873 394	**1 118 285**	862 843
Loss allowance	**(1 970)**	(971)	**(503)**	(432)
Trade receivables – net	**1 129 542**	872 423	**1 117 782**	862 411
Other receivables[2]	**503 983**	293 110	**503 869**	293 102
Loss allowance	**(266 630)**	(202 922)	**(266 630)**	(202 922)
Non-financial instruments				
Value added tax	**96 809**	135 104	**96 577**	135 221
Prepayments	**42 591**	39 147	**42 408**	38 872
Total trade and other receivables	**1 506 295**	1 136 862	**1 494 006**	1 126 684
11.1 TRADE RECEIVABLES – FACTORED				
Local trade receivables subject to factoring	**516 956**	455 536	**516 956**	455 536
Liability associated to debtor factoring	**(92 237)**	(222 255)	**(92 237)**	(222 255)
11.2 TRADE RECEIVABLES – NON-FACTORED				
Foreign trade receivables	**454 656**	318 384	**454 656**	318 384
Local trade receivables	**159 900**	99 474	**146 673**	88 923
	614 556	417 858	**601 329**	407 307

[1] *The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Foskor Proprietary Limited has transferred the relevant receivables to Absa Bank Limited in exchange for cash (80% received upfront, and deferral of 20%). Foskor Proprietary Limited is prevented from ceding or pledging these receivables. However, Foskor Proprietary Limited has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.*

A balance of R1.27 billion (2023: R793 million) relates to transactions with related parties.

Trade receivables are denominated in South African Rand.

[2] *Other receivables mainly comprise of royalties due, crosscon receipts and prepayments of R345 million (2023: R248 million) and also include R27 million of demurrage claims (2023: R21 million).*

11. TRADE AND OTHER RECEIVABLES CONTINUED

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Movement in the impairment allowance of trade receivables				
At beginning of year	**(971)**	(3 459)	**(432)**	(3 397)
Expected credit loss on trade receivables	**(999)**	2 385	**(71)**	2 923
Unused provision reversed	**–**	103	**–**	42
At 31 March	**(1 970)**	(971)	**(503)**	(432)
Movement in the impairment allowance of other receivables				
At beginning of year	**(202 922)**	(206 010)	**(202 922)**	(206 010)
Expected credit loss on other receivables	**(63 708)**	3 088	**(63 708)**	3 088
At 31 March	**(266 630)**	(202 922)	**(266 630)**	(202 922)

12. DERIVATIVE FINANCIAL INSTRUMENTS

		GROUP		COMPANY	
	Notes	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Assets		**2 574**	–	**2 574**	–
Forward foreign exchange contracts		**2 574**	–	**2 574**	–
Liabilities		**(5 917)**	(5 742)	**–**	–
Share buyback option	35.1	**(5 917)**	(5 742)	**–**	–

Trading derivatives are classified as a current assets or liabilities. The remaining maturity of the instruments is less than 12 months.

Gains and losses on these instruments are recognised in profit or loss.

13. CASH AND CASH EQUIVALENTS

ACCOUNTING POLICY

In the statement of cash flows, cash and cash equivalents are defined as cash on hand, deposits held on call with banks, short-term liquid investments and original maturities of three months or less and bank overdrafts. Cash and cash equivalents are measured at amortised cost based on the relevant exchange rate at the balance sheet date.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

The cash held is kept at sound financial institutions which have good credit ratings and accordingly low credit risk. The credit ratings are based on the Moody's Baa3 long-term local- and foreign-currency deposit ratings for South Africa's four largest South African banks: FirstRand Bank Limited, Absa Bank Limited, Nedbank Limited and Investec Bank Ltd. A low PD of zero and an LGD of 40% was applied to all the banks based on the updated Basel framework which stipulates a minimum of 40% LGD for unsecured exposures. Therefore, an expected credit loss of nil was raised.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000
Cash and cash equivalents consist of:				
Cash at bank and on hand	**421 359**	691 555	**409 447**	681 431

14. DEFERRED TAX

ACCOUNTING POLICY

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting date and in instances where companies in the Group generate taxable income.

Management periodically evaluates the positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax liability and deferred capital gains tax are accounted for using the liability method for all temporary differences arising between the net book value of assets and liabilities in the financial statements and the corresponding tax bases. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither accounting nor taxable profit or loss.

Deferred tax liability is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred liability tax liability is settled.

Deferred tax liability is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

14. DEFERRED TAX CONTINUED

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
The deferred tax balance is made up as follows:				
Deferred tax assets				
Provisions	**99 591**	105 374	**99 342**	105 270
Mining rehabilitation liability	**40 286**	66 383	**40 286**	66 383
Decommissioning liability	**24 385**	35 167	**24 385**	35 167
Lease asset	**131**	–	**30**	–
Prior year restatement – inventory	**–**	80 095	**–**	80 095
Income in advance	**19 635**	12 813	**19 242**	12 647
Post medical retirement charged to other comprehensive income	**38 711**	38 432	**38 711**	38 432
Tax loss	**1 789 266**	1 400 416	**1 786 521**	1 398 415
At 31 March	**2 012 005**	1 738 680	**2 008 517**	1 736 409
Deferred tax liabilities				
Lease liability	**–**	(402)	**–**	(402)
Property, plant and equipment – mining	**(3)**	(680 879)	**(3)**	(680 879)
Property, plant and equipment – other	**(1 027 361)**	(347 154)	**(1 027 379)**	(347 239)
Prepayments	**(8 726)**	(3 730)	**(8 699)**	(3 731)
Deferred tax derecognised	**(2 744)**	–	**–**	–
PRMA adjustment recognised in other comprehensive income	**–**	(828)	**–**	(828)
At 31 March	**(1 038 834)**	(1 032 993)	**(1 036 081)**	(1 033 079)
Deferred tax assets (net)	**973 171**	705 687	**972 436**	703 330

14. DEFERRED TAX CONTINUED

	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
The gross movement on the deferred income tax is as follows:				
At beginning of year	**705 687**	753 425	**703 330**	751 929
Charge in profit or loss	**(85 227)**	(568 535)	**(83 144)**	(568 217)
Tax charge relating to components of other comprehensive income	**1 206**	656	**1 206**	656
Derecognition of Rehabilitation Trust investment – equity	**–**	10 263	**–**	10 263
Deferred tax asset recognised – previously derecognised	**238 717**	756 832	**239 501**	756 832
Tax loss utilised	**92 008**	(199 277)	**89 264**	(200 456)
Under-provision prior year	**20 780**	(47 677)	**22 279**	(47 677)
Closing deferred tax assets	**973 171**	705 687	**972 436**	703 330

Deferred tax asset has been recognised in respect of incurred losses in the current or prior years. A formal process of assessment of the future profitability of the entity has been performed based on detailed budgets and cash flow forecasts. As a result, management believes that the current tax losses will be utilised within a foreseeable period.

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group recognised deferred income tax assets of R320 million which was unrecognised in the prior year.

15. EQUITY AND RESERVES

ACCOUNTING POLICY

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any Group Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, and is included in equity attributable to the Company's equity holders.

	GROUP AND COMPANY				
	Total number of shares	Preference shares R'000	Ordinary shares R'000	Total R'000	Share premium R'000
15.1 SHARE CAPITAL AND PREMIUM					
Balance at 31 March 2023	**9 162 218**	**4 161 821**	**9 158**	**4 170 979**	**132 013**
Balance at 31 March 2024	**9 162 218**	**4 161 821**	**9 158**	**4 170 979**	**132 013**

The total authorised share capital of ordinary shares is 9 157 647 (2023: 9 157 647) with a par value of R1 per share. The total class B and D shares issued amounts to 3 176 and 1 395 shares respectively. These shares have a preferential right to dividends over ordinary shares and the required rate of return is an after tax IRR of 10.5%. All issued shares are fully paid.

The share premium consists of 199 590 ordinary shares issued in 2005 at a premium of R0.60586 as well as shares premium issued in 2008 at a premium of R132 million for 1 174 057 ordinary shares.

16. DIVIDENDS PAID

ACCOUNTING POLICY

Dividends paid are recognised by the Group when the shareholder's right to receive payment is established. These dividends are recorded and disclosed as dividends paid in the statement of changes in equity. Dividends proposed or declared subsequent to year end are not recognised at the financial year end, but are disclosed in the notes to the financial statements.

No dividends have been declared in the current and prior year.

17. SHARE-BASED PAYMENT RESERVE

ACCOUNTING POLICY

The Group operates an equity-settled share-based plan and a cash-settled share-based plan. The equity-settled plan was entered into with Strategic Business Partners ("SBPs") and Special Black Groups, under which the Company will receive services (BEE credentials) as consideration for its own equity instruments. The equity-settled share-based payments vest immediately; the reserve was recognised in equity at grant date.

The cash-settled plan was entered into with the Company's employees, under which the Company receives services from employees by incurring the liability to transfer cash to the employees for amounts that are based on the value of the Company's shares. The fair value of the transaction is measured using an option pricing model, taking into account all terms and conditions.

The fair value of the services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

The services received by the Company are recognised as they are received and the liability is measured at fair value. The fair value of the liability is re-measured at each reporting date and at the date of settlement. Any changes in the fair value are recognised in profit or loss for the period.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Fair value of share-based payments

The valuation technique applied to determine the simulated Company value is part of the Black-Scholes Option Pricing methodology. The market conditions relating to the growth in the market value of the Foskor shares have been taken into account in estimating the fair value of the equity instruments granted.

17.1 EQUITY-SETTLED SHARE-BASED PAYMENT PLAN

Black Economic Empowerment Transaction

In the 2011 financial year, Foskor and the IDC entered into a Black Economic Empowerment Transaction ("BEE Transaction"). In terms of the transaction of IDC sold 15% interest in Foskor Strategic Business Partner ("SPBs") and Special Black Groups ("SBGs") (collectively, the Manyoro Consortium), 5% to the communities where Foskor operates and a 6% interest in Foskor ESOP. The transaction with the Manyora Consortium and communities constitutes an equity-settled share-based plan, the shares vest immediately at grant date. In determining their fair value of services received as consideration for equity instruments granted, measurement is referenced to the fair value of equity instruments granted.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
At beginning of year	**303 914**	303 914	**303 914**	303 914
At 31 March	**303 914**	303 914	**303 914**	303 914

17. SHARE-BASED PAYMENT RESERVE CONTINUED

17.1 EQUITY-SETTLED SHARE-BASED PAYMENT PLAN CONTINUED

Weighted average fair value assumptions

The fair value of services received in return to equity instruments granted is measured by reference to the fair value of the equity instruments granted. The estimate of the fair value of the equity instruments granted is measured based on the Black-Scholes Option Pricing model.

The following weighted average assumptions were used in the share pricing models at the valuation date:

	GROUP AND COMPANY
Grant date	**31 December 2009**
Initial Company value (Exercise price)	**R3 500 000 000**
Average share price at grant date	**R382.19**
Annualised expected volatility	**43.19%**
Risk-free interest rate	**2.25%**
Dividend yield (%)	**8.54%**
Strike price	**R655.68**

The holder of the equity instruments were required to hold the instruments to maintain BEE status until 31 March 2024. However, due to the underperformance of the scheme, the participants have not exercised their options. The scheme funder has not called an event of default but neither has it made a commitment to extend the scheme. In the absence of the aforementioned, Foskor continues to recognise the Share-Based Payment Reserve. The volatility indicator used in the calculation was based on the market prices of globally listed proxy companies that are in the same industry as Foskor.

18. FINANCE LEASE LIABILITY

ACCOUNTING POLICY

IFRS 16 Leases

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lease liabilities

The lease liability is initially measured at the present value of the remaining lease payments on the commencement date, discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be determined, the lessee uses the lessee's incremental borrowing rate. The use of practical expedient is made to not separate lease and non-lease components.

The lease liability is subsequently increased by interest cost on the lease liability and decreased by lease payments made. Lease payments included in the measurement of the lease liability comprise the following: fixed payments; variable lease payments that depend on an index or a rate; amounts payable under a residual value guarantee; and the exercise price under a purchase option that the Group is certain to exercise. Future lease payments are disclosed at an average of 12%.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets (assets less than R200 000) recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use of assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are included under PPE and depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Group as a lessor

Where the Group is a lessor, it determines at inception whether the lease is a finance or an operating lease. When a lease transfers substantially all the risks and rewards of ownership of the underlying asset then the lease is a finance lease; otherwise, the lease is an operating lease.

Lease income is recognised as other income for transactions that are part of the Group's non-ordinary activities. The Group uses IFRS 15 to allocate the consideration in contracts between any lease and non-lease components.

18. FINANCE LEASE LIABILITY CONTINUED

		GROUP		COMPANY	
		2024 R'000	2023 R'000	2024 R'000	2023 R'000
18.1	**RECONCILIATION OF LEASE LIABILITY**				
	Lease liability as at 1 April	**6 118**	4 442	**3 938**	2 382
	New lease liabilities	**–**	4 475	**–**	4 298
	Prior year adjustment	**–**	22	**–**	–
	Lease payments	**(2 651)**	(3 785)	**(2 332)**	(3 483)
	Finance costs	**602**	964	**387**	741
	Lease liability balance as at 31 March	**4 069**	6 118	**1 993**	3 938
	Lease liabilities are presented in the financial statements as follows:				
	Current	**2 073**	2 050	**1 937**	1 945
	Non-current	**1 996**	4 068	**56**	1 993
		4 069	6 118	**1 993**	3 938
18.2	**LEASE PAYMENTS**				
	Total short-term lease payments: building	**2 701**	1 161	**2 701**	1 161
		2 701	1 161	**2 701**	1 161
18.3	**MATURITY ANALYSIS**				
	The undiscounted contractual maturities of lease liabilities are as follows:				
	Less than one year	**2 428**	2 651	**2 090**	2 332
	One year to five years	**1 660**	3 627	**64**	2 154
	Later than five years	**1 091**	1 551	**–**	–
	Total undiscounted lease liabilities	**5 179**	7 829	**2 154**	4 486
	Finance costs to be incurred in future	**(1 110)**	(1 711)	**(161)**	(548)
	Lease liabilities	**4 069**	6 118	**1 993**	3 938

The average lease term of the Group's portfolio of qualifying leases are:

Mining asset, land and building	7 years
Plant, equipment and vehicles	2 years

19. ENVIRONMENTAL REHABILITATION LIABILITY

Foskor Proprietary Limited continually contributes to the Environmental Rehabilitation Trust, to ensure that adequate funds are available to pay for the mine closure and reclamation costs. The Environmental Rehabilitation Trust is an irrevocable trust under the Company's control. This note compares the net present value of the rehabilitation liability to the assets held by the Trust. A detailed review was conducted on the Environmental Rehabilitation Provision which resulted in a decrease of the valuation of the liability.

