South African Gold Sector

Further re-rating, but the bar is higher

Equities

South Africa

Precious Metals

Steve Friedman
Analyst
steve.friedman@ubs.com
+27-11-322 7252

Ndumiso Lushaba
Associate Analyst
ndumiso.lushaba@ubs.com
+27-11-322 7094

Myles Allsop
Analyst
myles.allsop@ubs.com
+44-20-7568 1693

Daniel Major
Analyst
daniel.major@ubs.com
+44-20-7568 3472

Raising our valuation multiples for AngloGold and Gold Fields

We increase our price targets for AngloGold to R2,060/share (previously R1,500) and Gold Fields to R800/share (previously R600), primarily reflecting increases in our target 12-month forward EV/EBITDA multiples to 6.0x (previously 4.5x) and 5.0x (previously 4.0x), respectively. This follows our recent increase in Harmony's price target to R370/share (previously R310) and target multiple to 3.5x (previously 2.8x). The broad discount to spot gold has largely closed, however, and further upside increasingly requires operating delivery, stronger cash conversion and disciplined capital allocation.

A more durable gold outlook, but much is already priced in

Our latest gold outlook remains constructive, supported by resilient physical demand, official-sector buying and growing investor focus on fiscal sustainability, debt and currency-debasement risks. Against this backdrop, we retain our US$4,800/oz 2027 gold forecast and increase the long-term real gold price used in our company valuations to US$3,750/oz (previously US$3,250/oz). The higher long-term assumption supports higher valuation anchors, in our view, but our updated "what's priced in" analysis indicates that short- and medium-term valuation frameworks already discount spot gold or better at the sector level. DCF remains more supportive. This contrasts with August 2025, when the sector screened at an approximately 11% discount to spot across EV/EBITDA, rolling FCF yield and DCF.

Relative performance supports greater differentiation

The 1H26 comparison reinforces the case for a more selective approach. Gold Fields has the strongest operating and cash-conversion profile, combining the best year-on-year production growth, lowest AISC inflation, lowest capex growth and highest equity cash conversion. AngloGold retains the strongest balance sheet and capital-return optionality, despite a weaker near-term production, cost and cash-conversion profile. Harmony delivers the greatest earnings torque, but its lower realised gold price, higher AISC, weaker cash conversion and greater reinvestment requirements reduce the quality of that growth. We believe the next phase of relative performance will be driven less by uniform gold-price leverage and more by execution, the conversion of margins into cash, and shareholder returns.

Different pathways to further re-rating

Gold Fields' improved operating delivery, cash conversion and balance-sheet flexibility support our move to a 5.0x multiple. However, uncertainty over the Tarkwa lease renewal remains the principal constraint on further re-rating, with Windfall's permitting, timing and capital requirements presenting additional risks. AngloGold's net-cash balance sheet, capital-return capacity and medium-term growth optionality support our move to 6.0x, although the expected production recovery, lower unit costs and improved cash conversion remain essential to sustaining the premium. Harmony offers the greatest earnings torque, but CSA and Eva increase the capital intensity and duration of its investment case (see Figure 5 for our 1H26 peer comparison).

Figure 1: SA Gold miners ranked by potential total 12M returns

Company	Unit	12M price target (Old), ZAR	Price target change, %	Current price, ZAR	12M target capital return	12M fwd dividend yield	Total 12M return	12M forward rolling P/E	Rating
Harmony	ZAR	370	0.0%	312	18.5%	5.3%	23.9%	5.4x	Buy
AngloGold	ZAR	2060 (1500)	37.3%	1,769	16.5%	6.2%	22.6%	10.5x	Buy
Gold Fields	ZAR	800 (600)	33.3%	736	8.7%	5.9%	14.6%	8.4x	Neutral

Source: Refinitiv, UBS estimates

This report has been prepared by UBS South Africa (Pty) Limited. **ANALYST CERTIFICATION AND REQUIRED DISCLOSURES, INCLUDING INFORMATION ON THE QUANTITATIVE RESEARCH REVIEW PUBLISHED BY UBS, BEGIN ON PAGE 11.**

KEY REVISIONS AND VALUATION

Higher multiples reflect a more durable gold outlook and improved company quality

We increase our price targets for AngloGold to R2,060/share (previously R1,500) and Gold Fields to R800/share (previously R600), principally reflecting increases in our target 12-month forward EV/EBITDA multiples to 6.0x (previously 4.5x) and 5.0x (previously 4.0x), respectively. Our price targets remain based exclusively on EV/EBITDA.

