

REGISTERED NO: 1789274

**Lonmin Finance Limited**  
Directors' Report and Financial Statements  
for the year ended 31 December 2020

Private company: Limited by shares

Registered in: England & Wales

Registered office: Ground floor One George Yard, London, EC3V 9DF, DX 307 449, Cheapside, United Kingdom



# **Lonmin Finance Limited**

(Registration number 1789274)

Directors' Report and Financial Statements for the year ended 31 December 2020

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The reports and statements set out below comprise the Directors' Report and Financial Statements presented to the shareholder:

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# Lonmin Finance Limited

(Registration number 1789274)

Directors' Report and Financial Statements for the year ended 31 December 2020

## DIRECTORS' REPORT

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The Directors submit herewith their report together with the unaudited Financial Statements of the Company for the year ended 31 December 2020.

### 1. Principal activities and business review

The Company has been dormant throughout the year in accordance with Section 480 of the Companies Act 2006 (as amended) and accordingly is exempt from the requirement to prepare audited accounts.

### 2. Directors

Directors who served during the year were:

#### Name

C Keyter  
B Watson

#### Directors' remuneration

The Directors received no emoluments in respect of qualifying services to the Company, nor did they have any retirement benefits accruing to them under defined benefit pension schemes.

### 3. Secretary

The company secretary is LD Matlosa.

### 4. Financial periods

The financial information for the current year is for a twelve month period whereas the comparative information is for a fifteen month period due to the change in the financial year in 2019.

### 5. Employees

The Company had no employees for the year under review and so there are no employee costs (2019: \$nil).

### 6. Holding and ultimate holding company

The holding company is Lonmin Limited. Lonmin Limited changed its name to Sibanye UK Limited on 25 March 2021.

The ultimate holding company is Sibanye-Stillwater Limited.

By Order of the Board



LD Matlosa  
Company Secretary

20/09/21

Date: \_\_\_\_\_  
REGISTERED OFFICE:  
GROUND FLOOR ONE GEORGE YARD  
LONDON, EC3V 9DF, DX 307 449  
CHEAPSIDE  
UNITED KINGDOM

# Lonmin Finance Limited

(Registration number 1789274)

Directors' Report and Financial Statements for the year ended 31 December 2020

## STATEMENT OF FINANCIAL POSITION

	Notes	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Loan to related party	2	3,567,028	3,567,028
<b>TOTAL ASSETS</b>		<b>3,567,028</b>	<b>3,567,028</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3,4	3,566,970	3,566,970
Retained income	4	58	58
<b>EQUITY INTERESTS</b>		<b>3,567,028</b>	<b>3,567,028</b>

The attached notes on pages 4 to 6 form part of these Accounts.

For the year ended 31 December 2020 the Company was entitled to exemption under Section 480 of the Companies Act 2006 (the "Act").

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Act.

The Directors acknowledge their responsibilities for:

1. Ensuring the Company keeps accounting records which comply with Section 386 of the Act; and
2. Preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit and loss for the financial year in accordance with Section 396 of the Act, and which otherwise comply with the requirements of the Companies Act relating to accounts so far as applicable to the Company.

The Accounts on pages 3 to 6 were approved by the Board of Directors on 20/09/21 and were signed on its behalf by:



C Keyter  
Director

# Lonmin Finance Limited

(Registration number 1789274)

Directors' Report and Financial Statements for the year ended 31 December 2020

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. ACCOUNTING POLICIES

Lonmin Finance Limited is a company incorporated and domiciled in the UK. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### **Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* which have been applied consistently with the prior fifteen months period in these financial statements.

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

The financial statements have been prepared under the historical cost convention and comply with the Companies Act 2006 and applicable accounting standards. The particular accounting policies adopted by the Directors are described below and are considered suitable, have been consistently applied, except as described below, and are supported by reasonable judgements and estimates. The presentation currency used is the US Dollar.

The financial information for the current year is for a twelve month period whereas the comparative information is for a fifteen month period due to the change in the financial year in 2019.