19. ENVIRONMENTAL REHABILITATION LIABILITY CONTINUED

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Mining rehabilitation liability	19.1	**149 208**	245 862	**149 208**	245 862
Gypsum Dam and acid plant rehabilitation liability	19.2	**90 314**	130 248	**90 314**	130 248
Total		**239 522**	376 110	**239 522**	376 110
19.1 MINING REHABILITATION LIABILITY					
At beginning of year		**245 862**	233 296	**245 862**	233 296
Unwinding of discount	26	**28 581**	22 396	**28 581**	22 396
Adjustment to the mining footprint	4	**(125 235)**	(9 830)	**(125 235)**	(9 830)
		149 208	245 862	**149 208**	245 862
19.2 GYPSUM DAM AND ACID DIVISION REHABILITATION LIABILITY					
At beginning of year		**130 248**	197 178	**130 248**	197 178
Unwinding of discount	26	**17 054**	33 031	**17 054**	33 031
Environmental valuation adjustment	29	**(28 738)**	(52 698)	**(28 738)**	(52 698)
Adjustment to acid plant rehabilitation liability	4	**(28 250)**	(47 263)	**(28 250)**	(47 263)
		90 314	130 248	**90 314**	130 248
19.3 ENVIRONMENTAL REHABILITATION TRUST ASSET					
Balance at the beginning of the year		**436 736**	382 734	**–**	–
Movement recognised in profit and loss		**36 321**	18 991	**–**	–
– Growth in investment		**36 324**	18 993	**–**	–
– Other operating expenses		**(3)**	(2)	**–**	–
Investments held by the Trust		**473 057**	401 725	**–**	–
Cash contribution made to the Trust		**27 384**	35 011	**–**	–
Total assets held by the Trust		**500 441**	436 736	**–**	–
Environmental rehabilitation liability		**(149 208)**	(245 862)	**–**	–
Surplus – Overfunded portion of rehabilitation liability		**351 233**	190 874	**–**	–

In determining the environmental rehabilitation liability, an inflation rate of 7.25% (2023: 7.87%) was assumed and a rate of 13.11% (2023: 11.63%) to discount the amount to present value.

The financial assets held by the Trust are intended to fund the mining rehabilitation liability of Foskor Proprietary Limited and are not available for general purpose of the Group. The objective of the Trust is to act as the financial provider for expenditure that its member, Foskor Proprietary Limited, is likely to incur in order to comply with the statutory obligation or environmental rehabilitation. The Trust is exempt from tax in accordance with Section 10(1)(cP) of the Income Tax Act (No. 58 of 1962).

The directors are aware of the estimated cost of rehabilitation and are satisfied that adequate provision is being made to meet this obligation. The disclosure relating to the issuing of guarantees to the Department of Mineral Resources is in note 36.

19. ENVIRONMENTAL REHABILITATION LIABILITY CONTINUED

Gypsum re-use and remediation of Gypsum Dam

Foskor, the Department of Water and Environmental Affairs ("DWEA") and the Local Authority are in discussions on the rehabilitation of the Gypsum Dam area. The liability of the rehabilitation and/or closure is the responsibility of Foskor once all the gypsum is removed. Management estimated, in consultation with external experts, who have done similar projects that the closure costs for conventional capping will vary from R350/m^2 to R750/m^2 excluding all the approvals and design related costs. At 31 March 2024 a provision for rehabilitation of Gypsum Dam, Decommissioning infrastructural asset and waste removal of R90 million for the closure costs has been made.

Mine rehabilitation guarantees

The Group had mine rehabilitation guarantees amounting to R499 million at year end (refer to note 36). In line with the requirements set out by the Department of Mineral Resources, this guarantee amount was in place at 31 March 2024. These guarantees and the agreement reached with the Department of Mineral and Resources were based on the environmental rehabilitation and closure costs assessment that was performed during the 2024 financial year. Estimated scheduled closure costs for the mine are R685 million. For unscheduled or premature closure, the Department of Mineral and Resources, in accordance with the Minerals and Petroleum Resources Development Act, requires Foskor (Pty) Ltd to provide for the liability of R955 million in the form of guarantees and cash. The premature closure cost of R955 million is covered by guarantees totalling R499 million and investment assets totalling R500 million. The Group has, therefore, over provided for early closure costs by R44 million.

20. RETIREMENT BENEFIT OBLIGATIONS

ACCOUNTING POLICY

Pension obligation

The Group operates a defined benefit and a defined contribution plan, the assets of which are held in separate trustee-administered funds. The schemes are generally funded through payments to insurance companies or trustee-administered funds as determined by periodic actuarial valuations. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and under which the Group will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and previous periods.

The liability in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government securities that have terms to maturity approximating the terms of the related liability. Actuarial gains and losses arising from experience adjustments and the effects of changes in actuarial assumptions to the defined benefit plans are recognised fully in other comprehensive income.

Past and current service costs are recognised immediately in profit or loss when they occur.

Other post-employment obligations

The Group provides post-employment healthcare benefits to those of its retirees who were employed by the Company on or before 1 July 1995. The same benefits are provided to a specific Group of employees employed before 1 July 1996. The entitlement to post-employment healthcare benefits is based on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment using the projected unit credit method. Valuations of these obligations are carried out annually by independent, qualified actuaries.

Actuarial gains and losses arising from previous adjustments and the effects of changes in actuarial assumptions to the defined benefit plans are recognised fully in other comprehensive income.

Past and current service costs are recognised immediately in profit or loss when they occur.

SIGNIFICANT ESTIMATES AND JUDGEMENTS

Significant judgement and actuarial assumptions are required to determine the fair value of the post – employment obligations. More detail on these actuarial assumptions is provided in note 20 to the financial statements.

	Notes	GROUP AND COMPANY 2024 R'000	2023 R'000
20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED			
Liabilities included in the statement of financial position:			
Defined pension benefits	20.1	**–**	–
Post-employment medical benefits	20.2	**143 376**	139 274
Liability in the statement of financial position		**143 376**	139 274
Amounts recognised in profit and loss:			
Defined pension benefits	25	**186**	546
Post-employment medical benefits	25	**2 701**	3 778
		2 887	4 324
Remeasurements recognised in other comprehensive (income)/loss:			
Defined pension benefits		**–**	–
Post-employment medical benefits		**1 401**	(3 065)
		1 401	(3 065)

20.1 DEFINED PENSION BENEFITS

The Group operates a post-employment pension scheme covering certain employees who were employed by the Company prior to 1995. The fund is a defined benefit ("DB") fund that is closed to new members. The pension fund is funded by plan assets. The assets of the fund are held in an independent trustee-administered fund. The investment policy of the fund adheres to the requirements of revised Regulation 28 of the Pension Funds Act of 1956, and was established in accordance with PF Circular 130 issued by the Financial Services Board ("FSB") as far as this was practical and appropriate.

The Trustees of the fund are ultimately responsible for the fund's assets, the investment of those assets and assets investment performance. A separate cash portfolio has been established to handle the need for liquidity and the cash portfolio is typically topped up via disinvestments from the market-linked portfolio to a level approximately four to six months' worth of pensioner payments. The Trustees cannot relinquish or cede these responsibilities. However, the Trustees are permitted to delegate certain actions and activities related to the management of the fund's assets. The liability is valued every year using the projected unit credit method. Following a quid pro quo tripartite agreement in 2006 between the employer, pensioners and the pension fund, the employer guarantees a minimum increase in pensions each year of 75% of the increase in inflation, as measured by the Consumer Price Index ("CPI"). Any amendments to this policy shall be after negotiation between the three parties.

The latest actuarial valuation was performed on 31 March 2024.

The amounts recognised in the statement of financial position are determined as follows:

	GROUP AND COMPANY 2024 R'000	2023 R'000
Present value of funded obligations	**246 781**	271 148
Fair value of plan assets	**(317 430)**	(323 513)
Pension fund surplus	**(70 649)**	(52 365)
Impact of asset ceiling	**70 649**	52 365
Liability in the statement of financial position at 31 March	**–**	–

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.1 DEFINED PENSION BENEFITS CONTINUED

The movement in the defined benefit obligation over the year is as follows:

	GROUP AND COMPANY			
	Present value of obligation R'000	Fair value of plan assets R'000	Asset ceiling R'000	Total R'000
At 1 April 2022	298 502	(333 122)	34 620	–
Current service cost	506	–	–	506
Interest expense/(income)	29 101	(32 714)	–	(3 613)
	328 109	(365 836)	34 620	(3 107)
Remeasurements:				
Return on plan assets, excluding amounts included in interest income	–	23 419	–	23 419
Gain from change in financial assumptions	371	–	–	371
Other experience losses	240	–	–	240
Change in asset ceiling	–	–	17 096	17 096
Expense allowance	(649)	–	649	–
Adjustment	(21 975)	(16 788)	–	(38 763)
Contributions:				
– Plan participants	–	198	–	198
– Employers	–	546	–	546
Payments from plans:				
– Benefit payments	(39 530)	39 530	–	–
– Bonus allocation	4 582	(4 582)	–	–
At 31 March 2023	271 148	(323 513)	52 365	–
At 1 April 2023	**271 148**	**(323 513)**	**52 365**	**–**
Current service cost	**266**	**–**	**–**	**266**
Interest expense/(income)	**29 954**	**(35 447)**	**–**	**(5 493)**
	301 368	**(358 960)**	**52 365**	**(5 227)**
Remeasurements:				
Gain from change in financial assumptions	**(12 692)**	**(36)**		**(12 728)**
Change in asset ceiling	**–**	**–**	**18 284**	**18 284**
Expense allowance	**(1 290)**	**1 290**	**–**	**–**
Adjustment	**–**	**–**	**–**	**–**
Contributions:				
– Plan participants	**156**	**(156)**	**–**	**–**
– Employers	**–**	**(329)**	**–**	**(329)**
Payments from plans:				
– Benefit payments	**(35 354)**	**35 354**	**–**	**–**
– Member fund credits benefits	**(1 685)**	**1 685**	**–**	**–**
– Other benefits	**(3 722)**	**3 722**	**–**	**–**
At 31 March 2024	**246 781**	**(317 430)**	**70 649**	**–**

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.1 DEFINED PENSION BENEFITS CONTINUED

	Note	GROUP AND COMPANY 2024 R'000	GROUP AND COMPANY 2023 R'000
The amounts recognised in the statement of comprehensive income are as follows:			
Current service costs		–	–
Net interest cost		–	–
Employer contribution		186	546
Total, included in staff costs	25	186	546
Recognised in other comprehensive income:			
Actuarial gain		–	–

Plan assets are comprised as follows:

	GROUP AND COMPANY 2024 Listed R'000	Unlisted R'000	Total R'000	%
Equity instruments	117 937	137	118 074	37
Global equities	61 157	–	61 157	
Financial services	13 415	–	13 415	
Consumer staples	1 483	–	1 483	
Consumer goods	4 582	–	4 582	
Consumer services	9 330	–	9 330	
Basic materials	7 956	–	7 956	
Industrials	1 519	–	1 519	
Oil and gas	171	–	171	
Healthcare	1 065	–	1 065	
Telecommunications	3 131	–	3 131	
Technology	6 328	–	6 328	
Other	446	137	584	
Other – Emerging Companies Fund and Hedge Fund	7 354	–	7 354	
Debt	130 427	–	130 427	41
Corporate bonds (investment grade)	65 527	–	65 527	
Government bonds	47 671	–	47 671	
Corporate bonds (non-investment grade)	242	–	242	
Other	16 987	–	16 987	
Cash	60 168	–	60 168	19
Property (South Africa)	6 693	–	6 693	2
Other	2 068	–	2 068	1
Total	317 293	137	317 430	100

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.1 DEFINED PENSION BENEFITS CONTINUED

	GROUP AND COMPANY			
	2023			
	Listed R'000	Unlisted R'000	Total R'000	%
Equity instruments	128 903	1 589	130 492	40
Global equities	68 861	729	69 590	
Financial services	17 857	–	17 857	
Consumer staples	1 377	–	1 377	
Consumer goods	5 855	–	5 855	
Consumer services	8 345	–	8 345	
Basic materials	11 251	–	11 251	
Industrials	2 694	–	2 694	
Oil and gas	1	–	1	
Healthcare	1 123	–	1 123	
Telecommunications	1 728	–	1 728	
Technology	8 515	–	8 515	
Other	1 025	860	1 885	
Other – Emerging Companies Fund and Hedge Fund	271	–	271	
Debt	97 650	31 749	129 399	40
Corporate bonds (investment grade)	29 376	1 636	31 012	
Government bonds	61 996	29 462	91 458	
Corporate bonds (non-investment grade)	–	–	–	
Other	6 278	651	6 929	
Cash	34 110	11 974	46 084	14
Property (South Africa)	8 778	339	9 117	3
Other	1 942	6 479	8 421	3
Total	271 383	52 130	323 513	100

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.1 DEFINED PENSION BENEFITS CONTINUED

Through its define benefit pension plan, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

Different asset classes experience different volatilities of return. This risk may be reduced by diversifying the portfolio between the asset classes which are expected to have relatively low correlation, and investing a greater proportion in assets typically displaying lower volatility, such as cash and short-term bonds. The risk of volatility becomes gradually more unacceptable as members approach the end of their investment time-horizon. However, it is more appropriate to consider volatility risk in relation to the volatility of the cost to purchase post-retirement annuity income. The Trustees have adopted a policy of diversification across various asset classes and managers.