In this note, we also increase our long-term real gold-price assumption to US$3,750/oz (previously US$3,250/oz), while retaining our US$4,800/oz 2027 forecast. The higher long-term assumption reflects our view that resilient official-sector demand and increasing concerns around fiscal sustainability, debt and currency debasement support a more durable gold-price environment.

The forecast revisions are relatively modest at the earnings level. For AngloGold, our FY26E-FY28E EBITDA forecasts are broadly unchanged, while FY28E EPS is revised by -2% across the forecast period. For Gold Fields, the incorporation of 1H26 results results in a 4% reduction to 2026E EBITDA and an 8% reduction to 2026E EPS, with 2027E-2028E EBITDA and EPS forecasts largely unchanged.

Figure 2: AngloGold and Gold Fields - Key revisions

	12M Rating	Price Target, ZAR/sh (old)	% ch	EV/EBITDA (old)	NPV, ZAR/sh New	NPV, ZAR/sh Old	% ch	New EBITDA 2026E	% ch	2027E	% ch	2028E	% ch	New diluted EPS 2026E	% ch	2027E	% ch	2028E	% ch
AngloGold, USD	Buy	2060 (1500)	37%	6.0 (4.5)	1,660	1,329	25%	9,777	0%	10,376	0%	9,381	0%	9.80	0%	10.92	-1%	9.62	-2%
Gold Fields, USD	Neutral	800 (600)	33%	5.0 (4.0)	754	603	25%	8,790	-4%	9,136	0%	7,782	0%	4.89	-8%	5.33	0%	4.47	1%

Source: UBS estimates

AngloGold: premium multiple raises the execution requirement

AngloGold's 6.0x target multiple is above the 4.8x five-year average shown in our previous post-results note. We believe a premium is justified by its net-cash balance sheet, capital-return capacity and medium-term growth optionality. However, following a weaker 1H26 result, delivery of the expected production recovery, lower unit costs and improved cash conversion remains essential to sustaining the premium.

Gold Fields: improved quality, but Tarkwa remains the key constraint

Gold Fields' 5.0x target multiple recognises Salares Norte's demonstrated cash contribution, stronger group cash conversion, balance-sheet improvement and increased shareholder returns. Tarkwa remains the principal constraint on further re-rating, given the combination of operational underperformance and uncertainty around the lease renewal ahead of its April 2027 expiry. Windfall remains an additional source of permitting, timing and capital risk. We therefore maintain our Neutral rating despite the higher price target.

Harmony: greater duration and capital-allocation visibility

Harmony's recently increased 3.5x target multiple reflects improved reserve duration, growing copper exposure and greater confidence in its capital-allocation framework. These improvements are partly offset by higher capital intensity and the execution requirements associated with CSA and Eva.

Figure 3: SA Gold miners - Earnings and valuation metrics (Spot)

Calendar Year	EBITDA 2026E	EBITDA 2027E	Net Debt/EBITDA 2026E	Net Debt/EBITDA 2027E	P/E 2026E	P/E 2027E	EV/EBITDA 2026E	EV/EBITDA 2027E	FCF yield 2026E	FCF yield 2027E	Dividend Yield 2026E	Dividend Yield 2027E	NPV/sh	P/NPV
AngloGold	153,344	155,415	-0.1x	-0.1x	11.7x	11.0x	5.8x	5.7x	8.0%	7.4%	5.5%	5.6%	R2,069	0.85x
Gold Fields	137,939	137,371	-0.1x	-0.3x	9.7x	9.4x	4.7x	4.5x	10.9%	9.6%	5.2%	5.5%	R890	0.83x
Harmony	55,263	57,638	0.0x	-0.2x	5.9x	6.0x	3.6x	3.3x	7.4%	8.3%	4.3%	4.6%	R361	0.86x
Golds	**115,515**	**116,808**	**-0.1x**	**-0.2x**	**9.1x**	**8.8x**	**4.7x**	**4.5x**	**8.8%**	**8.5%**	**5.0%**	**5.2%**		**0.85x**

Source: UBS estimates, Refinitiv Datastream as at 2 September 2026

WHAT'S PRICED IN?

