

DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to
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with accounting requirement

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08/09/2022

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COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

Anglo American International Limited

UK establishment
number

B R 0 1 9 3 7 9

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1****Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

Mauritius Companies Act

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2****Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No. Go to Section A3.**☒ **Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.**③ Please insert the name of the
appropriate accounting organisation
or body.Name of organisation
or body ③

International Accountings Standards Board

OS AA01

Statement of details of parent law and other information for an overseas company

A3

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.

☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

International Accountings Standards Board

Part 3

Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X



Matthew Loosley, for and on behalf of Anglo American
Corporate Secretary Limited
Permanent Representative

X

This form may be signed by:
Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
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[OFFICIAL]

Registered number: C144076

Anglo American International Limited

Financial Statements

31 December 2021

Anglo American International Limited**Financial statements
for the year ended 31 December 2021**

<i>Contents</i>	<i>Page</i>
Corporate data	1
Strategic report	2
Directors' report	3-4
Independent auditors' report	5-7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9-10
Statement of changes in equity	11-12
Statement of cash flows	13
Notes to the financial statements	14-29
Detailed unaudited income statement	30

Anglo American International Limited

Corporate data

Directors: Alan MacPherson
Craig Fish (appointed 2 September 2021)
Richard Price
Zahira Quattrocchi
Matthew Walker (resigned 1 September 2021)

Company secretary: Anglo American Corporate Secretary Limited (appointed 14 April 2021)

Registered office: AXIS Fiduciary Ltd
2nd Floor, The AXIS
26 Bank Street
Cybercity Ebene
72201
Mauritius

Independent auditors: PricewaterhouseCoopers LLP
Statutory Auditors
1 Embankment Place
London
United Kingdom
WC2N 6RH

Banker: Barclays Bank plc
1 Churchill Place
London
E14 5HP

Anglo American International Limited

Strategic report

Introduction

Anglo American International Limited (the "Company") is an investment holding company. There have not been any significant changes in the Company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Business review

As shown in the Company's statement of comprehensive income, the Company's profit after tax has increased to \$2,999,748,000 (2020 - \$1,073,656,000) due to an increase in dividend income during the year.

The balance sheet shows that the Company is in a net asset position of \$15,034,810,000 (2020 - \$15,398,200,000).

Principal risks and uncertainties and financial risk management policies

The directors considered the risks attached to the Company's financial instruments. The directors have taken a prudent approach in their consideration of the risks attached to the financial instruments of the Company. The Company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities, and the financial statements. Credit risk is not considered to be material on the basis that the Company's debtor balances are due from other companies within the Anglo American Group and those companies are considered to have sufficient liquidity or financial support to be able to settle amounts owed to the Company.

Key performance indicators

Due to the nature of the Company as an investment holding company, there are no key performance indicators reviewed by management or the directors when assessing the performance or position of the Company.

This report was approved by the board on 19 May 2022 and signed on its behalf.

Director:



19 May 2022

Anglo American International Limited

Directors' report

The directors are pleased to present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Mauritius Companies Act applicable to an Authorised Company, as described in note 2 (a) to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors have reviewed the Company's expected future cashflows and available sources of liquidity. Anglo American Services (UK) Ltd. have also confirmed that they intend to provide financial resources, where requested, for at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Anglo American plc. The directors of the Company therefore feel the Company will have sufficient funds to conclude that the Company can adopt the going concern basis for the foreseeable future.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Principal activity

The principal activity of the Company is that of investment holding in the mining sector.

Results and dividend

The results for the year are shown on page 8.

During the year, the Company paid dividends totaling \$3,363,138,000 (2020 - \$568,232,000) to its parent company Anglo American Overseas Limited.

Future developments

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Anglo American International Limited

Directors' report

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as it is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital and other needs. The Company's cash flow forecasts for the period to the end of June 2023, with considerations given to the uncertainty of the impact of Covid-19 pandemic on the wider macroeconomic environment and trading performance of the Group, show that the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

Post balance sheet events

On 7 January 2022, the Company paid a dividend of \$178,854,000 to its parent company Anglo American Overseas Limited.

On 7 March 2022, the Company paid a dividend of \$187,821,000 to its parent company Anglo American Overseas Limited.

Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment.

