

EXTRACTS FROM THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION OF UCP FOR THE FINANCIAL YEARS ENDED 30 JUNE 2019, 30 JUNE 2018 AND 30 JUNE 2017

BASIS OF PREPARATION

The consolidated statements of financial position, statements of comprehensive income, statements of changes in equity and cash flow statements and notes of UCP for the financial years ended 30 June 2017, 2018 and 2019, have been extracted and compiled from the audited consolidated annual financial statements of UCP. Aforementioned consolidated annual financial statements were compiled by JC Lemmer CA (SA) and were approved by the UCP directors on 29 September 2017, 28 September 2018 and 30 September 2019, respectively. The preparation of this **Annexure 2** is the responsibility of the UCP Directors.

The historical financial information of UCP was audited by PwC for the financial years ended 30 June 2017 and 30 June 2018 and by BDO for the financial year ended 30 June 2019 and was reported on without qualification for all of the aforementioned financial periods.

UCP Shareholders are referred to the complete set of financial results for the aforesaid periods on UCP's website at www.unicorncapital.co.za for a detailed overview of UCP's financial results.

STATEMENT OF FINANCIAL POSITION

at 31 December

	GROUP		
	2019	2018	2017
	R'000	R'000	R'000
Assets			
Non-current assets	366 725	730 303	592 825
Property, plant and equipment	317 763	318 111	338 520
Mining assets	–	338 495	178 028
Goodwill	37 427	37 427	37 427
Restricted investment	–	8 110	6 461
Other financial assets	3 381	4 115	6 121
Deferred income tax assets	8 154	24 045	26 268
Current assets	205 375	204 738	257 904
Inventories	32 270	30 971	18 960
Trade and other receivables	150 855	154 784	202 809
Cash and cash equivalents	22 250	18 983	34 271
Current income tax assets	–	–	1 864
Assets for disposal group classified as held-for-sale	774 466	–	4 937
TOTAL ASSETS	1 346 566	935 041	855 666
Equity			
Total equity attributable to owners of the parent	687 366	256 864	239 938
Share capital	2 122 973	2 122 973	2 122 973
Treasury shares	(25 898)	(25 898)	(25 898)
Reserves	45 553	49 920	81 020
Accumulated loss	(1 455 262)	(1 890 131)	(1 938 157)
Non-controlling interest	(257 461)	(74 695)	(39 934)
TOTAL EQUITY	429 905	182 169	200 004

	GROUP		
	2019	2018	2017
	R'000	R'000	R'000
Liabilities			
Non-current liabilities	73 266	304 814	200 273
Loans and borrowings	8 779	130 684	22 484
Lease obligations	24 176	37 368	49 934
Rehabilitation provision	–	94 580	72 240
Deferred income tax liabilities	40 311	42 182	55 615
Current liabilities	461 836	448 058	455 389
Trade and other payables	158 256	179 056	206 390
Megacube arbitration award	92 331	92 331	92 331
Loans and borrowings	61 848	41 380	–
Related party loans	24 858	–	–
Lease obligations	29 179	30 569	26 227
Deferred revenue	–	–	12 000
Bank overdraft	26 561	42 416	65 305
Current income tax liabilities	68 803	62 306	53 136
Liabilities of disposal group classified as held-for-sale	381 559	–	–
TOTAL LIABILITIES	916 661	752 872	655 662
TOTAL EQUITY AND LIABILITIES	1 346 566	935 041	855 666
Net asset value per share (cents)	59.15	22.11	20.65
Tangible net asset value per share (cents) (excludes goodwill)	55.93	18.88	17.43

INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June

	GROUP		
	2019	Restated	2017
	R'000	2018	R'000
		R'000	R'000
Revenue	730 171	969 453	1 069 269
Cost of sales	(587 655)	(819 336)	(976 962)
Gross profit	142 516	150 117	92 307
Other income	914	2 406	2 930
Administrative expenses	(109 850)	(89 821)	(110 862)
Profit/(loss) from operations	33 580	62 702	(15 625)
Net (loss)/profit on disposal of assets	(1 276)	985	4 224
Recovery of unaccounted funds	11 000	–	–
Impairment of other receivable	(210)	(2 256)	–
Insurance recovery	643	6 129	–
Gain on bargain purchase	620	–	–
Net impairment of trade receivables	(2 223)	–	–
Net impairment of property, plant and equipment	–	–	(11 535)
Operating (loss)/profit	42 134	67 560	(22 936)
Finance expense	(24 287)	(18 399)	(19 893)
Finance income	1 993	1 588	1 360
Fair value adjustment	–	–	(1 110)
Profit/(loss) before income tax	19 840	50 749	(42 579)
Income tax expense	(9 783)	(1 163)	(6 335)
Profit/(loss) for the period from continuing operations	10 057	49 586	(48 914)
Discontinued operations			
Profit/(loss) for the period from discontinued operations	242 046	(67 521)	(77 620)
Loss on disposal of discontinued operations	–	–	(11 649)
Profit/(loss) for the period	252 103	(17 935)	(138 183)
Attributable to:			
Owners of the parent	161 292	16 826	(120 197)
Continuing operations	12 010	49 586	(30 928)
Discontinued operations	149 282	(32 760)	(89 269)
Non-controlling interest	90 811	(34 761)	(17 986)
Continuing operations	(1 953)	–	(17 986)
Discontinued operations	92 764	(34 761)	–
	252 103	(17 935)	(138 183)
Weighted basic and diluted earnings/(loss) per share (cents)			
Continuing operations	1.03	4.27	(2.66)
Discontinued operations	12.85	(2.82)	(7.68)
Basic and diluted earnings/(loss) per share	13.88	1.45	(10.34)
Shares in issue at end of the period excluding treasury shares ('000)	1 162 010	1 162 010	1 162 010
Weighted average shares in issue at the end of the period excluding treasury shares ('000)	1 162 010	1 162 010	1 162 010