Spot earnings no longer provide broad sector valuation support

Our implied-gold-price analysis is a valuation cross-check and does not determine our price targets, which are based exclusively on target 12-month forward EV/EBITDA multiples. The analysis flexes the gold price required to reconcile current equity values under historical EV/EBITDA, rolling FCF-yield and DCF frameworks.

At spot gold of US$4,317/oz, the equal-weight sector discounts US$4,706/oz using five-year EV/EBITDA anchors and US$4,439/oz using historical rolling FCF yields, respectively 9% and 3% above spot. DCF remains more supportive, implying US$4,079/oz, approximately 6% below spot.

Figure 4: SA Gold - What's priced in?

Company	Share price ZAR/sh	Spot price, $/oz	12M Fwd EV/EBITDA			Avg 3yr rolling 10% FCF yield		DCF Fair value	
			5yr avg	Implied price	vs Spot	Implied price, $/oz	vs Spot	Implied price, $/oz	vs Spot
AngloGold	1,753	4,317	4.8x	5,180	20%	4,749	10%	4,071	-6%
Gold Fields	737	4,317	4.7x	4,533	5%	4,360	1%	3,987	-8%
Harmony	316	4,317	3.7x	4,403	2%	4,209	-3%	4,179	-3%
Golds			**4.4x**	**4,706**	**9%**	**4,439**	**3%**	**4,079**	**-6%**

Source: Refinitiv, UBS estimates

This represents a material change from August 2025 (note), when the sector screened at an approximately 11% discount to spot across EV/EBITDA, rolling FCF yield and DCF. The comparison is not fully like-for-like: the August EV/EBITDA analysis used one-year average forward multiples, whereas the current analysis uses five-year anchors. The FCF-yield and DCF comparisons provide a cleaner indication of the re-rating that has occurred

Relative valuation ranking

Framework	Cheapest	Middle	Most expensive
Five-year EV/ EBITDA	Harmony	Gold Fields	AngloGold
Rolling FCF yield	Harmony	Gold Fields	AngloGold
DCF	Gold Fields	AngloGold	Harmony

AngloGold: highest embedded gold price

AngloGold discounts the highest gold price under both the EV/EBITDA and rolling FCF-yield frameworks. The higher target multiple is therefore not supported by a low embedded commodity price. Instead, it rests on balance-sheet quality, capital returns, growth optionality and confidence that the company can improve operating delivery and cash conversion.

Gold Fields: strongest DCF support

Gold Fields' EV/EBITDA and FCF-yield implied prices are close to or above spot, but its DCF-implied gold price is 8% below spot, the largest discount among the three companies. This provides the strongest through-cycle valuation support, while Tarkwa and Windfall explain why we retain a Neutral rating despite increasing the target multiple.

Harmony: low headline multiple, but mixed valuation signal

Harmony screens cheapest on the EV/EBITDA and rolling FCF-yield measures, but most expensive on DCF. Its low headline multiple therefore compensates, at least partly, for weaker gold-price capture, higher costs, lower cash conversion and the greater capital intensity associated with CSA and Eva.

1H26 COMPARISON SUPPORTS GREATER DIFFERENTIATION

The 1H26 comparison supports a more selective relative view. Gold Fields delivered the strongest comparable year-on-year production growth, lowest AISC and capex inflation, and highest equity-cash conversion. AngloGold retained the strongest balance sheet, but weaker production and cost trends increased the importance of the expected 2H26 recovery. Harmony generated the strongest EBITDA growth, although lower gold-price capture, higher AISC and materially weaker cash conversion reduced the quality of that earnings torque.