Approved by the Board and signed on its behalf by:

Director:



19 May 2022



Independent auditors' report to the members of Anglo American International Limited

Report on the audit of the financial statements

Opinion

In our opinion, Anglo American International Limited's non-statutory financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2021; the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to applicable tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias included within significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Understanding and evaluating the design and implementation of controls designed to prevent and detect irregularities and fraud;
- Inquiry of management, Internal Audit and the Company's legal advisors regarding their consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Challenging assumptions and judgements made by management in respect of critical accounting judgements and significant accounting estimates, and assessing these judgements and estimates for management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial

statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the company's members as a body for the purpose of providing audited financial information to the South African Reserve Bank ("SARB") in accordance with our engagement letter dated 10 May 2022 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the company, save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants

London

19 May 2022

Anglo American International Limited**Statement of comprehensive income**
for the year ended 31 December 2021

	Note	2021 \$000	2020 \$000
Revenue	5	3,118,011	1,129,616
Operating profit	6	3,118,011	1,129,616
Interest income and similar income	8	1,694	521
Profit before taxation		3,119,705	1,130,137
Taxation	9	(119,957)	(56,481)
Profit for the year		2,999,748	1,073,656
Total comprehensive income for the year		2,999,748	1,073,656

The notes on pages 14 to 29 form part of these financial statements.

The results relate to continuing operations of the Company.

Anglo American International Limited*Registered number: C144076***Statement of financial position
at 31 December 2021**

	Note	2021 \$000	2020 \$000
Assets			
Non-current asset			
Investments in subsidiaries	10	14,855,955	14,855,955
		-----	-----
Current assets			
Debtors: Amounts falling due within one year	11	178,855	542,245
		-----	-----
Total current assets		178,855	542,245
		-----	-----
Total assets		15,034,810	15,398,200
		=====	=====
Equity			
Share capital	12	4,312	4,312
Share premium	13	10,397,807	10,397,807
Other reserve		1,240,808	1,240,808
Retained earnings		3,391,883	3,755,273
		-----	-----
Total shareholders' funds		15,034,810	15,398,200
		-----	-----
Total equity		15,034,810	15,398,200
		=====	=====

Anglo American International Limited
Registered number: C144076


Statement of financial position (continued)
at 31 December 2021

These financial statements have been approved and authorised for issue by the Board of Directors on 19 May 2022 and signed on its behalf by



.....

Director



.....

Director

The notes on pages 14 to 29 form part of these financial statements.

Anglo American International Limited**Statement of changes in equity**
for the year ended 31 December 2021

	Share Capital	Share Premium	Other reserves	Retained earnings	TOTAL
	\$000	\$000	\$000	\$000	\$000
Balance as at 1 January 2021	4,312	10,397,807	1,240,808	3,755,273	15,398,200
Total comprehensive income for the year					
Profit for the financial year	-	-	-	2,999,748	2,999,748
Transactions with owners of the Company recognised directly in equity					
Interim dividends	-	-	-	(3,363,138)	(3,363,138)
Balance as at 31 December 2021	4,312	10,397,807	1,240,808	3,391,883	15,034,810

The notes on pages 14 to 29 form part of these financial statements

Anglo American International Limited**Statement of changes in equity**
for the year ended 31 December 2020

	Share Capital	Share Premium	Other reserves	Retained earnings	TOTAL
	\$000	\$000	\$000	\$000	\$000
Balance as at 1 January 2020	4,312	10,397,807	1,240,808	3,249,849	14,892,776
Total comprehensive income for the year:					
Profit for the financial year	-	-	-	1,073,656	1,073,656
Transactions with owners of the Company recognised directly in equity					
Interim dividends	-	-	-	(568,232)	(568,232)
Balance as at 31 December 2020	<u>4,312</u>	<u>10,397,807</u>	<u>1,240,808</u>	<u>3,755,273</u>	<u>15,398,200</u>

The notes on pages 14 to 29 form part of these financial statements.

Anglo American International Limited**Statement of cash flows**
for the year ended 31 December 2021

	2021	2020
	\$000	\$000
Cash flows from operating activities		
Profit before taxation	3,119,705	1,130,137
Adjustments for:		
Income taxes paid	(119,957)	(56,481)
Dividend in specie	(718,874)	-
Net cash inflows from operating activities	2,280,874	1,073,656
Cash flows from investing activities		
Loans to related parties	363,390	(505,424)
Disposal of investments	718,874	-
Net cash inflows/(outflows) from investing activities	1,082,264	(505,424)
Cash flows from financing activities		
Dividends paid	(3,363,138)	(568,232)
Net cash used in financing activities	(3,363,138)	(568,232)
Net change in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	-	-
Cash and cash equivalents at end of the year	-	-

The notes on pages 14 to 29 form part of these financial statements.