Negative real returns

This arises if the nominal returns fall below the rate of inflation and the real value of assets declines over time. This risk is reduced over the long term by investing in a portfolio designed to minimise this risk through investing in assets that are assumed to provide a hedge against inflation such as equities, offshore assets and properties (so-called "real assets" or "growth assets"). Due to the volatility of most of these asset classes, and especially the equity market, it may not be possible to completely eliminate this risk over the short term. The Trustees have selected investment portfolios which aim to minimise this risk.

Asset manager risk

The risk exists that a particular asset manager employed by the fund could underperform its peers, resulting in poor peer relative returns. Manager specific risk is thus reduced by investing in a number of portfolios managed by different reputable investment managers with diversified styles. The Investment sub-committee shall request and review the fidelity cover and continually review the qualitative as well as quantitative factors of current investment managers.

Inflation risk

The pension increase policy of the Foskor Pension Fund is for an annual pension increase calculated as 75% of the annual change in the November CPI index. Higher inflation will lead to higher liabilities. The Trustees aim to earn a long-term positive real return of at least CPI + 6% (net of investment fees) per annum. This level of return is estimated as the minimum requirement to enable the fund to grant increases to pensions in line with CPI.

Interest rate risk

A decrease in corporate bond yields will result in a decrease in the discount rate and therefore an increase in scheme liabilities.

The principal actuarial assumptions used were as follows:

	GROUP AND COMPANY	
%	**2024 R'000**	2023 R'000
Discount rate	**10.10**	11.71
CPI inflation rate	**5.70**	6.74
Expected return on plan assets	**11.20**	7.40
Future salary increases	**7.20**	7.74
Future pension increases	**6.00**	7.31
Normal retirement age	**60**	60
Pre-retirement mortality	**Nil**	Nil
Post-retirement mortality	**PA-90-2**	PA-90-2

The discount rate of 10.10% (2023: 11.71%) has been based on the 12-year yield (in accordance with the discounted mean term of the liabilities) from the South African government bond yield curve at 31 March 2024.

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.1 DEFINED PENSION BENEFITS CONTINUED

The sensitivity of the overall pension liability to changes in the weighted principal assumptions are:

	GROUP AND COMPANY Impact on overall liability	
	2024 %	2023 %
Discount rate (increase of 1%)	**(6.30)**	(6.30)
Discount rate (decrease of 1%)	**7.10**	7.20

An increase of 1% will lead to an increase of R0.227 million of the accrued liability and a decrease of 1% will lead to a decrease of R0.260 million of the accrued liability.

	GROUP AND COMPANY Impact on overall liability	
	2024 %	2023 %
Salary rate (increase of 1%)	**–**	0.04
Salary rate (decrease of 1%)	**–**	(0.04)

An increase of 1% will lead to an increase of R0.242 million of the accrued liability and a decrease of 1% will lead to a decrease of R0.242 million of the accrued liability.

	GROUP AND COMPANY Impact on overall liability	
	2024 %	2023 %
Pension rate (increase of 1%)	**7.30**	8.10
Pension rate (decrease of 1%)	**6.50**	(7.10)

An increase of 1% will lead to an increase of R0.260 million of the accrued liability and a decrease of 1% will lead to a decrease of R0.227 million of the accrued liability.

	GROUP AND COMPANY Impact on overall liability	
	2024 %	2023 %
Inflation rate (increase of 1%)	**6.30**	8.10
Inflation rate (decrease of 1%)	**(7.10)**	(7.20)

An increase of 1% will lead to an increase of R0.227 million of the accrued liability and a decrease of 1% will lead to a decrease of R0.260 million of the accrued liability. The expected contributions to the post-employment scheme for the year ending 31 March 2024 are R0.425 million.

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.2 POST-EMPLOYMENT MEDICAL OBLIGATION

The Group provides post-employment health care benefits to its retirees who were employed by the Company on or before 1 July 1995. The same benefits are provided to a specific group of employees employed before 1 July 1996.

The Group operates a post-employment medical obligation scheme. The liability is valued every year using the projected unit credit method. The latest actuarial valuation was performed on 31 March 2024.

The amounts recognised in the statement of financial position are determined as follows:

	GROUP AND COMPANY	
	2024 R'000	2023 R'000
Present value of unfunded obligations	**143 376**	139 274
Liability in the statement of financial position	**143 376**	139 274

There are no plan assets for the post-employment medical obligation.

The movement in the defined benefit obligation over the year is as follows:

	GROUP AND COMPANY
	Present value of obligations
	R'000
At 1 April 2022	138 561
Current service cost	533
Interest expense	14 479
Remeasurements:	
Gain from change in demographic assumptions	(3 065)
Contributions:	
Employer	(11 234)
At 31 March 2023	139 274
At 1 April 2023	**139 274**
Current service cost	**403**
Interest expense	**15 228**
Remeasurements:	
Loss from change in financial assumptions	**1 401**
Contributions:	
Employer	**(12 930)**
At 31 March 2024	**143 376**

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.2 POST-EMPLOYMENT MEDICAL OBLIGATION CONTINUED

The amounts recognised in profit and loss were as follows:

		GROUP AND COMPANY	
	Note	2024 R'000	2023 R'000
Current service cost		**403**	533
Interest cost		**15 228**	14 479
Total, included in staff costs	25	**15 631**	15 012
Remeasurements recognised in other comprehensive income:			
Actuarial loss/(gain)		**1 401**	(3 065)

Through its post-employment medical plan, the Group is exposed to the following risks:

Inflation risk
Healthcare cost inflation i.e, the risk of medical scheme contributions will be higher than expected.

Life expectancy
The plans obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

Market risk
The Company is also at risk of the market conditions changing and more conservative financial assumptions will be required when the valuation is performed. This will however not impact on the actual payments made by the Company but only the liability on the statement of financial position.

The principal actuarial assumptions for the medical obligation were:

	GROUP AND COMPANY	
%	2024	2023
Discount rate	**12.55**	11.49
General inflation rate	**7.21**	6.58
Medical inflation rate	**8.71**	8.08
Normal retirement age	**60/65**	60/65
Expected rate of salary increases	**8.21**	7.58
Pre-retirement mortality	**SA85-90 (Light)**	SA85-90 (Light)
Post-retirement mortality	**PA90-2**	PA90-2

20. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

20.2 POST-EMPLOYMENT MEDICAL OBLIGATION CONTINUED

The sensitivity of the overall pension liability to changes in the weighted principal assumptions is:

	GROUP AND COMPANY	
	Impact on overall liability	
	2024 %	2023 %
Inflation rate (increase of 1%)	**7.70**	8.20
Inflation rate (decrease of 1%)	**6.90**	7.30

The annual expense for the year ended 31 March 2024 was R15.63 million (2023: R15 million).

21. TRADE AND OTHER PAYABLES

ACCOUNTING POLICY

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Financial instruments				
Trade payables	**897 531**	856 134	**893 917**	851 821
Accrued expenses	**186 871**	492 365	**186 815**	492 304
Income received in advance	**70 376**	47 402	**70 376**	46 786
Sundry payables	**194 733**	202 628	**194 493**	202 453
Non-financial instruments				
Payroll accruals	**73 657**	85 274	**73 657**	85 274
	1 423 168	1 683 803	**1 419 258**	1 678 638

Sundry payables as at 31 March 2024 includes sundry creditors of R113 million (2023: R131 million).

Included under trade payables is a balance of R116 million (2023: R360 million) for transactions with related parties.

22. PROVISIONS

ACCOUNTING POLICY

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are not recognised for future operating losses. Where the effects of discounting are material, provisions are measured at their present values.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance cost.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Bonus[1]	**70 530**	65 561	**70 530**	65 561
Demurrage[2]	**27 401**	63 352	**27 401**	63 352
Total	**97 931**	128 913	**97 931**	128 913
Movement in the bonus provision:				
At 1 April	**65 561**	28 206	**65 561**	28 206
Additional provisions	**95 692**	92 896	**95 692**	92 896
Unused provision reversed	**(16 282)**	–	**(16 282)**	–
Utilised during period	**(74 441)**	(55 541)	**(74 441)**	(55 541)
At 31 March	**70 530**	65 561	**70 530**	65 561
Movement in the demurrage provision:				
At 1 April	**63 351**	137 220	**63 351**	137 220
Additional provisions	**85 299**	80 327	**85 299**	80 327
Utilised during period	**(121 249)**	(154 195)	**(121 249)**	(154 195)
At 31 March	**27 401**	63 352	**27 401**	63 352

[1] *Bonus provision comprises 13th cheque bonuses R10.5 million (2023: R9.9 million) short-term incentive plan R47 million (2023: R55 million).*
[2] *Demurrage is a penalty payable to a ship owner if the agreed loading time is not honoured.*

23. REVENUE

ACCOUNTING POLICY

Revenue is measured based on the consideration specified in a contract with a customer and excludes amount collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Foskor's core business is the beneficiation of phosphate rock at the Mining Division and the manufacture and supply of standard merchant grade phosphoric acid and related granular fertiliser products at the Acid Division. Approximately 67% of the phosphate rock concentrate is railed to the Acid Division for processing into phosphoric acid, which is then used as a raw material in the production of granular fertiliser. About 68% of the phosphoric acid sales are exported, while granular fertiliser sales are mainly to the local market. The Group generates its revenue based on various contractual arrangements with its customers from the major sources listed below. These sources provide context to the Group's activities and attempt to aggregate revenue by nature, extent, timing and risk. Foskor assures guarantee on the quality of goods supplied.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies as well as critical judgements and estimates made by management in the selection and application of its accounting polices related to each major revenue source.

Revenue is shown net of indirect taxes, estimated returns, rebates and discounts, and after eliminating sales within the Group.

Revenue Source	Performance obligations	Recognition	Measurement and terms of sale	Critical estimates and judgements applied
Mining Division Revenue				
• **Sales of phosphate rock and magnetite**	Sale of phosphate rock and magnetite products per metric tonne sold to local and export customers. Local customers include all customers within the borders of South Africa, while export includes all customers outside of South Africa.	Recognised at the point of transfer of control which is generally at the point of loading at Foskor's Mine for local sales and at loading point for export shipments.	Measured at the price per ton as per Foskor's standard selling price, less any discounts or rebates to which the customer qualifies. Payment terms are generally 30 to 60 days.	Management have assessed the point of transfer of control based on their understanding of the critical terms and conditions of sale, this assessment has concluded that control is transferred at the Foskor Mine or loading points at harbours in Maputo and Richards Bay. This is due to management being of the view that at this point the customer has obtained physical possession of the product and accepted the risks and rewards associated therewith. The estimated potential rebate/discount amount is only refunded to customers on a periodic basis. Management have estimated the potential effects of these arrangements and constrained revenue accordingly.

23. REVENUE CONTINUED

Revenue Source	Performance obligations	Recognition	Measurement and terms of sale	Critical estimates and judgements applied
Acid Division Revenue				
• **Granular fertiliser sales**	Sale of granulation fertiliser products per metric tonne sold to local and export customers. Local customers include all customers within the borders of South Africa, while export includes all customers outside of South Africa.	Recognised at the point of transfer of control which is generally at the point of loading at Foskor's acid plant for local sales and at Richards Bay harbour loading point for export shipments.	Measured at the price per ton as per Foskor's standard selling price, less any discounts or rebates to which the customer qualifies. Payment terms are generally 30 to 60 days.	Management have assessed the point of transfer of control based on their understanding of the critical terms and conditions of sale, this assessment has concluded that control is transferred at the Foskor acid plant or loading point at harbour in Richards Bay. This is due to management being of the view that at this point the customer has obtained physical possession of the product and accepted the risks and rewards associated therewith. The estimated potential rebate/discount amount is only refunded to customers on a periodic basis. Management have estimated the potential effects of these arrangements and constrained revenue accordingly.
• **Phosphoric and sulphuric acid sales**	Sale of phosphoric acid and sulphuric acid products per metric tonne sold to local and export customers. Local customers include all customers within the borders of South Africa, while export includes all customers outside of South Africa.			
• **Sulphur, ammonia and gypsum sales**	Sale of sulphur, ammonia and gypsum products per metric tonne sold to local customers. Local customers include all customers within the borders of South Africa.			
Other Income				
• **Sundry/Other revenue**	Other revenue is income earned from customers within South Africa and customers outside South Africa.	Recognised when the right to receive payment is established.	Measured at the agreed price and payment terms are generally 30 to 60 days.	Management have assessed the manner of service and agreed price based on the understanding of the terms and conditions of service rendered.
• **Royalties**	Royalties are earned in accordance with substance of agreement.	Recognised on an accrual basis in accordance with the substance of the relevant agreements.	Measured at the agreed performance declaration and payment terms are generally 30 to 60 days.	Management have assessed the manner in which royalties are declared based on the understanding of the terms and conditions of the agreement.

23. REVENUE CONTINUED

Foskor generates its revenue from the following main sources related to the core activities of the Group:

	Local sales within South Africa 2024 R'000	Local sales within South Africa 2023 R'000	Export sales to territories outside of South Africa 2024 R'000	Export sales to territories outside of South Africa 2023 R'000	Total revenue 2024 R'000	Total revenue 2023 R'000
Mining Division revenue	**414 725**	256 436	**2 514 768**	3 915 458	**2 929 493**	4 171 894
Phosphate rock	**252 930**	137 748	**2 514 768**	3 915 458	**2 767 698**	4 053 206
Magnetite	**161 795**	118 688	**–**	–	**161 795**	118 688
Acid Division revenue	**4 376 199**	5 135 065	**2 673 782**	2 204 244	**7 049 981**	7 339 309
Granular fertiliser sales	**3 085 182**	3 169 206	**302 498**	–	**3 387 680**	3 169 206
Phosphoric acid sales	**1 235 890**	1 602 092	**2 371 284**	2 204 244	**3 607 174**	3 806 336
Sulphuric acid sales	**49 310**	358 665	**–**	–	**49 310**	358 665
Ammonia and gypsum	**5 817**	5 102	**–**	–	**5 817**	5 102
Company revenue	**4 790 924**	5 391 501	**5 188 550**	6 119 702	**9 979 474**	11 511 203
Subsidiaries Income	**722**	638	**–**	–	**722**	638
Group revenue	**4 791 646**	5 392 139	**5 188 550**	6 119 702	**9 980 196**	11 511 841

Unsatisfied performance obligations

All unsatisfied performance obligations at year end have a term of less than one year. Accordingly in line with the requirements of IFRS 15, these are not disclosed. These relate to customers that have placed orders at the end of the financial year with expected delivery within the first month of the new financial year.