Figure 5: SA gold miners: 1H26 operating and financial comparison

1H26 metric	AngloGold	Gold Fields	Harmony	Relative read-through
OPERATING PERFORMANCE				
Production, koz GEO	1,438	1,269	745	Scale differs; growth is more informative
Production growth, HoH / YoY	-6.9% / -3.6%	**-2.6% / +11.7%**	+1.4% / +9.2%	GFI strongest comparable YoY growth
AISC, US$/oz	1,998	**1,893**	2,275	GFI lowest; HAR highest
AISC growth, HoH / YoY	+13.3% / +20.8%	**+10.1% / +15.1%**	+7.6% / +18.4%	GFI lowest YoY inflation
Total capex, US$m	1,015	703	365	Scale and project mix limit comparison
Capex growth, HoH / YoY	+16.0% / +41.6%	**+1.1% / +5.9%**	+3.8% / +29.5%	GFI most moderate YoY increase
Realised gold price, US$/oz	4,650	**4,681**	4,201	HAR price capture materially lower
AISC margin	57.0%	**59.6%**	45.8%	GFI highest operating margin
EARNINGS AND CASH FLOW				
EBITDA, US$m	4,265	4,079	1,639	Scale differs; HAR leads growth
EBITDA growth, HoH / YoY	+14.3% / +81.6%	+10.2% / +76.0%	**+34.3% / +98.4%**	HAR strongest earnings torque
Cash flow from operations, US$m	**3,693**	3,476	1,326	ANG highest absolute CFO
CFO growth, HoH / YoY	+2.5% / +83.5%	-2.1% / +63.6%	-8.2% / +73.0%	ANG strongest YoY growth; GFI and HAR lower HoH
Equity shareholders' cash, US$m	2,224	**2,394**	496	GFI highest absolute cash generation
Equity shareholders' cash growth, HoH / YoY	+2.2% / +111.4%	+490.4% / +144.4%	+155.0% / +70.8%	GFI leads YoY; HoH base distorted
Equity shareholders' cash / EBITDA	52.1%	**58.7%**	30.3%	GFI strongest conversion; HAR materially lower
BALANCE SHEET				
Closing net cash / (debt), US$m	**1,062**	(437)	(52)	ANG only company in net cash

Source: Company data and UBSe[1]

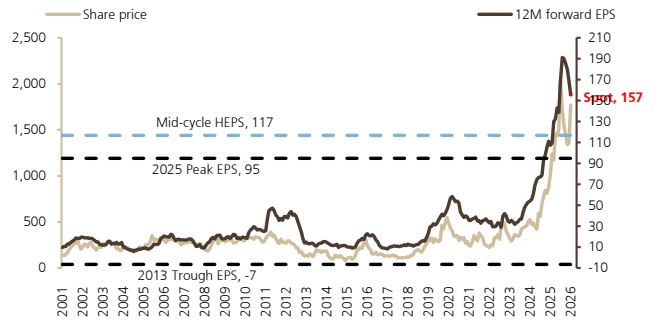
The 1H26 comparison reinforces increasingly differentiated investment cases across the SA-listed gold miners. Gold Fields delivered the strongest operating and cash-conversion profile, combining superior year-on-year production growth, the lowest AISC and capex inflation, and the highest equity cash conversion. AngloGold retains the strongest balance sheet and capital-return optionality, although its weaker near-term production, cost and cash-conversion performance raises the execution bar for 2H26. Harmony offers the greatest earnings torque, but its lower realised gold price, higher AISC, weaker cash conversion and greater reinvestment requirements reduce the quality of that growth. Overall, the results support a more selective approach, with relative performance likely to depend increasingly on operating delivery, the conversion of elevated margins into cash, and disciplined capital allocation rather than uniform gold-price leverage.

1. The comparison uses the 1H26 forecast/model dataset. Harmony's 745koz production is gold-equivalent and includes CSA; gold-only production was 705koz, down 4.0% HoH and up 3.4% YoY. Company reporting periods, production definitions, hedge treatment and cash-flow measures are not fully comparable. AISC margin and equity shareholders' cash / EBITDA are calculated from the supplied data. Harmony's calendar-half figures are derived from its June year-end reporting.

EARNINGS MOMENTUM

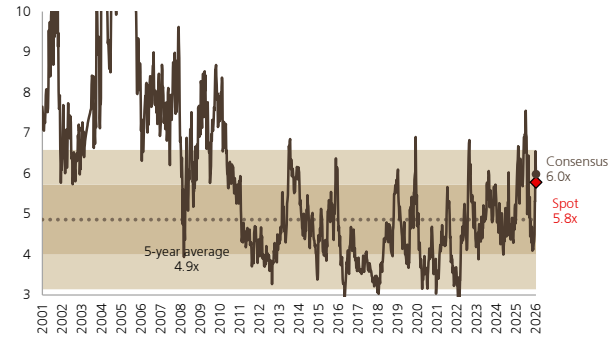
The figures on the left below illustrate the miners' one-year forward Datastream consensus earnings over time relative to share price performance, and are framed by historical peak and trough reported earnings and our forecast long-term normalised earnings in real terms. The red lines illustrate UBS 12M forward earnings estimates if spot prices prevail. The figures on the right compare our 12m forward spot EV/EBITDA valuation multiples to historical consensus Datastream estimates.