Anglo American International Limited**Notes to the financial statements**
*for the year ended 31 December 2021***1. General information**

The Company was incorporated as a private limited company on 24 September 1992 and was granted a Category 2 Global Business Licence in Mauritius on 30 December 2016. Category 2 Global Business License was abolished under the The Finance (Miscellaneous Provisions) Act 2018. The company was converted to an 'Authorised Company' with effect from 30 June 2021. The principal activity of the Company is that of investment holding in the mining sector.

2. Basis of preparation**(a) Statement of compliance**

The Company has subsidiaries and in accordance with International Financial Reporting Standards (IFRS) is required to present consolidated financial statements. In accordance with the Fourteenth Schedule of the Mauritius Companies Act Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 (content and form of financial statements) of the Mauritius Companies Act, these financial statements present the financial position, financial performance and cash flow of the Company. The basis of preparation of these financial statements complies with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except where stated otherwise.

(c) Functional and presentation currency

The financial statements are presented in United States Dollars (USD) which is the Company's functional currency.

(d) Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as it is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital needs. The Company's cash flow forecasts for the period to the end of June 2023, with considerations given to the uncertainty of the impact of Covid-19 pandemic on the wider macroeconomic environment and trading performance of the Group, show that the Company maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

Anglo American International Limited

Notes to the financial statements *for the year ended 31 December 2021*

2. Basis of preparation (continued)

(e) Use of estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties (if any) that have a significant risk of resulting in a material adjustment in the year ending 31 December 2021 is included in the relevant notes as follows:

- Impairment test: key assumptions underlying recoverable amounts.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

(b) Revenue recognition

Revenue is recognised as follows:

- Dividend income: when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

(c) Taxation

Taxation comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also include any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(ii) Deferred tax (continued)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

(d) Investments in subsidiaries

Subsidiaries are entities controlled by the Company. The Company 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 entity.

Investments in subsidiaries are shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

(e) Financial instruments

The Company classifies non-derivative financial assets into the following categories: measured at amortised cost.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition

The Company initially recognises non-derivative financial assets and liabilities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the 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 assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(e) Financial instruments (continued)

Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets - Measurement

Amounts owed by group undertakings - These assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents - Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(iii) Non-derivative financial liabilities - Measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Non derivative financial liabilities comprise of loan from holding company and other payables, which are classified under the other financial liabilities category.

Loan from holding company

Loan from holding company is recognised initially at fair value, net of transaction costs incurred and are subsequently carried at amortised cost.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(f) Share capital

Ordinary shares

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

(g) Impairment

(i) Non-derivative financial assets

Financial assets not classified as fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

Impairment of financial assets – carried at amortised cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

3. Significant accounting policies (continued)

(g) Impairment (continued)

(i) Non-derivative financial assets (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss.

(h) Expenses

All expenses are recognised in the statement of profit and loss and comprehensive income on an accrual basis.

4. Financial instruments – Fair values and risk management

(a) Accounting classifications and fair value

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2021	Measured at amortised cost \$000	Total \$000
Financial assets not measured at fair value		
Amounts owed by group undertakings	178,855	178,855
	-----	-----
31 December 2020	Loans and receivables \$000	Total \$000
Financial assets not measured at fair value		
Amounts owed by group undertakings	542,245	542,245
	-----	-----

Anglo American International Limited**Notes to the financial statements**
*for the year ended 31 December 2021***4. Financial instruments – Fair values and risk management (continued)*****(b) Financial risk management******Introduction and preview***

Financial instruments carried on the statement of financial position include cash and cash equivalents, loan from holding company and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item. The most important types of risk are market risk, credit risk and liquidity risk.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets and emerging best practice.

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and foreign exchange rates will affect the Company's income or the fair value of its holdings of financial instruments.

Interest rate risk

The Company is not significantly exposed to interest rate risk. The income and operating cash flows are substantially independent of changes in market interest rates.