#### **Disclosure exemptions adopted**

In preparing these financial statements the Company applies the recognition measurement and disclosure requirements of the International Financial Reporting Standards as adopted by the EU but makes amendments where necessary to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- a Cash Flow Statement and related notes;
- the effect of new but not yet effective IFRSs; and
- disclosure in respect of capital management.
- disclosure in respect of transactions with other wholly owned members of the group headed by Sibanye-Stillwater Limited.

#### **Foreign currencies**

The Company's functional currency is the US Dollar. As a result, non-US Dollar monetary assets and liabilities are stated at the closing rate of exchange whilst non-monetary assets and liabilities are recorded at their historical cost. Differences on translation are included in the statement of profit or loss and other comprehensive income.

The principal US Dollar exchange rates used are as follows:

	2020	2019
<b>Average exchange rate for the period</b>		
Pounds Sterling	0.78	0.78
<b>Closing exchange rate</b>		
Pounds Sterling	0.73	0.76

#### **Financial instruments**

The Company's principal financial instruments are loans to related parties.

On initial recognition, a financial asset is classified as measured at either amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The Company initially recognises debt instruments issued, on the date these are originated. All other financial assets and financial liabilities are recognised initially when the Company becomes a party to the contractual provisions of the instrument.

# Lonmin Finance Limited

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Directors' Report and Financial Statements for the year ended 31 December 2020

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company recognises an allowance for expected credit losses (ECLs) on all debt instruments not held at fair value through profit or loss to the extent applicable. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. Impairment losses are recognised through profit or loss.

The Company considers financial assets (including related party financial assets) in default when contractual payments are 90 days past due, however in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

Non-current related party loans receivables have no repayment terms and therefore are considered in default 90 days after the loan has been called from the related party. The financial asset is written off when there is no reasonable expectation of recovering the cash flow from the related party.

The Company derecognises a financial asset when the contractual rights to the cash flows in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. Any interest in such transferred financial asset that is created or retained by the Company is recognised as a separate asset or liability. The particular recognition and measurement methods adopted are disclosed in the individual policy statements associated with each item. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

#### Financial assets

#### Classification under IFRS 9

Loans to related parties

Amortised cost

#### Accounting classifications and measurement of fair values

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- **Fair value of related party loans receivable**

The fair value of loans with no fixed repayment terms, approximate the carrying amounts since these loans are considered payable on demand from a market participant perspective. The fair value of variable interest rate borrowings approximate its carrying amounts as the interest rates charged are considered marked related.

# Lonmin Finance Limited

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Directors' Report and Financial Statements for the year ended 31 December 2020

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

**Level 1:** unadjusted quoted prices in active markets for identical asset or liabilities;

**Level 2:** inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In the normal course of its operations, the Company is exposed to market risks, including liquidity and credit risk associated with underlying assets, liabilities and anticipated transactions. In order to manage these risks, the Company has developed a comprehensive risk management process to facilitate control and monitoring of these risks.

### 2. LOAN TO RELATED PARTY

	2020 \$	2019 \$
Amounts owed by - Lonmin Ltd (now Sibanye UK Limited)	3,567,028	3,567,028

### 3. CALLED UP SHARE CAPITAL

#### Authorised

2,000,000 Ordinary shares of £1 each	3,566,970	3,566,970
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#### Issued and fully paid At 31 December 2020 and 2019

2,000,000 Ordinary Shares of £1 each (US\$1.7835)	3,566,970	3,566,970
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### 4. RESERVES

	Issued share capital \$	Retained income \$	Total \$
At 31 December 2020 and 2019	3,566,970	58	3,567,028

### 5. IMMEDIATE AND ULTIMATE PARENT COMPANY

At 31 December 2020 the Company's immediate holding company was Lonmin Limited, a company registered in England and Wales. Lonmin Limited changed its name to Sibanye UK Limited on 25 March 2021.

The Company's ultimate holding company is Sibanye-Stillwater Limited, a company registered in South Africa.

Lonmin Finance Limited is a member of a group of companies in which Sibanye-Stillwater Limited was the ultimate parent company at 31 December 2020. In this group of companies, Group accounts for the year end 31 December 2020 were drawn up only for Sibanye-Stillwater Limited. Copies of the consolidated accounts of Sibanye-Stillwater Limited can be obtained from the Sibanye-Stillwater website.