Figure 6: AngloGold - Earnings vs share price



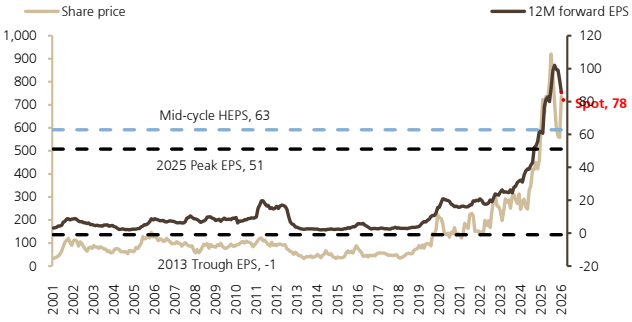
Source: Refinitiv Datastream, UBS estimates

Figure 7: AngloGold - 12M forward EV/EBITDA, x



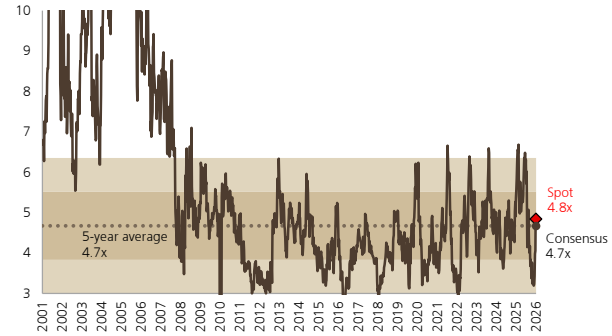
Source: Refinitiv Datastream, UBS estimates

Figure 8: Gold Fields - Earnings vs share price, ZAR



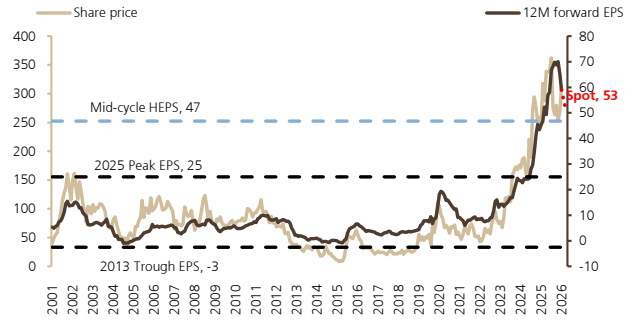
Source: Refinitiv Datastream, UBS estimates

Figure 9: Gold Fields - 12M forward EV/EBITDA, x



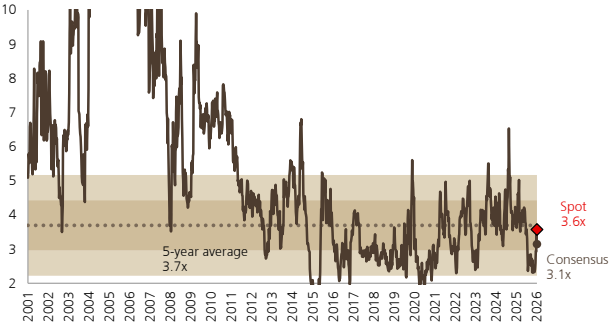
Source: Refinitiv Datastream, UBS estimates