Other income

Other income comprises income earned on activities that are not considered part of the core activities of Foskor but ancillary to them or from activities undertaken on an *ad-hoc* basis.

	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Rental income	**5 305**	4 431	**5 305**	4 431
Rebates	**37 709**	42 086	**37 709**	42 086
Royalties income	**80 471**	43 071	**80 471**	43 071
Insurance claim	**149 267**	–	**149 267**	–
Scrap sales	**4 194**	4 379	**4 194**	4 379
Management fee	**151 960**	25 612	**158 347**	31 645
Sundry revenue and recoveries	**12 912**	40 988	**12 911**	40 988
Staff costs recoveries	**3 785**	3 162	**3 785**	3 162
Total other income	**445 603**	163 729	**451 989**	169 762

24. EXPENSES BY NATURE

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Loss on disposal of property, plant and equipment	4	**1 493**	16 399	**1 493**	16 399
Loss on disposal of intangible assets		**153**	–	**153**	–
Auditors' remuneration		**17 084**	7 130	**17 084**	7 130
– Audit fee		**15 826**	6 065	**15 826**	6 065
– Expenses		**1 258**	1 065	**1 258**	1 065
Depreciation of property, plant and equipment	4	**410 705**	308 225	**410 445**	307 960
– Mining assets, land and buildings		**40 126**	43 552	**39 866**	43 291
– Plant, equipment and vehicles		**370 579**	264 673	**370 579**	264 669
Amortisation of intangible assets	5	**1 425**	1 857	**1 425**	1 857
Operating lease charges		**2 701**	1 161	**2 701**	1 161
Repairs and maintenance		**900 617**	946 840	**900 617**	946 840
Raw materials		**1 686 733**	3 174 150	**1 686 733**	3 174 150
Change in product stock		**1 151 630**	–	**1 151 630**	–
Electricity		**693 978**	607 255	**693 978**	607 255
Water		**178 402**	160 013	**178 402**	160 013
Fuel		**350 235**	349 264	**350 235**	349 264
Distribution costs		**1 356 091**	1 558 013	**1 358 336**	1 560 299
Usage – other		**85 013**	71 046	**85 013**	71 046
Reagents		**262 679**	275 810	**262 679**	275 810
Blasting material		**125 302**	163 494	**125 302**	163 494
Drilling costs		**88 577**	96 990	**88 577**	96 990
Milling media		**67 244**	79 516	**67 244**	79 516
Effluent discharge		**115 043**	43 273	**115 043**	43 273
Mining Ore		**112 984**	83 550	**112 984**	83 550
Insurance		**70 208**	62 063	**70 208**	62 063
Services		**248 126**	238 783	**248 126**	238 783
Safety, health, environment and quality		**44 699**	33 980	**44 699**	33 980
Travel and subsistence expense		**12 461**	6 466	**12 461**	6 466
Training and development		**8 248**	5 673	**8 248**	5 673
Administrative expenses, disposals and other		**210 464**	436 062	**211 344**	459 143
Employee benefit expense	25	**1 513 113**	1 386 255	**1 513 113**	1 386 255
Total expenses		**9 715 408**	10 136 268	**9 718 273**	10 138 370
Comprising:					
Cost of sales		**7 855 899**	8 141 727	**7 859 603**	8 143 947
Distribution costs		**1 356 091**	1 558 013	**1 358 336**	1 560 299
Administrative expenses		**503 418**	436 528	**500 334**	434 124
		9 715 408	10 136 268	**9 718 273**	10 138 370

25. EMPLOYEE BENEFIT EXPENSE

ACCOUNTING POLICY

Short-term employee benefits

Short-term employee benefits, including leave entitlement, are current liabilities included in pension and other employee obligations, measured at the undisclosed amounted that the Group expects to pay as a result of unused entitlements.

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Salaries and wages		**1 277 074**	1 130 533	**1 277 074**	1 130 533
Bonus		**101 804**	124 925	**101 804**	124 925
Pension costs: Defined contribution plans		**107 341**	97 719	**107 341**	97 719
Post-employment medical liability	20.2	**15 631**	15 012	**15 631**	15 012
Defined pension benefits	20.1	**186**	546	**186**	546
Other staff costs		**11 077**	17 520	**11 077**	17 520
Total employee expense		**1 513 113**	1 386 255	**1 513 113**	1 386 255

26. FINANCE INCOME AND COST

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Finance cost:					
– Bank borrowings		**(500 559)**	(239 318)	**(493 194)**	(239 246)
– Interest capitalised on bank borrowings		**(218 886)**	(364 508)	**(218 886)**	(364 508)
– Finance lease liabilities		**(602)**	(964)	**(387)**	(741)
– Unwinding of discount on the environmental liability	19	**(45 635)**	(55 427)	**(45 635)**	(55 427)
– Interest expense – other		**(15 494)**	(22 643)	**(16 581)**	(32 515)
Total finance cost		**(781 176)**	(682 860)	**(774 683)**	(692 437)
Less: amounts capitalised on qualifying assets		**2 689**	4 810	**2 689**	4 810
Finance cost		**(778 487)**	(678 050)	**(771 994)**	(687 627)
Interest income:					
– Interest income from banks*		**21 572**	13 335	**20 443**	12 632
– Interest income – other		**29 456**	36 127	**29 456**	36 130
		51 028	49 462	**49 899**	48 762
Financial assets designated at fair value through profit or loss		**43 689**	26 363	**–**	–
– Interest and dividends income*		**27 864**	16 797	**–**	–
– Fair value gains		**15 825**	9 566	**–**	–
Total interest income		**94 717**	75 825	**49 899**	48 762
Net finance cost		**(683 770)**	(602 225)	**(722 095)**	(638 865)

* *The total amount of R37 747 is disclosed on the consolidated and separate statement of cash flows.*

27. NET FOREIGN EXCHANGE GAIN/(LOSS)

ACCOUNTING POLICY

Foreign currency translation

The Group's presentation currency is the same as its functional currency. The functional currency of the Group's operation is the currency of the primary economic environment in which each operation has its main activities.

Foreign currency transactions

Transactions in foreign currencies are translated into South African Rands at the foreign exchange rate ruling at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. All foreign exchange gains and losses are presented in the statement of comprehensive income under net foreign exchange loss.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
The exchange differences (charged)/credited to profit or loss are included as follows:				
Foreign transaction losses	**(151 176)**	(294 572)	**(151 148)**	(294 572)
Foreign exchange transaction losses – realised	**(146 936)**	(283 349)	**(146 908)**	(283 349)
Foreign exchange transaction losses – unrealised	**(4 240)**	(11 223)	**(4 240)**	(11 223)
Foreign transaction profits	**206 346**	211 180	**206 346**	211 184
Foreign exchange transaction profits – realised	**196 529**	204 418	**196 529**	204 418
Foreign exchange transaction profits – unrealised	**9 817**	6 762	**9 817**	6 766
Net foreign exchange gain/(loss)	**55 170**	(83 392)	**55 198**	(83 388)

28. INCOME TAX EXPENSE

ACCOUNTING POLICY

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for current tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

	GROUP		COMPANY	
Major components of the tax expenses/income	**2024 R'000**	**2023 R'000**	**2024 R'000**	**2023 R'000**
Current				
South African normal income tax				
Normal current tax:				
Current tax on profits for the year	**–**	150	**–**	–
Total current tax	**–**	150	**–**	–
Deferred tax (refer to note 14)				
Originating and reversal of temporary differences	**(85 227)**	(568 535)	**(83 144)**	(568 217)
Deferred tax assets recognised – previously derecognised	**238 717**	557 555	**239 501**	556 376
Assessed loss raised	**92 008**	–	**89 264**	–
Deferred tax charged to equity	**–**	10 263	**–**	10 263
Under-provision prior year	**20 780**	(47 677)	**22 279**	(47 678)
Charge to other comprehensive income	**1 206**	656	**1 206**	656
Total deferred tax	**267 487**	(47 738)	**269 106**	(48 600)
Taxation expense	**267 487**	(47 588)	**269 106**	(48 600)

28. INCOME TAX EXPENSE CONTINUED

	GROUP		COMPANY	
	2024	2023	**2024**	2023
Reconciliation of tax rate	**%**	%	**%**	%
Standard tax rate	**27.00**	27.00	**27.00**	27.00
Permanent differences	**(1.00)**	0.20	**5**	0.20
Learnership allowances	**(2.96)**	(0.09)	**15**	(0.09)
Donations	**1.96**	0.09	**(10)**	0.09
Rehabilitation Trust Contributions	**–**	0.20	**–**	0.20
Prior year adjustments	**(22.58)**	1.69	**124.72**	1.69
Movement through other comprehensive income	**–**	(0.02)	**–**	(0.02)
Income from non-taxable entities	**(32.95)**	–	**–**	–
Deferred tax recognised on inventory	**82.25**	–	**(424.06)**	–
Deferred tax recognised previously unrecognised	**(327.39)**	(27.20)	**1 692.08**	(27.15)
Effective rate	**(274.67)**	1.67	**1 424.74**	1.72

29. CASH GENERATED FROM OPERATIONS

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Reconciliation of profit for the year:					
Profit/(loss) before taxation		**98 785**	2 858 076	**(17 487)**	2 825 188
Adjustments for:					
Depreciation of property, plant and equipment	4	**410 705**	308 225	**410 445**	307 960
Impairment reversal	4	**–**	(1 999 120)	**–**	(1 999 120)
Amortisation of intangible assets	5	**1 425**	1 857	**1 425**	1 857
Loss on disposal of property, plant and equipment	4	**1 493**	16 399	**1 493**	16 399
Loss on disposal of intangible assets	5	**153**	–	**153**	–
Expected credit loss		**64 707**	(5 271)	**63 780**	(5 749)
Post-employment obligation movement	20	**403**	533	**403**	533
Foreign exchange (gain)/loss	27	**(55 170)**	83 392	**(55 198)**	83 388
Net finance cost	26	**683 770**	602 225	**722 096**	638 865
Derivatives movement	12	**175**	12	**–**	–
Environmental rehabilitation expense	19.2	**(28 738)**	(52 698)	**(28 738)**	(52 698)
Share of profit from joint venture	7	**(81 701)**	–	**–**	–
Changes in working capital:					
Inventories		**927 463**	(283 307)	**922 333**	(283 307)
Trade and other receivables		**(440 409)**	(244 746)	**(432 242)**	(239 042)
Trade and other payables		**(262 454)**	(104 511)	**(269 047)**	(108 838)
Other provisions		**(30 982)**	(36 513)	**(30 982)**	(36 513)
Total changes in working capital		**193 618**	(669 077)	**190 062**	(667 700)
		1 289 625	1 144 553	**1 288 434**	1 148 923

30. BORROWING FACILITIES

ACCOUNTING POLICY

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Cash and cash equivalents	13	**421 359**	691 555	**409 447**	681 431
Long-term interest-bearing loans	30.1	**(4 528 994)**	(4 059 670)	**(4 528 994)**	(4 059 670)
Short-term interest-bearing loans	30.2	**(230 068)**	(929 483)	**(230 068)**	(929 483)
Net debt		**(4 337 703)**	(4 297 598)	**(4 349 615)**	(4 307 722)
Total borrowing facilities		**5 304 669**	5 614 609	**5 304 669**	5 614 609
Available for utilisation		**966 966**	1 317 011	**955 054**	1 306 887
30.1 LONG-TERM INTEREST-BEARING FACILITIES:					
Total facility		**4 528 994**	4 980 109	**4 528 994**	4 980 109
Utilised		**(4 528 994)**	(4 764 742)	**(4 528 994)**	(4 764 742)
Available		**–**	215 367	**–**	215 367
Long-term interest-bearing facilities					
Opening balance		**4 059 670**	4 343 538	**4 059 670**	4 343 538
Additional loan		**2 540 019**	2 412 890	**2 540 019**	2 412 890
Repayments		**(2 289 581)**	(2 302 608)	**(2 289 581)**	(2 302 608)
Capitalised interest		**218 886**	310 922	**218 886**	310 922
Repayable within 12 months					
Capital		**–**	(705 072)	**–**	(705 072)
Total long-term loans	35.5	**4 528 994**	4 059 670	**4 528 994**	4 059 670

The R4.5 billion is a long-term interest-bearing facility granted by the IDC. The purpose of the loan was for working capital and plant and equipment expenditure. Total utilised as at 31 March 2024 is R4.5 billion. The long-term interest-bearing loans are secured by movable plant and equipment of the Group. Foskor ceded its rights, title and interest on all insurance policies to the lender, IDC. The interest rate applicable on the loan is prime plus 3%.

A portion of a loan referred to as the working capital loan amounting to R846 million is repayable by 31 March 2028. Historical loans of R3.7 billion which arose as a result of working capital and capital expenditure shall be repaid in 14 equal instalments. The first instalment is due on 30 April 2025.

30. BORROWING FACILITIES CONTINUED

30.2 SHORT-TERM INTEREST-BEARING FACILITIES:

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Total facility		**775 674**	634 500	**775 674**	634 500
Utilised		**(230 068)**	(224 412)	**(230 068)**	(224 412)
Available		**545 606**	410 088	**545 606**	410 088
Repayable within 12 months (current)					
Opening balance		**929 483**	46 048	**929 483**	46 048
Reallocation of long-term interest-bearing facilities		**–**	705 072	**–**	705 072
Additional loan		**4 524 673**	5 643 469	**4 524 673**	5 643 469
Repayments		**(5 224 088)**	(5 465 106)	**(5 224 088)**	(5 465 106)
Total short-term loans	35.5	**230 068**	929 483	**230 068**	929 483

The R640 million short-term interest-bearing facilities were raised from various South African financial institutions. These loans are available for a maximum period of 12 months and are renewable annually. The R136 million is a foreign trade loan raised to discount exports sales. The interest is payable monthly, and the capital is payable within 35 days from the bill of lading date of the funded shipment. The interest rate applicable on the loan is fixed at 7.75% per annum.