Price risk

The Company is not exposed to commodity price risk.

Currency risk

All of the Company's financial liabilities are denominated in United States Dollar. Consequently, the Company is not exposed to the risk of foreign currency exchange rates.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet contractual obligations, and arises from the Company's cash and cash equivalents.

The Company also limits its exposure to credit risk by dealing only with counterparties that have a good credit rating and management does not expect the counter party to fail to meet its obligations.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

4. Financial instruments – Fair values and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation. The holding company shall provide the Company with the financial support in case of liquidity problems.

5. Revenue

	2021 \$000	2020 \$000
Dividend revenue	<u>3,118,011</u>	<u>1,129,616</u>

During the year, the Company received dividends from Anglo American South Africa Proprietary Limited of \$3,118,011,000 (2020 - \$1,129,616,000).

6. Operating profit

Audit fees for the audit of these financial statements of \$42,567 (2020 - \$38,634) have been borne by Anglo American Services (UK) Ltd.

7. Employees

The Company has no employees other than the directors, who did not receive any remuneration for their services to the Company (2020 - \$NIL). The directors do not believe it is practicable to apportion their total remuneration between their services as the directors of the Company and as directors of fellow group companies.

8. Interest income and similar income

	2021 \$000	2020 \$000
Interest receivable on loans to group undertakings	17	521
Foreign exchange gains	1,677	-
	<u>1,694</u>	<u>521</u>

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

9. Taxation

The UK rate of corporation tax has been presented within the rate reconciliation below as the most applicable rate due to the Company being UK resident for tax purposes in January 2017, becoming subject to Corporation tax in the UK since that date.

	2021 \$000	2020 \$000
<i>Current tax expense</i>		
Withholding taxes	119,957	56,481
	<hr/>	<hr/>
Total tax charge for the year	<u>119,957</u>	<u>56,481</u>

Tax reconciliation:

The total tax charge assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK. The differences are explained below:

	2021 \$000	2020 \$000
Profit before taxation	3,119,705	1,130,137
	<hr/>	<hr/>
Profit before taxation multiplied by standard rate of corporation tax of 19% (2020 - 19%)	592,744	214,726
Effects of:		
Income not subject to tax	(592,422)	(214,627)
Group relief received for nil consideration	(322)	(99)
Withholding tax on dividend income	119,957	56,481
	<hr/>	<hr/>
Total tax charge for the year	<u>119,957</u>	<u>56,481</u>

At 31 December 2021, the Company had unutilised tax losses carried forward of \$139,228,000 (2020 - \$139,228,000) for which no deferred tax asset has been recognised. This is on the basis that it is not probable that there will be sufficient and suitable taxable profits arising in future years against which to utilise them.

Factors that may affect future tax charges

The Finance (No. 2) Act 2015 reduced the standard rate of corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020, however, legislation in the Finance Act 2020, enacted in July 2020, repealed this reduction. The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Act 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances at 31 December 2021. No deferred tax has been recognised during the year.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

10. Investments in subsidiaries

	Investments in subsidiary companies \$000
<i>Cost</i>	
At 1 January 2021	14,855,955
Additions	718,874
Disposal	(718,874)

At 31 December 2021	14,855,955

Valuation at 31 December 2021	14,855,955

<i>Valuation at 31 December 2020</i>	<i>14,855,955</i>
	=====

Subsidiary undertakings

<i>Name of company</i>	<i>Address</i>	<i>Class of shares</i>	<i>Number of shares</i>	<i>% held</i>	<i>Country of Incorporation</i>
-----	-----	-----	-----	-----	-----
Anglo American South Africa Proprietary Limited	144 Oxford Road, Rosebank, Melrose, Johannesburg, 2196, South Africa	Ordinary	261,751,844	100	South Africa

On 4 June 2021, the Company received a dividend in specie from its subsidiary Anglo American South Africa Proprietary Limited of its investment in Thungela Resources Limited valued at \$718,874,000.

On 4 June 2021, the Company then disposed of its investment in Thungela Resources Limited to Anglo American plc for total cash consideration of \$718,874,000.