	GROUP		
	2019	Restated	2017
	R'000	2018	R'000
		R'000	R'000
Profit/(loss) for the period	252 103	(17 935)	(138 183)
Other comprehensive income/(loss)			
Items that will be subsequently reclassified to profit or loss			
Foreign currency translation differences for foreign operations	(4 367)	532	(5 274)
Other comprehensive (loss)/income for the period, net of income tax	(4 367)	532	(5 274)
Total comprehensive profit/(loss) for the period	247 736	(17 403)	(143 457)
Attributable to:			
Owners of the parent	156 925	17 358	(125 471)
Continuing operations	7 643	50 118	(36 202)
Discontinued operations	149 282	(32 760)	(89 269)
Non-controlling interest	90 811	(34 761)	(17 986)
Continuing operations	(1 953)	–	(17 986)
Discontinued operations	92 764	(34 761)	–
	247 736	(17 403)	(143 457)

STATEMENT OF CASH FLOWS

for the year ended 30 June

		GROUP	
	2019	Restated	2017
	R'000	2018	R'000
		R'000	R'000
Cash generated from/(utilised in) operating activities	73 777	61 730	(27 190)
Interest paid	(11 450)	(20 247)	(5 629)
Income taxes paid	(10 404)	(4 849)	(17 668)
Net cash flows from operating activities	51 923	36 634	(50 487)
Cash flows (used in)/from investing activities			
Interest received	2 439	1 929	1 375
Proceeds from sales of property, plant and equipment	2 346	24 916	54 579
Purchase of property, plant and equipment	(25 702)	(8 420)	(98 616)
Mine development work in progress	(38 284)	(155 607)	(22 810)
Acquisition of subsidiary, net of cash acquired	1 323	–	–
Proceeds from disposal of non-current assets held-for-sale	–	5 632	97 462
Proceeds from insurance recovery	–	6 129	–
Increase in restricted investment	(1 634)	(1 649)	(3 611)
Increase in investments	–	(432)	–
Cash flows (used in)/from investing activities	(59 512)	(127 502)	28 379
Cash flows from financing activities			
Proceeds from borrowings	75 290	144 646	22 484
Repayment of borrowings	(24 781)	(7 508)	(33 500)
Repayment of finance lease liabilities	(30 356)	(38 653)	(27 124)
Finance lease advances	–	–	79 144
Cash flows from financing activities	20 153	98 485	41 004
Net increase in cash and cash equivalents	12 564	7 617	18 896
Cash and cash equivalents at beginning of the year	(23 433)	(31 034)	(49 120)
Exchange losses on cash and cash equivalents	(392)	(16)	(810)
Cash and cash equivalents at end of the year	(11 261)	(23 433)	(31 034)
Cash and cash equivalents per statement of financial position	(4 311)	(23 433)	(31 034)
Cash and cash equivalents of disposal group held for sale	(6 950)	–	–
Total cash and cash equivalents at the end of the year	(11 261)	(23 433)	(31 034)

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June

	GROUP							
	Share capital R'000	Share-based payment reserve R'000	Treasury shares R'000	Foreign currency translation reserve R'000	Accumulated loss R'000	Total R'000	Non- controlling interest R'000	Total equity R'000
Balance at 30 June 2016	2 122 973	31 632	(25 898)	54 662	(1 817 960)	365 409	(21 948)	343 461
Loss for the year	-	-	-	-	(120 197)	(120 197)	(17 986)	(138 183)
Foreign currency translation differences for foreign operations	-	-	-	(5 274)	-	(5 274)	-	(5 274)
Total comprehensive loss for the year	-	-	-	(5 274)	(120 197)	(125 471)	(17 986)	(143 457)
Balance at 30 June 2017	2 122 973	31 632	(25 898)	49 388	(1 938 157)	239 938	(39 934)	200 004
Profit/(loss) for the year	-	-	-	-	16 826	16 826	(34 761)	(17 935)
Foreign currency translation differences for foreign operations	-	-	-	532	-	532	-	532
Total comprehensive profit/(loss) for the year	-	-	-	532	16 826	17 358	(34 761)	(17 403)
Lapsing of BEE option on Unicorn Mining Services Proprietary Limited	-	(31 632)	-	-	31 200	(432)	-	(432)
Balance at 30 June 2018	2 122 973	-	(25 898)	49 920	(1 890 131)	256 864	(74 695)	182 169
Profit for the year	-	-	-	-	161 292	161 292	90 811	252 103
Foreign currency translation differences for foreign operations	-	-	-	(4 367)	-	(4 367)	-	(4 367)
Decrease through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	273 577	273 577	(273 577)	-
Total comprehensive profit/(loss) for the year	-	-	-	(4 367)	434 869	430 502	(182 766)	247 736
Balance at 30 June 2019	2 122 973	-	(25 898)	45 553	(1 455 262)	687 366	(257 461)	429 905