30.3 GUARANTEES:

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Total facility from banks		**620 252**	618 524	**620 252**	618 524
Utilised	36	**(575 946)**	(575 469)	**(575 946)**	(575 469)
Available		**44 306**	43 055	**44 306**	43 055

30.4 LETTERS OF CREDIT:

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Total facility from banks		**760 080**	542 754	**760 080**	542 754
Utilised		**(48 057)**	(189 152)	**(48 057)**	(189 152)
Available		**712 023**	353 602	**712 023**	353 602

31. LEGAL LIABILITY

ACCOUNTING POLICY

Full provision is made based on the net present value of the estimated cost of the legal settlement that has occurred up to the reporting date.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Short-term legal liability				
Opening balance	**4 583**	54 361	**4 583**	54 361
Repayment	**(4 583)**	(49 778)	**(4 583)**	(49 778)
Total short-term legal liability	**–**	4 583	**–**	4 583

32. COMMITMENTS

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Capital commitments				
Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:				
Property, plant and equipment	**211 782**	212 682	**211 782**	212 682
Total capital commitments	**211 782**	212 682	**211 782**	212 682

33. GAINS OR LOSSES FROM FINANCIAL ASSETS

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
The gains and losses from financial assets classified as fair value through profit and loss consist of the following:				
Loss on financial investments	**–**	–	**–**	(23)
Total	**–**	–	**–**	(23)

34. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

34.1 IRREGULAR EXPENDITURE

Irregular expenditure is defined as expenditure incurred in contravention of, or that is not in accordance with PFMA and any applicable legislation. Fruitless and wasteful expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Irregular expenditure	**5 685 950**	6 307 940	**5 685 950**	6 307 940
Fruitless and wasteful expenditure	**–**	–	**–**	–
Closing balance	**5 685 950**	6 307 940	**5 685 950**	6 307 940

The majority of the irregular expenditure disclosed in the financial statements was caused by procurement of goods, works or service which was not done in line with the PFMA and Treasury Regulations requirements for fair, equitable, transparent and competitive procurement process. In addition, some of the procurement above R30 000 was not done in accordance with the PPPFA.

34.2 AMOUNTS OF MATERIAL LOSSES THROUGH CRIMINAL CONDUCT

No material losses were reported during the current financial period and the prior year.

34.3 CRIMINAL OR DISCIPLINARY STEPS TAKEN AS A RESULT OF LOSSES, IRREGULAR AND FRUITLESS AND WASTEFUL

There were no cases to be completed as we had no material losses through criminal conduct in the current financial period and prior year.

35. FINANCIAL INSTRUMENTS

ACCOUNTING POLICY

Financial instruments

Financial instruments consist mainly of borrowings, listed and unlisted investments, cash and cash equivalents, derivative instruments, trade and other receivables and trade and other payables. Derivative instruments consist of forward exchange contracts and option contracts.

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair value through other comprehensive income (“FVOCI”); or
- Fair value through profit and loss (“FVTPL”).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held with a business model whose objective is to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held with a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

Financial assets – Subsequent measurement

Financial Asset Category	Description
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit or loss.
Financial assets at FVOCI	These assets are subsequently measured at fair value. Interest income, foreign exchange gains and losses and credit impairment losses or reversals are recognised in profit or loss. Other changes in the carrying amount on remeasurement to fair value are recognised in other comprehensive income (“OCI”). Cumulative fair value gains or loss recognised in OCI is recycled to profit or loss when related financial assets are derecognised.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The assets are unit trust, preference shares, equity investments and others. The fair value of financial assets is determined by reference to the quoted market price and valuation techniques.

35. FINANCIAL INSTRUMENTS CONTINUED

ACCOUNTING POLICY

The following information is considered by the Group in determining the classification of financial assets:

- The Group's business model for managing financial assets; and
- The contractual cash flow characteristics of the financial assets.

The business model assessment of the financial assets is based on the Group's strategy and rationale for holding the financial assets on a portfolio level. When considering the strategy, the following is considered:

- Whether the financial assets are held to collect contractual cash flows;
- Whether the financial assets are held for sale; or
- Whether the financial assets are held for both collecting contractual cash flows and to be sold.

Financial assets – Assessment of contractual cash flows

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or at fair value. Financial liabilities held for trading, are measured at fair value with all changes being recognised in profit or loss. For all financial liabilities designated at fair value option, the amount of the change in the liability's fair value attributable to changes in the credit risk is recognised in OCI with the remaining amount of change in fair value recognised in profit or loss. Amounts presented in OCI are not subsequently transferred to profit or loss. Financial liability at amortised cost means that the liability's effective rate of interest is charged as a finance cost to the statement of profit or loss.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY

	Notes	2024 Estimated fair value R'000	2024 Carrying value R'000	2023 Estimated fair value R'000	2023 Carrying value R'000
GROUP					
Financial assets					
The carrying amount and fair values of financial assets are as follows:					
At amortised cost					
Environmental Rehabilitation Trust	9.2	**1 637**	**1 637**	1 485	1 485
Trade receivables	11	**1 129 542**	**1 129 542**	872 423	872 423
Cash and cash equivalents	13	**421 359**	**421 359**	691 555	691 555
Other receivables (excluding prepayments and VAT)	11	**237 353**	**237 353**	90 188	90 188
At fair value through profit and loss					
Preference shares held in Foskor Zirconia (Pty) Ltd	9.3	**61 900**	**61 900**	31 900	31 900
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	**42 629**	**42 629**	41 264	41 264
Environmental Rehabilitation Trust Investments	9.1	**498 796**	**498 796**	435 251	435 251
Richard's Bay Ammonium Consortium Investment	9.4	**6 252**	**6 252**	7 849	7 849
Total financial assets		**2 399 468**	**2 399 468**	2 171 915	2 171 915
Liabilities					
The carrying amount and fair values of financial liabilities are as follows:					
At amortised cost					
Lease liability	18	**4 069**	**4 069**	6 118	6 118
Legal liability	31	**–**	**–**	4 583	4 583
Trade payables	21	**1 349 511**	**1 349 511**	1 598 529	1 598 529
Long-term interest-bearing loans	30.1	**4 528 994**	**4 528 994**	4 059 670	4 059 670
Short-term interest-bearing loans	30.2	**230 068**	**230 068**	929 483	929 483
At fair value through profit and loss					
Share buyback option	12	**5 917**	**5 917**	5 742	5 742
Total financial liabilities		**6 118 559**	**6 118 559**	6 604 125	6 604 125

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY CONTINUED

	Notes	2024 Estimated fair value R'000	2024 Carrying value R'000	2023 Estimated fair value R'000	2023 Carrying value R'000
COMPANY					
Financial assets					
The carrying amount and fair values of financial assets are as follows:					
At amortised cost					
Other receivables (excluding prepayments and VAT)	11	**237 239**	**237 239**	90 180	90 180
Trade receivables	11	**1 117 782**	**1 117 782**	862 411	862 411
Cash and cash equivalents	13	**409 447**	**409 447**	681 431	681 431
Investment in Environmental Rehabilitation Trust	6	**281 563**	**281 563**	254 179	254 179
At fair value through profit and loss					
Loans to subsidiaries	6	**32 788**	**32 788**	26 320	26 320
Richard's Bay Ammonium Consortium Investment	9.4	**6 252**	**6 252**	7 853	7 853
Preference shares held in Foskor Zirconia (Pty) Ltd	9.3	**61 900**	**61 900**	31 900	31 900
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	**42 630**	**42 630**	41 243	41 243
Total financial assets		**2 189 601**	**2 189 601**	1 995 517	1 995 517
Financial liabilities					
The carrying amount and fair values of financial liabilities are as follows:					
At amortised cost					
Lease liability	18	**1 993**	**1 993**	3 938	3 938
Legal liability	31	**–**	**–**	4 583	4 583
Trade payables (including accrued expenses and income received in advance)	21	**1 345 602**	**1 345 602**	1 593 364	1 593 364
Long-term interest-bearing loans	30.1	**4 528 994**	**4 528 994**	4 059 670	4 059 670
Short-term interest-bearing loans	30.2	**230 068**	**230 068**	929 483	929 483
Loans from subsidiaries	6	**221 549**	**221 549**	221 659	221 659
Total financial liabilities		**6 328 206**	**6 328 206**	6 812 697	6 812 697

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY CONTINUED

The fair value of financial assets and liabilities is determined by reference to the quoted market price; otherwise the carrying value approximates their fair value. An analysis of financial assets and liabilities carried at fair value is set out below:

		GROUP			
		2024			
	Notes	R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Assets					
At fair value through profit and loss					
Richard's bay Ammonium Consortium Investments	9.4	**–**	**–**	**6 252**	**6 252**
Preferred shares held in Foskor Zirconia (Pty) Ltd	9.3	**–**	**–**	**61 900**	**61 900**
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	**–**	**–**	**42 629**	**42 629**
Environmental Rehabilitation Trust Investments	9.1	**908**	**471 511**	**26 377**	**498 796**
		908	**471 511**	**137 158**	**609 577**
Liabilities					
At fair value through profit and loss					
Share buyback option	12	**–**	**–**	**(5 917)**	**(5 917)**
		–	**–**	**(5 917)**	**(5 917)**

		2023			
	Notes	R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Assets					
At fair value through profit and loss					
Richards Bay Ammonium Consortium Investments	9.4	–	–	7 849	7 849
Preference shares held in Foskor Zirconia (Pty) Ltd	9.3	–	–	31 900	31 900
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	–	–	41 264	41 264
Environmental Rehabilitation Trust Investments	9.1	769	412 513	–	413 282
		769	412 513	81 013	494 295
Liabilities					
At fair value through profit and loss					
Share buyback option	12	–	–	(5 742)	(5 742)
		–	–	(5 742)	(5 742)

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY CONTINUED

	Notes	COMPANY 2024 R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Assets					
At fair value through profit and loss					
Richard's Bay Ammonium Consortium Investment	9.4	–	–	6 252	6 252
Preference shares held in Foskor Zirconia (Pty) Ltd	9.3	–	–	61 900	61 900
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	–	–	42 630	42 630
Loans to subsidiaries	6	–	–	32 788	32 788
		–	–	143 570	143 570

	Notes	2023 R'000 Level 1	R'000 Level 2	R'000 Level 3	R'000 Total
Assets					
At fair value through profit and loss					
Richard's bay Ammonium Consortium Investments	9.4	–	–	7 853	7 853
Preferred shares held in Foskor Zirconia (Pty) Ltd	9.3	–	–	31 900	31 900
Financial investment in Foskor Zirconia (Pty) Ltd	9.5	–	–	41 243	41 243
Loans to subsidiaries	6	–	–	26 320	26 320
		–	–	107 316	107 316

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY CONTINUED

Financial risk management

The principal financial risks arising from the Group activities are credit risk, liquidity risk and those related to market risk (price risk, currency risk and interest rate risk).

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk.

(a) Financial Instruments in Level 1

The fair value of instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily available from a regulatory agency and they represent actual market transactions on an arm's-length basis.

These financial instruments are valued using unadjusted quoted prices in active markets for identical financial instruments. This category includes exchange-traded derivatives.

This category includes exchange-traded derivatives.

(b) Financial Instruments in Level 2

The fair value of instruments that are not traded in active markets is determined by using valuation techniques at the reporting date. These techniques maximise use of observable market data and rely less on entity specific estimates. Valuation techniques used to value instruments in this level include:

– The fair value of forward exchange contracts determined using forward exchange rates at the reporting date.

– Quoted market prices or dealer quotes for similar instruments.

These financial instruments are valued using techniques based significantly on observable market data. Instruments in this category are valued using valuation techniques where all of the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.

(c) Financial Instruments in Level 3

Inputs for the assets or liability that are not based on observable market data.

		GROUP		
	Notes	Richard's Bay Ammonium Consortium R'000	Preference shares held in Foskor Zirconia (Pty) Ltd R'000	Financial investment in Foskor Zirconia (Pty) Ltd R'000
Balance at 1 April 2023		**7 849**	**31 900**	**41 264**
Capital contributions for the year	9.3, 9.5	**–**	**30 000**	**–**
Adjustment recognised in profit or loss	9.4	**(1 597)**	**–**	**1 365**
Balance at 31 March 2024		**6 252**	**61 900**	**42 629**

35. FINANCIAL INSTRUMENTS CONTINUED

35.1 FINANCIAL INSTRUMENTS BY CATEGORY CONTINUED

		COMPANY			
	Notes	Loans to subsidiaries R'000	Richard's Bay Ammonium Consortium R'000	Preference shares held in Foskor Zirconia (Pty) Ltd R'000	Financial investment in Foskor Zirconia (Pty) Ltd R'000
Balance at 1 April 2023	6, 9.4	**26 320**	**7 853**	**31 900**	**41 243**
Capital contributions for the year		**–**	**–**	**30 000**	**–**
Adjustment recognised in profit or loss	9.4	**6 468**	**(1 601)**	**–**	**1 387**
Balance at 31 March 2024		**32 788**	**6 252**	**61 900**	**42 630**

During the year funds invested in the money market fund for the Environmental Rehabilitation Trust were allocated to unit trust investments. Changes in the Foskor Zirconia and Loans to subsidiaries were due to fair value valuations, repayments, finance income and costs and have been accounted for at fair value through profit and loss.

The fair value is determined using the discount valuation method. The Group lending rate of 14.75% was used as a discount rate. It is based on unobservable market inputs, including prime lending rate plus margin charged by the major shareholder IDC. Cash held by the Environmental Rehabilitation Trust was valued at prevailing money market rate.

The share buyback option has been valued using the Monte Carlo Option Pricing model. The following are the key assumptions applied in the model:

	GROUP	
	2024	2023
Strike price	**205 291**	184 867
Spot price	**155 351**	155 351
Discount rate	**13.1%**	9.83%
Dividend yield	**–**	–
Annualised expected volatility	**8.89%**	14.22%

The volatility indicator used in the calculation was based on the market prices of globally listed proxy companies that are in a similar industry and the changes in their share prices over the last 10 years was used to determine the volatility in their share prices.