On 4 June 2021, Anglo American plc demerged Thungela Resources Limited from the Group and it was subsequently admitted to trading on both the Johannesburg and London stock exchanges on 7 June 2021.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

11. Debtors: amounts falling due within one year

	2021 \$000	2020 \$000
Amounts owed by group undertakings	178,855	542,245
	<u>178,855</u>	<u>542,245</u>

The Company has a facility agreement with Anglo American Capital plc, an affiliated undertaking. The balance bears interest at the one month LIBOR rate applicable to the currency of each balance less 10 basis points and the amounts owed are repayable on demand.

12. Share capital

	2021 \$	2020 \$
<i>Issued and fully paid</i>		
1,000 (2020 - 1,000) Normal Class A ordinary shares at a par value of USD 0.10 each	100	100
43,074,164 (2020 - 43,074,164) re-purchasable Class A ordinary shares at a par value of USD 0.10 each	4,307,416	4,307,416
40,000 (2020 - 40,000) Ordinary B shares at a par value of USD 0.10 each	4,000	4,000
Balance at 31 December	<u>4,311,516</u>	<u>4,311,516</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and have rights to vote at shareholder meetings of the Company.

13. Share premium

	2021 \$000	2020 \$000
Balance at 1 January and 31 December	<u>10,397,807</u>	<u>10,397,807</u>

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

14. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subject to common control.

During the year the Company had the following transactions with its related parties.

		2021 \$000	2020 \$000
<i>Transactions during the year:</i>	<i>Nature</i>		
Anglo American Capital plc	Interest received	17	521
Anglo American Capital plc	Net amounts deposited	363,372	502,619
Anglo American South Africa Proprietary Limited	Dividends received	3,118,011	1,129,616
Anglo American Overseas Limited	Dividends paid	3,363,138	568,232
<i>Balance outstanding at 31 December:</i>			
Anglo American Capital plc	Loan receivable	178,855	542,245

15. Capital Management

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt. The group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

Anglo American International Limited

Notes to the financial statements for the year ended 31 December 2021

15. Capital Management (continued)

The Company's adjusted net debt to equity ratio at 31 December 2021 was as follows.

	2021 \$000	2020 \$000
Total Liabilities	-	-
Less: cash and cash equivalents	-	-
Net debt	-	-
Equity	15,034,810	15,398,200
Net debt to equity ratio	-	-

16. Going concern

The Company generated profit of \$2,999,748,000 for the year ended 31 December 2021 (2020 - \$1,073,656,000) and as of that date, the Company's total assets exceeded its total liabilities by \$15,034,810,000 (2020 - \$15,398,200,000). An affiliated company confirmed its willingness to provide financial support to the Company to meet its obligations as they fall due for a period of not less than twelve months. Accordingly, the financial statements are prepared on the basis of accounting policies applicable to a going concern.

Further details regarding the adoption of the going concern basis can be found in Note 2(d) of the financial statement.

17. Holding and ultimate holding company

The immediate parent company is Anglo American Overseas Limited, which is registered in Jersey. The registered office address of the immediate parent company is 3rd Floor, 44 Esplanade, St Helier, E4 9WG, Jersey.

The Company forms part of the Anglo American Group ("the Group"). The Company's ultimate parent company is Anglo American plc, a public limited company incorporated in the United Kingdom and registered in England and Wales (registered number 3564138). Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared.

The financial statements of the ultimate parent companies may be obtained from the Company Secretary, 17 Charterhouse Street, London, EC1N 6RA, the registered office of both companies.

Anglo American International Limited

Notes to the financial statements *for the year ended 31 December 2021*

18. Post balance sheet events

On 7 January 2022, the Company paid a dividend of \$178,854,000 to its parent company Anglo American Overseas Limited.

On 7 March 2022, the Company paid a dividend of \$187,821,000 to its parent company Anglo American Overseas Limited.

The directors have reviewed the Company's expected future cashflows and available sources of liquidity and concluded that it remains appropriate to adopt the going concern basis of accounting as disclosed in note 2 for these financial statements.

Anglo American International Limited**Detailed unaudited income statement**
for the year ended 31 December 2021

	2021	2020
	\$000	\$000
Revenue		
Dividends received from fixed asset investments	3,118,011	1,129,616
Interest income	17	521
Foreign exchange gain	1,677	-
	3,119,705	1,130,137
Expenses		
Sundries	-	-
Impairment charge	-	-
Foreign exchange expense	-	-
	-	-
	-	-
Profit before taxation	3,119,705	1,130,137

The supplementary information presented does not form part of the financial statements and is unaudited.