Changes in the key inputs to a different amount do not result in a significantly higher or lower fair value measurement.

Environmental Rehabilitation Trusts Investments
Inputs for the assets are unit trusts valued against observable and prevailing market data. They also include assets such as cash and money market investments, value of which is not based on observable market value.

35. FINANCIAL INSTRUMENTS CONTINUED

35.2 MARKET RISK MANAGEMENT

35.2.1 FOREIGN CURRENCY RISK MANAGEMENT

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar.

Foreign exchange risk arises from future commercial transactions or recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. Between 30% to 80% of the foreign-denominated revenue transactions are covered by forward exchange contracts and zero-cost collar option contracts as prescribed by the Group's treasury policy. These contracts are entered into to cover export earnings of which the proceeds are not yet received. The import of raw materials amounting to approximately a third of foreign-denominated revenue transactions is regarded as a natural hedge, which is considered sufficient to mitigate the remaining risk.

Details of the contracts are as follows:

	GROUP		COMPANY	
	2024	2023	**2024**	2023
Derivatives				
Foreign currency forwards – Export	**4 000**	–	**4 000**	–
Foreign currency forwards – Import	**(7 140)**	–	**(7 140)**	–
Average export exchange rate as per USD contract	**19.00**	–	**19.00**	–
Average import exchange rate as per USD contract	**19.01**	–	**19.01**	–
Net derivative cover	**(59 731)**	–	**(59 731)**	–
Spot rate at year end R/US$	**R19.00**	R18.03	**R19.00**	R18.03
Spot rate at year end R/EUR	**R20.51**	–	**R20.51**	–
The following receivable and payable balances are exposed to exchange rate movements:				
Receivables (less than one year)				
US$ denominated balances at year end – US$'000	**23 927**	17 677	**23 927**	17 677
Rand equivalent balances at year end – R'000	**454 613**	318 716	**454 613**	318 716
Payables (less than one year)				
US$ denominated balances at year end – US$'000	**(3 484)**	(20 928)	**(3 484)**	(20 928)
Rand equivalent balances at year end – R'000	**(66 196)**	(377 332)	**(66 196)**	(377 332)
Payables (less than one year)				
EUR denominated balances at year end – EUR'000	**(296)**	–	**(296)**	–
Rand equivalent balances at year end – R'000	**(6 071)**	–	**(6 071)**	–
Net receivable/(payables) Rand equivalent	**382 346**	(58 616)	**382 346**	(58 616)
Net receivable/(payables) Rand equivalent and derivative cover	**322 615**	(58 616)	**322 615**	(58 616)

At 31 March 2024 if the Rand had weakened by 10% against the US Dollar with all other variables held constant, the profit after taxation for the Group for the year would have been R32 million higher (2023: R6 million lower); conversely, if the Rand had strengthened by 10% against the US Dollar with all other variables held constant, the profit after taxation for the Group would have been R32 million lower (2023: R6 million higher).

This sensitivity analysis considers the impact of a change in the Rand versus US Dollar exchange rate on the translation of US Dollar denominated trade receivables and trade payables.

35. FINANCIAL INSTRUMENTS CONTINUED

35.2 MARKET RISK MANAGEMENT CONTINUED

35.2.2 INTEREST RATE RISK MANAGEMENT

As part of an ongoing restructuring of the borrowing mix and interest rate characteristics of borrowings, the Group restructures funding of operating capital as appropriate. The Group is exposed to cash flow interest rate risk in respect of cash and cash equivalents that earn interest at a variable rate and short- and long-term loans.

The Group invests cash funds on call and in fixed short-term interest-bearing deposits. Interest on these deposits is linked to the prime interest rate.

The Group secured R5.3 billion (2023: R5.6 billion) worth of borrowing facilities during the year. The Group borrows funds on variable contract basis. The utilised facilities attracted interest linked to South African prime rate.

		GROUP		COMPANY	
	Notes	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Money market investments – Rehabilitation Trust	9	**26 377**	21 969	**–**	21 969
Cash and cash equivalents	13	**421 359**	691 555	**409 447**	681 431
Long-term interest-bearing loan	30	**(4 528 994)**	(4 059 670)	**(4 528 994)**	(4 059 670)
Short-term interest-bearing loan	30	**(230 068)**	(929 483)	**(230 068)**	(929 483)
Net debt		**(4 311 326)**	(4 275 629)	**(4 349 615)**	(4 285 753)

At 31 March 2024 if interest rates on financial instruments had been 1% lower with all other variables remaining constant, the profit after taxation for the year would have been R43 million higher (2023: R43 million higher); conversely, if interest rates had been 1% higher with all other variables remaining constant, the profit after taxation for the year would have been R43 million lower (2023: R43 million lower).

35.2.3 PRICE RISK MANAGEMENT

Commodity and share price risk

Changes in phosphoric acid, fertiliser, sulphur and ammonia prices may have an adverse effect on current or future earnings. The phosphoric acid, fertiliser, sulphur and ammonia markets are predominantly priced in US Dollars, which further exposes the Group to the risk that fluctuations in the SA Rand/US Dollar may also have an adverse effect on current or future earnings.

The risk associated with listed equity investments is the change in equity prices resulting in changes in the fair values of the investments. Unit trusts and other investments (refer to note 9) are actively managed by reputable fund managers and are held in conservative portfolios, which guarantees return of the capital amount invested.

35. FINANCIAL INSTRUMENTS CONTINUED

35.2 MARKET RISK MANAGEMENT CONTINUED

35.2.3 PRICE RISK MANAGEMENT CONTINUED

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Listed Investments and Unit Trusts					
Fair value at 31 March		**472 419**	413 282	**–**	–
Listed Investments	9.1	**908**	769	**–**	–
Unit Trust	9.1	**471 511**	412 513	**–**	–

The equity investments are listed on the JSE in South Africa (Sanlam and Old Mutual shares). A 5% decrease in the share index at the reporting date, with all other variables held constant, would have decreased other comprehensive income by R45 000 (2023: R38 000); conversely, a 5% increase in the share index at the reporting date, with all other variables held constant, would have increased other comprehensive income by R45 000 (2023: R38 000).

The Environmental Rehabilitation Trust holds unit trusts. The unit trust portfolio for these investments is invested in equity (44%), property (1%), bonds (43%) and other (1%). A 5% decrease in the quoted price at the reporting date, with all other variables held constant, would have decreased profit before taxation by R23.6 million (2023: R20.6 million); conversely, a 5% increase in the quoted price at the reporting date, with all other variables held constant, would have increased profit before taxation by R23.6 million (2023: R20.6 million).

35.3 CREDIT RISK MANAGEMENT

Credit risk, or the risk of financial loss to the Group due to customer or counterparties not meeting their contractual obligations, mismanaged through the application of credit approvals, limits and monitoring procedures. The Group is exposed to credit risk on financial assets mainly in respect of those assets detailed in the table below. The carrying amounts of financial assets represent the maximum credit exposure, this exposure is considered without taking any collateral, insurance cover or financial guarantees, to be as follows:

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Loans to subsidiaries	6	**–**	–	**32 788**	26 320
Financial investments	9	**611 214**	517 749	**110 782**	80 996
Cash and cash equivalents	13	**421 359**	691 555	**409 447**	681 431
Trade and other receivables (excluding VAT receivables and insurance prepaid)	11	**1 366 895**	962 611	**1 355 021**	952 591
		2 399 468	2 171 915	**1 908 038**	1 741 338

The Group limits its investments and deposits to a maximum of R500 million per financial institution with BBB+ rating by Fitch, and R200 million per financial institution with rating of BBB-. Increase in such limits is subject to approval by the Board of Directors. Surplus funds available on transactional bank accounts are deposited in short-term high interest yielding investments. Credit ratings of the South African financial institutions used by the Company have not been negatively affected. Credit risk of financial instrument products offered have not significantly changed since initial recognition.

The Group manages credit risk on accounts receivable by fixing payment terms on open accounts and selling on letters of credit to foreign customers. Stringent credit assessments are employed before allowing credit sales with customers. At year end customers are assessed individually for impairment.

35. FINANCIAL INSTRUMENTS CONTINUED

35.3 CREDIT RISK MANAGEMENT CONTINUED

35.3.1 TRADE AND OTHER RECEIVABLES – AT AMORTISED COST

Foskor's market revenues are generated from South Africa and internationally. The Company has policies in place to ensure that sales of products are made to customers with appropriate credit history. Before credit is granted, the Company's credit committee performs credit assessments with the help of the insurance company. The Company insures all South African credit customers. International customers' credit exposure is managed by either advanced payment terms or opening of the letters of credit through reputable banks.

Credit terms offered to customers range from 30 to 90 days. Customers with bills outstanding for more than 120 days are provided for in full and measures to recover the amount are taken, such as insurance claims, legal claims etc. Amounts are written off in full when all measures to recover payments have been exhausted. Approval to write off is authorised by the Board, in line with the Delegation of Authority Matrix.

Recoverability for the outstanding amount and the loss allowance provision as at 31 March 2024 can be analysed as follows:

		GROUP			
		2024 R'000			
	Notes	Gross	Loss allowance	Net	Average ECL impairment ratio
Trade receivables					
– Outstanding for less than 60 days		1 127 207	(244)	1 126 963	0.02%
– Outstanding for more than 60 days but less than 120 days		2 603	(24)	2 579	0.92%
– Outstanding for more than 120 days		1 702	(1 702)	–	100%
Total trade receivables	11	1 131 512	(1 970)	1 129 542	
Other receivables – impaired					
– Outstanding for less than 60 days		74 087	(1 713)	72 374	2.31%
– Outstanding for more than 60 days but less than 120 days		42 231	(29 218)	13 013	69.19%
– Outstanding for more than 120 days		249 321	(235 699)	13 622	94.54%
Total other receivables – impaired		365 639	(266 630)	99 009	
Other receivables – not impaired		138 344	–	138 344	0%
Total other receivables	11	503 983	(266 630)	237 353	
The loss allowance provision for trade receivables as at 31 March 2024 reconciles to the opening loss allowance as follows:					
Opening loss allowance as at 1 April 2023			(971)		
Increase in loss allowance recognised in profit or loss			(999)		
Closing loss allowance as at 31 March 2024			(1 970)		

The gross carrying amount of trade receivables is R1.13 billion (2023: R873 million). During the year, there were no write offs of trade receivables.

35. FINANCIAL INSTRUMENTS CONTINUED

35.3 CREDIT RISK MANAGEMENT CONTINUED

35.3.1 TRADE AND OTHER RECEIVABLES – AT AMORTISED COST CONTINUED

		GROUP			
		2023 R'000			
	Notes	Gross	Loss allowance	Net	Average ECL impairment ratio
Trade receivables					
Fully performing					
– Outstanding for less than 60 days		853 387	(459)	852 928	0.05%
– Outstanding for more than 60 days but less than 120 days		3 037	(512)	2 525	16.86%
– Outstanding for more than 120 days		16 970	–	16 970	0.00%
Total trade receivables	11	873 394	(971)	872 423	
Other receivables – impaired					
– Outstanding for less than 60 days		41 302	(13 717)	27 585	33.21%
– Outstanding for more than 60 days but less than 120 days		11 314	(8 503)	2 811	75.15%
– Outstanding for more than 120 days		190 787	(180 702)	10 085	94.71%
Total other receivables – impaired		243 403	(202 922)	40 481	
Other receivables – not impaired		49 707	–	49 707	
Total other receivables	11	293 110	(202 922)	90 188	
The loss allowance provision for trade receivables as at 31 March 2023 reconciles to the opening loss allowance as follows:					
Opening loss allowance as at 1 April 2022			(3 459)		
Decrease in loss allowance recognised in profit or loss			2 488		
Closing loss allowance as at 31 March 2023			(971)		

35. FINANCIAL INSTRUMENTS CONTINUED

35.3 CREDIT RISK MANAGEMENT CONTINUED

35.3.1 TRADE AND OTHER RECEIVABLES – AT AMORTISED COST CONTINUED

	Notes	COMPANY 2024 R'000 Gross	Loss allowance	Net	Average ECL impairment ratio
Trade receivables					
– Outstanding for less than 60 days		1 115 407	(83)	1 115 324	0.01%
– Outstanding for more than 60 days but less than 120 days		2 461	(3)	2 458	0.12%
– Outstanding for more than 120 days		417	(417)	–	100.00%
Total trade receivables	11	1 118 285	(503)	1 117 782	
Other receivables – impaired					
– Outstanding for less than 60 days		74 087	(1 713)	72 374	2.3%
– Outstanding for more than 60 days but less than 120 days		42 231	(29 218)	13 013	69.19%
– Outstanding for more than 120 days		249 321	(235 699)	13 622	94.54%
Total other receivables – impaired		365 639	(266 630)	99 009	
Other receivables – not impaired		138 230	–	138 230	
Total other receivables	11	503 869	(266 630)	237 239	
The loss allowance provision for trade receivables as at 31 March 2024 reconciles to the opening loss allowance as follows:					
Opening loss allowance as at 1 April 2023			(432)		
Increase in loss allowance recognised in profit or loss			(71)		
Closing loss allowance as at 31 March 2024			(503)		

The gross carrying amount of trade receivables is R1.12 billion (2023: R863 million). During the year, there were no write offs of trade receivables.

35. FINANCIAL INSTRUMENTS CONTINUED

35.3 CREDIT RISK MANAGEMENT CONTINUED

35.3.1 TRADE AND OTHER RECEIVABLES – AT AMORTISED COST CONTINUED

		COMPANY			
		2023 R'000			
	Notes	Gross	Loss allowance	Net	Average ECL impairment ratio
Trade receivables					
– Outstanding for less than 60 days		843 346	(429)	842 917	0.05%
– Outstanding for more than 60 days but less than 120 days		3 037	(3)	3 034	0.10%
– Outstanding for more than 120 days		16 460	–	16 460	0.00%
Total trade receivables	11	862 843	(432)	862 411	
Other receivables – impaired					
– Outstanding for less than 60 days		41 302	(13 717)	27 585	33.21%
– Outstanding for more than 60 days but less than 120 days		11 314	(8 503)	2 811	75.15%
– Outstanding for more than 120 days		190 787	(180 702)	10 085	94.71%
Total other receivables – impaired		243 403	(202 922)	40 481	
Other receivables – not impaired		49 699	–	49 699	
Total other receivables	11	293 102	(202 922)	90 180	

The loss allowance provision for trade receivables as at 31 March 2023 reconciles to the opening loss allowance as follows:

Opening loss allowance as at 1 April 2022			(3 398)		
Decrease in loss allowance recognised in profit or loss			2 966		
Closing loss allowance as at 31 March 2023			(432)		

35. FINANCIAL INSTRUMENTS CONTINUED

35.3 CREDIT RISK MANAGEMENT CONTINUED

35.3.1 TRADE AND OTHER RECEIVABLES – AT AMORTISED COST CONTINUED

	GROUP		COMPANY	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Major foreign debtors – Account balance				
Coromandel International Ltd	–	16 336	–	16 336
Navitrade	–	96 913	–	96 913
Sun International FZE	**142 489**	335	**142 489**	335
Yara Norge AS	**312 166**	204 800	**312 166**	204 800
Major foreign debtors	**454 655**	318 384	**454 655**	318 384

35. FINANCIAL INSTRUMENTS CONTINUED

35.4 LIQUIDITY RISK MANAGEMENT

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk arises from existing obligations associated with the industry and the requirements to raise funds in order to meet these obligations. The Group manages liquidity by monitoring forecasted cash flows and ensuring that adequate unutilised borrowing facilities are available if necessary. The Group secured total borrowing facilities of R5.3 billion. R4.8 billion was utilised at 31 March 2024. The Group negotiates short-term general borrowing facilities annually with approved banks. R776 million of the total short-term borrowing facility was committed during the year for 12 months.

The R4.5 billion is a long-term interest-bearing facility granted by the IDC. The purpose of the loan was for working capital and plant and equipment expenditure. Total utilised as at 31 March 2024 is R4.5 billion. Foskor ceded its rights, title and interest in all insurance policies to the lender, IDC.

	Notes	GROUP 2024 R'000	GROUP 2023 R'000	COMPANY 2024 R'000	COMPANY 2023 R'000
Trade payables					
– Due in less than 60 days		**828 246**	797 262	**824 632**	792 949
– Due in more than 60 days but less than 120 days		**25 088**	21 931	**25 088**	21 931
– Due in more than 120 days		**44 197**	36 941	**44 197**	36 941
		897 531	856 134	**893 917**	851 821
Other payables					
– Due in less than 60 days		**451 980**	742 395	**451 684**	741 543
Trade and other payables (excluding leave provision)	21	**1 349 511**	1 598 529	**1 345 601**	1 593 364
Derivative financial instrument	12	**2 574**	–	**2 574**	–
Long-term interest-bearing loan	30	**4 528 994**	4 059 670	**4 528 994**	4 059 670
Short-term interest-bearing loan	30	**230 068**	929 483	**230 068**	929 483
Finance lease liability	18	**4 069**	6 118	**1 993**	3 938
Total		**6 115 216**	6 593 800	**6 109 230**	6 586 455

Maturity and settlement dates for the short-term loan are within 12 months.

35. FINANCIAL INSTRUMENTS CONTINUED

35.4 LIQUIDITY RISK MANAGEMENT CONTINUED

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

	GROUP				
	Less than 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	Over 5 years R'000	Total R'000
At 31 March 2024					
Long-term interest-bearing loan – Capital	**–**	**–**	**2 104 708**	**2 424 286**	**4 528 994**
Long-term interest-bearing loan – Interest	**167 007**	**501 058**	**2 209 116**	**–**	**2 877 181**
Short-term interest-bearing loan – Capital	**57 517**	**172 551**	**–**	**–**	**230 068**
Short-term interest-bearing loan – Interest	**5 401**	**16 140**	**–**	**–**	**21 541**
Finance lease liability – Capital	**519**	**1 555**	**1 000**	**995**	**4 069**
Finance lease liability – Interest	**89**	**265**	**660**	**96**	**1 110**
At 31 March 2023					
Long-term interest-bearing loan – Capital	–	–	2 003 510	2 056 160	4 059 690
Long-term interest-bearing loan – Interest	–	–	1 888 169	–	1 888 169
Short-term interest-bearing loan – Capital	7 329	922 154	–	–	929 483
Short-term interest-bearing loan – Interest	169 744	509 819	–	–	679 563
Finance lease liability – Capital	512	1 537	2 766	1 303	6 118
Finance lease liability – Interest	150	451	862	248	171

	COMPANY				
	Less than 3 months R'000	3 to 12 months R'000	1 to 5 years R'000	Over 5 years R'000	Total R'000
At 31 March 2024					
Long-term interest-bearing loan – Capital	**–**	**–**	**2 104 708**	**2 424 286**	**4 528 994**
Long-term interest-bearing loan – Interest	**167 007**	**501 058**	**2 209 116**	**–**	**2 877 181**
Short-term interest-bearing loan – Capital	**57 517**	**172 551**	**–**	**–**	**230 068**
Short-term interest-bearing loan – Interest	**5 401**	**16 140**	**–**	**–**	**21 541**
Finance lease liability – Capital	**484**	**1 453**	**56**	**–**	**1 993**
Finance lease liability – Interest	**38**	**115**	**8**	**–**	**161**
At 31 March 2023					
Long-term interest-bearing loan – Capital	–	–	2 003 510	2 056 160	4 059 670
Long-term interest-bearing loan – Interest	–	–	1 888 169	–	1 888 169
Short-term interest-bearing loan – Capital	7 329	922 154	–	–	929 483
Short-term interest-bearing loan – Interest	169 744	509 819	–	–	679 563
Finance lease liability – Capital	486	1 459	1 993	–	3 938
Finance lease liability – Interest	97	290	161	–	548

35. FINANCIAL INSTRUMENTS CONTINUED

35.5 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. The Group's capital includes share capital and share premium.

In order to maintain the capital structure, the Group may issue new shares, adjust dividend amounts payable to shareholders, or return capital to shareholders.

The Group's strategy, which was unchanged was to maintain the gearing ratio of 30% to 40%.

The gearing ratios are as follows:

		GROUP		COMPANY	
	Notes	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Total borrowings	30	**4 759 062**	4 989 153	**4 759 062**	4 989 153
Less: Cash and cash equivalents	13	**(421 359)**	(691 555)	**(409 447)**	(681 431)
Net debt		**4 337 703**	4 297 598	**4 349 615**	4 307 722
Total equity		**3 786 380**	3 421 512	**3 382 614**	3 132 396
Total capital		**8 124 083**	7 719 110	**7 732 229**	7 440 118
Gearing ratio		**53%**	56%	**56%**	58%
Share capital		**9 158**	9 158	**9 158**	9 158
Class B share capital		**4 161 821**	4 161 821	**4 161 821**	4 161 821
Share premium		**132 013**	132 013	**132 013**	132 013
Capital	15	**4 302 992**	4 302 992	**4 302 992**	4 302 992

36. GUARANTEES AND CONTINGENCIES

36.1 GUARANTEES

Guarantees issued by the Group to various beneficiaries amount to R576 million (2023: R575 million).

		GROUP		COMPANY	
	Notes	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Details and beneficiary					
Mine rehabilitation – Department of Mineral Resources and Energy	19	**499 357**	499 357	**499 357**	499 357
Rail transport of phosphate rock and granular fertiliser – Transnet Ltd		**26 959**	26 959	**26 959**	26 959
Electricity – Eskom Ltd		**17 496**	17 496	**17 496**	17 496
Water and electricity supply – Richards Bay Transitional Local Council		**12 433**	12 433	**12 433**	12 433
Mozambique Port Development Council		**14 251**	13 524	**14 251**	13 524
Gas – Sasol Gas (Pty) Ltd		**5 000**	5 000	**5 000**	5 000
Various ZAR denominated guarantees		**450**	701	**450**	701
Total		**575 946**	575 470	**575 946**	575 470

Refer to the directors' report on responsibilities and guarantees in respect of the mine rehabilitation.

36.2 CONTINGENCIES

36.2.1 LEGAL CLAIMS

The Group has certain legal claim instituted against it. These claims are all being defended, and the directors are of the opinion that these claims will be successfully defended. The value of these claims is R84 million (2023: R33 million). In addition, the Group has instituted legal claims of R667 million (2023: R579 million) against others.

36.2.2 ENVIRONMENTAL INVESTIGATION

During the prior financial year, investigations into certain environmental matters were undertaken by various authorities and independent consultants. As at the date of reporting, there is no clarity on what the outcome of these investigations will be and therefore no provision has been recorded in the financial results in this respect. Management will continue to assess impact on the Group as the investigation progresses.

37. GROUP SEGMENTAL REPORTING

37.1 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive committee that are used to make strategic decisions. The executive committee considers the business primarily from a product perspective. The products are segmented into phosphate rock and magnetite (Phalaborwa) and phosphoric acid and granular fertiliser (Richards Bay).

Segment assets consist primary of property, plant and equipment, intangible assets, inventory, trade and other receivables and cash and cash equivalents. Segment liabilities comprise of borrowings, trade and other payables and provisions.

Capital expenditure comprises additions to property, plant and equipment (refer to note 4) and intangible assets (refer to note 5).

37. GROUP SEGMENTAL REPORTING CONTINUED

37.1 SEGMENT INFORMATION CONTINUED

	Mining Division		Acid Division		
	Phosphate rock R'000	Magnetite R'000	Phosphoric acid* R'000	Granular fertiliser R'000	Total R'000
2024					
Total segment revenue	**5 724 355**	**161 795**	**3 663 023**	**3 387 680**	**12 936 853**
Local revenue	**3 209 587**	**161 795**	**1 291 739**	**3 085 182**	**7 748 303**
Export revenue	**2 514 768**		**2 371 284**	**302 498**	**5 188 550**
Inter-segment revenue	**(2 956 657)**	**–**	**–**	**–**	**(2 956 657)**
Revenue from external customers*	**2 767 698**	**161 795**	**3 663 023**	**3 387 680**	**9 980 196**
Operating profit before tax	**1 007 506**	**108 748**	**(402 818)**	**–**	**713 436**
Depreciation and amortisation	**(232 800)**	**–**	**(179 330)**	**–**	**(412 130)**
Reportable segment assets	**4 425 973**	**–**	**4 167 489**	**–**	**8 593 462**
Capital expenditure for reportable segment non-current assets	**438 092**	**–**	**208 438**	**–**	**646 530**
Reportable segment liabilities	**(1 099 730)**	**–**	**(839 180)**	**–**	**(1 938 910)**
2023					
Total segment revenue	6 260 986	118 688	4 170 741	3 169 206	13 719 621
Local revenue	2 345 527	118 688	1 966 497	3 169 206	7 599 918
Export revenue	3 915 459	–	2 204 244	–	6 119 703
Inter-segment revenue	(2 207 780)	–	–	–	(2 207 780)
Revenue from external customers*	4 053 206	118 688	4 170 741	3 169 206	11 511 841
Operating profit before tax	2 939 462	24 079	761 111	–	3 724 652
Depreciation and amortisation	(184 961)	–	(125 121)	–	(310 082)
Impairment reversal	1 181 864	–	817 256	–	1 999 120
Reportable segment assets	5 034 458	–	5 218 577	–	10 253 035
Capital expenditure for reportable segment non-current assets	194 974	–	267 674	–	462 648
Reportable segment liabilities	(1 156 378)	–	(1 294 893)	–	(2 451 271)

** Revenue from unreported segments amounting to R56 million (2023: R364 million) is included in phosphoric acid local revenue. Unreported segments include sulphuric acid, ammonia and gypsum.*

37. GROUP SEGMENTAL REPORTING CONTINUED

37.2 RECONCILIATION OF REPORTABLE SEGMENT EBIT TO GROUP PROFIT BEFORE TAX IS PROVIDED AS FOLLOWS:

The executive committee assesses the performance of the operating segments based on measure of adjusted earnings before interest and tax ("EBIT"). Segment EBIT equals segment revenue less segment expenses, which include costs of sales and other operating costs. This measurement basis excludes the effect of allocated corporate expenditure. Interest income and expenditure, as well as foreign exchange gains and losses, are not allocated to segments as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The revenue from external parties reported to the executive committee is measured in a manner consistent with that of the statements of comprehensive income and there were no reconciling items. Sale of phosphate rock between operating segments are carried out at arm's-length.

	GROUP	
	2024 R'000	2023 R'000
Segmental EBIT	**713 436**	3 724 652
Net corporate and subsidiaries expenses	**13 949**	(180 959)
Interest income	**94 717**	75 825
Finance costs	**(778 487)**	(678 050)
Net foreign exchange gains/(loss)	**55 170**	(83 392)
Group profit before tax	**98 785**	2 858 076

37.3 REPORTABLE SEGMENT ASSETS ARE RECONCILED TO TOTAL GROUP ASSETS AS FOLLOWS:

The amounts provided to the executive committee with respect to the total assets are measured in a manner consistent with that of the financial statements. Derivative financial instruments held by the Group are not considered to be segments assets but rather managed by the central treasury function.

	2024 R'000	2023 R'000
Segment assets for reportable segments	**8 593 462**	10 253 035
Unallocated:		
Deferred tax asset	**973 171**	705 687
Other assets	**892 792**	(203 064)
Total Group assets per the statements of financial position	**10 459 425**	10 755 658

37.4 REPORTABLE SEGMENT LIABILITIES ARE RECONCILED TO TOTAL LIABILITIES AS FOLLOWS:

The amounts provided to the executive committee with respect to the total assets are measured in a manner consistent with that of the financial statements. Derivative financial instruments held by the Group are not considered to be segments assets but rather managed by the central treasury function.

	2024 R'000	2023 R'000
Segment liabilities for reportable segments	**(1 938 910)**	(2 451 271)
Unallocated:		
Corporate and subsidiary liabilities	**(4 734 135)**	(4 882 875)
Total Group liabilities per the statement of financial position	**(6 673 045)**	(7 334 146)

37. GROUP SEGMENTAL REPORTING CONTINUED

37.5 GEOGRAPHICAL INFORMATION

	GROUP	
	2024 R'000	2023 R'000
Geographical information – revenues[1]		
South Africa	**4 791 646**	5 392 139
India	**1 161 551**	1 939 627
Europe	**2 203 586**	3 574 261
Middle East	**476 841**	146 285
South America	**229 050**	186 758
North America	**302 498**	–
East Asia	**299 784**	237 745
South Asia	**515 240**	–
Australia	**–**	35 026
Total external revenues	**9 980 196**	11 511 841

[1] *Revenues are attributable to countries on the basis of customer location.*

The Group does not have non-current assets in any country other than its country of domicile (South Africa). Revenues of approximately R4.8 billion (2023: R5.9 billion) are derived from three customers.

38. RELATED PARTY TRANSACTIONS

38.1 **SUBSIDIARIES** (refer to note 6)	**Nature of business**	**Ownership interest**
Indian Ocean Fertilizer (Pty) Ltd	The current Richards Bay operational segment of Foskor (Pty) Ltd was previously known as Indian Ocean Fertilizer (Pty) Ltd. Currently the equity value of the Company is the value of its ordinary and preference share capital which is now wholly owned by Foskor (Pty) Ltd.	**100%**
Phosfert Marine (Pty) Ltd	The Company's objective is clearing and forwarding agents that provides services to Foskor and other clients.	**100%**
Phosphate Shipping (Pty) Ltd	The Company's objective is ship brokerage whereby they earn commission from ship-owners from whom Foskor and other clients charter vessels.	**100%**
Inter Minerals Holdings AG (Switzerland)	The Company is currently dormant and has no active operations.	**100%**
Foskor Social Responsibility Trust	The Trust was established in accordance with Section 10(1)(cP) of the Income Tax Act of 1962. The objective of the Trust is for the benefit of widows, widowers, orphans and social responsibility projects in and around Richards Bay.	**No shares issued by the Trust**
Foskor Rehabilitation Trust	The Trust was established in accordance with Section 37A of the Income Tax Act of 1962. The objective of the Trust is to act as the financial provider for the expenditure which the member of the Trust is likely to incur in order to comply with Section 41 of the Minerals Resource and Petroleum Development Act ("MPRDA").	**No shares issued by the Trust**
IOF Property Trust	The IOF Property Trust was registered during the 1998 financial year in terms of the Trust Property Control Act of 1988. The principal purpose of the Trust is to acquire properties in Esikhawini, and to make these properties available for purchase by the employees of Foskor Richards Bay or any other qualified person.	**No shares issued by the Trust**
Verdino 174 (Pty) Ltd	The Company is engaged in the storage of fertiliser products.	**100%**

The subsidiaries' place of business and country of incorporation is South Africa.

38. RELATED PARTY TRANSACTIONS CONTINUED

38.2 JOINT VENTURE (refer to note 7)

JOINT VENTURE (refer to note 7)	Nature of business	Ownership interest
Palfos Aviation (Pty) Ltd	The company's major asset, an aircraft, was sold in June 2004. The company is currently in the process of being deregistered.	50%
Limpopo Iron Ore (Pty) Ltd	The company is established for the beneficiation of magnetite.	40%

The joint ventures' place of business and country of incorporation is South Africa.

38.3 ASSOCIATE (refer to note 8)

ASSOCIATE (refer to note 8)	Nature of business	Share of profit/(loss) R'000	Ownership interest
Foskor Zirconia (Pty) Ltd	Manufacturing of Monoclinic and Calcia Stabilised Zirconia.	–	29.9%

Foskor Zirconia's place of business and country of incorporation is South Africa.

38.4 DIRECTORS' REMUNERATION

The following table records the emoluments payable to the directors during the period:

Non-executive directors' remuneration	Appointed with effect from	Resigned with effect from	Directors' fees 2024	Directors' fees 2023
RM Godsell (Chairman)	27 March 2019	–	449 585	568 666
NG Nika	3 February 2012	–	418 070	299 215
SS Subramanian*	11 March 2021	–	67 247	134 493
SP Ngwenya	27 March 2019	–	377 875	356 523
DP Martin	27 March 2019	–	325 890	366 041
TML Setiloane	24 June 2019	30 April 2024**	396 751	294 472
NVB Magubane	28 August 2020	1 December 2022	–	113 101
MJ Vuso	28 August 2020	–	333 466	278 705
MA Hermanus	28 June 2023	–	168 714	–
NP Zulu	28 June 2023	–	178 261	–
Total			**2 715 860**	2 411 216

* *CIL representative – fees are paid to the Company.*

** *Deceased.*

38. RELATED PARTY TRANSACTIONS CONTINUED

38.5 EXECUTIVE DIRECTORS' AND EXECUTIVE MEMBERS' REMUNERATION

Rands	Basic salary	Performance bonuses* Long-term	Contributions to medical aid, pension, life, insurance & UIF	Expenses allowances/leave encashment/ Other	Total
12 months ended 31 March 2024					
Executive directors					
JT Palliam	**6 163 011**	**3 720 000**	**715 442**	**322 378**	**10 920 831**
JM Speckman	**3 276 840**	**496 389**	**394 286**	**129 000**	**4 296 515**
	9 439 851	**4 216 389**	**1 109 728**	**451 378**	**15 217 346**
Prescribed officers					
JM Morotoba	**4 564 676**	**1 537 895**	**747 594**	**609 134**	**7 459 299**
R Moodley	**2 548 122**	**713 686**	**316 459**	**135 544**	**3 713 811**
V Matlala	**2 759 582**	**279 424**	**489 652**	**420 198**	**3 948 856**
G van Wyk[1]	**–**	**–**	**–**	**454 545**	**454 545**
C Reddy[2]	**537 918**	**–**	**90 921**	**2 666 286**	**3 295 125**
Total	**10 410 298**	**2 531 005**	**1 644 626**	**4 285 707**	**18 871 636**

[1] *Resigned 31 March 2023.*
[2] *Resigned 31 May 2023.*

Rands	Basic salary	Performance bonuses* Long-term	Contributions to medical aid, pension, life, insurance & UIF	Expenses allowances/leave encashment/ Other	Total
12 months ended 31 March 2023					
Executive directors					
JT Palliam	5 295 170	625 000	451 500	384 492	6 756 162
JM Speckman	1 331 875	–	118 125	53 750	1 503 750
Total	6 627 045	625 000	569 625	438 242	8 259 912
Prescribed officers					
JM Morotoba	5 620 303	90 166	209 525	127 897	6 047 891
R Moodley	1 839 717		165 375	101 658	2 106 750
V Matlala	674 299	–	58 013	119 188	851 500
G van Wyk	2 970 081	70 417	488 851	98 110	3 627 459
JMH Kruger	1 023 217		–	–	1 023 217
C Reddy	3 564 978	56 301	294 982	190 310	4 106 571
Total	15 692 595	216 884	1 216 746	637 163	17 763 388

38. RELATED PARTY TRANSACTIONS CONTINUED

38.6 EMPLOYEE SHARE OWNERSHIP PLAN

All Foskor employees (including executive management) are entitled to receive units in the ESOP which holds 6% of Foskor's share capital through a special purpose vehicle. The initial allocation of the units was done in June 2011 to employees who had been employed by the Company at 1 April 2009, and a second allocation was done to employees engaged after 1 April 2009 but still in service on 1 September 2011. The allocated number of units per employee is based on their total cost to Company. The units from the initial allocation (employees present at 1 April 2009) will vest over a period of three years from 1 April 2012 to 1 April 2014. The subsequent allocation units will vest over a period of three years from the third anniversary of the allocation date. There are no members of executive management who hold any units. The units will be fully vested at 1 April 2014. First opportunity to sell the units will be a one-month window from June 2016, then subsequently one month each year.

38.7 MANYORO CONSORTIUM SHAREHOLDING IN FOSKOR

	Number of shares	% Holding in the BEE issued share capital of Foskor
Makana Energy Consortium (Pty) Ltd	265 309	19.34
RSA Capital (Pty) Ltd	194 717	14.17
Palama Phosphate Investment Company (Pty) Ltd	167 166	12.17
Umanyolo Investment Holdings (Pty) Ltd	116 201	8.46
Morning Tide Investments 390 (Pty) Ltd	105 145	7.65
Mgwali Investments (Pty) Ltd	73 177	5.32
Phalimpopo Investments (Pty) Ltd	75 322	5.48
DEC Investment Holdings (Pty) Ltd	75 322	5.48
AIH Investment Consortium (Pty) Ltd	75 322	5.48
Azara Foskor (Pty) Ltd	75 322	5.48
S B Resources (Pty) Ltd	75 322	5.48
Podwala Investments (Pty) Ltd	75 322	5.48
Total	**1 373 647**	**100**

The Manyoro Consortium (BEE Partners) shareholding represents 15% of Foskor's share capital. No other transactions with Manyoro Consortium were entered into during the current financial year.

38. RELATED PARTY TRANSACTIONS CONTINUED

38.8 THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH OTHER RELATED PARTIES:

The Group is controlled by the IDC, which owns 59% of the Company's shares.

The remaining shares are owned as follows:

- 15 % by the Manyoro Consortium being Foskor's Black Economic Empowerment partner (SA)
- 2.82% by Coromandel International Ltd (India)
- 11.18% by CFL Mauritius Ltd (a Mauritius-based company owned by CIL)
- 6%by Kopano Foskor Employee Trust (SA)
- 5% by the Ba-Phalaborwa and Umhlatuze Community Trust (SA)
- 1% by Sun International FZE (UAE)

The IDC is controlled by the South African government. Therefore, the state and all entities controlled by the state are related parties as defined in IAS 24: *Related Party Disclosures*.

Nature of relationship 2024	Providing services to R'000	Receiving of goods and services R'000	Purchase of goods R'000	Outstanding balances[1] R'000
Shareholders				
Industrial Development Corporation Ltd – Loan (refer to notes 30.1; 30.2)	–	–	–	(4 528 994)[1]
Industrial Development Corporation Ltd – payables	–	–	–	(13 067)[3]
Coromandel International Ltd	–	–	567 298	–
Sun International FZE	–	489 047	1 220 221	141 910[2]
	–	489 047	1 787 519	(4 400 151)
State-owned enterprises				
Transnet SOC Ltd	–	1 440 766	–	(100 057)[3]
Eskom Hld SOC Ltd	–	538 698	–	–
National Ports Authority	–	25 840	–	(1 695)[3]
Telkom SA SOC Ltd	–	929	–	(66)[3]
South African Airways SOC Ltd	–	34	–	–
SA Post Office SOC Ltd	–	–	–	–
Other:				
Foskor Zirconia (Pty) Ltd	17 835	–	–	34 591[2]
Scaw Metals SA (Pty) Ltd	–	64 029	–	(876)[3]
Verdino 174 (Pty) Ltd	–	–	–	10 093[4]
Grinding Media SA (Pty) Ltd	–	13 527	–	–
Palabora Mining Company (Pty) Ltd	203 738	–	–	913 464[2]
Limpopo Iron Ore (Pty) Ltd	88 685	–	119 840	37 084[2]
	303 053	2 083 823	119 840	892 538
Total related party transactions	303 053	2 572 870	1 907 359	(3 507 613)

38. RELATED PARTY TRANSACTIONS CONTINUED

38.8 THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH OTHER RELATED PARTIES: CONTINUED

Nature of relationship 2023	Providing services to R'000	Receiving of goods and services R'000	Purchase of goods R'000	Outstanding balances R'000
Shareholders				
Industrial Development Corporation Ltd	–	–	–	(4 764 742)
Coromandel International Ltd	–	13 796	1 818 928	11 245
Sun International FZE	–	836 658	786 394	(184 074)
	–	850 454	2 605 322	(4 937 571)
State-owned enterprises				
Transnet SOC Ltd	–	1 036 077	–	(126 076)
Eskom Hld SOC Ltd	–	505 587	–	(30 169)
National Ports Authority	–	21 562	–	(1 266)
Telkom SA SOC Ltd	–	2 664	–	(146)
South African Airways SOC Ltd	–	40	–	–
SA Post Office SOC Ltd	–	–	–	–
Other:				
Foskor Zirconia (Pty) Ltd	45 726	–	–	112 193
Scaw Metals SA (Pty) Ltd	–	70 909	–	(18 470)
Verdino 174 (Pty) Ltd	–	–	–	10 457
Grinding Media SA (Pty) Ltd	–	7 005	–	–
Palabora Mining Company (Pty) Ltd	143 860	–	–	745 061
Limpopo Iron Ore (Pty) Ltd	–	–	135 987	36 718
	189 586	1 643 844	135 987	728 302
Total related party transactions	189 586	2 494 298	2 741 309	(4 209 269)

[1] *All outstanding balances payable are paid in accordance to Foskor's payment terms. All outstanding receipts are received as per Foskor's credit terms on such sale transactions. There are no guarantees issued for any of the outstanding balances.*

The directors of Foskor (Pty) Ltd have no interest in contracts.

[2] *Refer to note 11*

[3] *Refer to note 21*

[4] *Refer to note 6*

38.9 PENSION FUND

The Group has established a post-employment pension scheme namely the Foskor Pension Fund, covering certain employees who were employed by the Company prior to 1995. For more details refer to note 20.

39. EVENTS AFTER THE REPORTING PERIOD

No material events occurred between the date of these financial statements and the date of approval thereof, the knowledge of which would affect the ability of the user of these financial statements to make proper evaluation and decisions.

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Beneficiation of phosphate rock at the Mining Division and the manufacture and supply of standard merchant grade phosphoric acid and related granular fertiliser products at the Acid Division
Directors	RM Godsell NG Nika SS Subramanian SP Ngwenya DP Martin TML Setlloane – (Deceased 30 April 2024) MJ Vuso MA Hermanus NP Zulu JT Palliam JM Speckman
Registered office	Hertford Office Park Building K, 2nd Floor 90 Bekker Road Vorna Valley Midrand 1682
Business address	Hertford Office Park Building K, 2nd Floor 90 Bekker Road Vorna Valley Midrand 1682
Majority shareholder	The Industrial Development Corporation of South Africa
Auditors	Deloitte & Touche 5 Magwa Crescent Waterfall City Gauteng 2090
Company Secretary	AUS Khanyile

FOSKOR

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