Figure 10: Harmony - Earnings vs share price, ZAR



Source: Refinitiv Datastream, UBS estimates

Figure 11: Harmony - 12M Forward EV/EBITDA, x

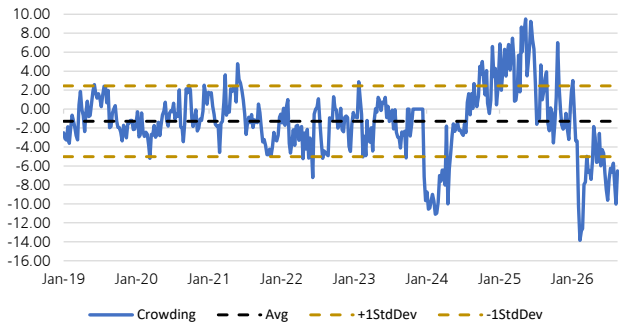


Source: Refinitiv Datastream, UBS estimates

ANALYSIS OF CROWDING SCORES

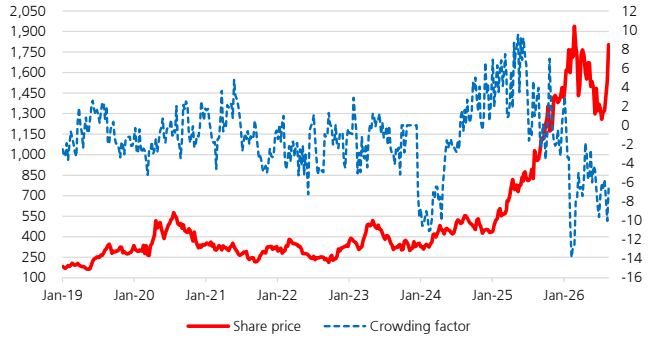
We use the UBS proprietary crowding data for the mining stocks under coverage. Crowding is too many of the same type of market participants holding the same or similar positions, long or short.

Figure 12: AngloGold crowding score range



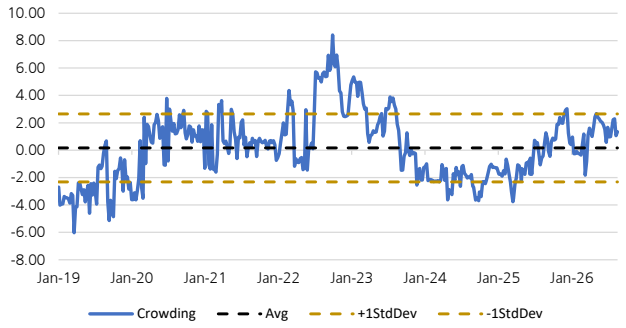
Source: UBS Quantitative Research

Figure 13: AngloGold share price vs crowding score



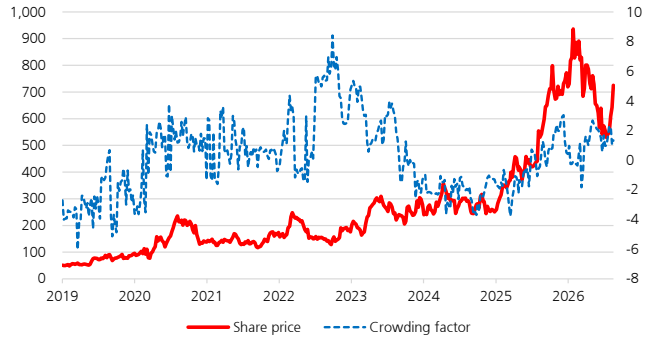
Source: UBS Quantitative Research, Refinitiv Datastream

Figure 14: Gold Fields crowding score range



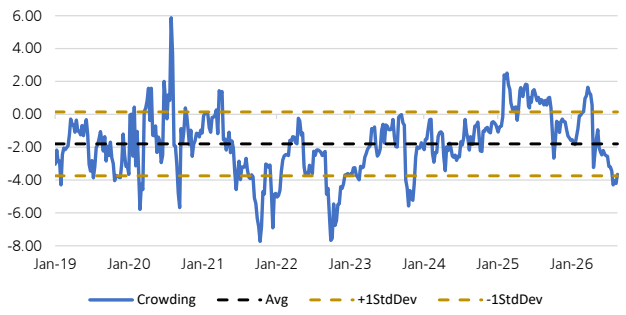
Source: UBS Quantitative Research

Figure 15: Gold Fields share price vs crowding score



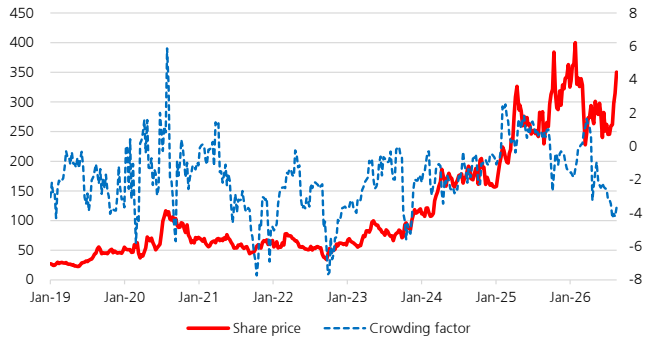
Source: UBS Quantitative Research, Refinitiv Datastream

Figure 16: Harmony crowding score range



Source: UBS Quantitative Research

Figure 17: Harmony share price vs crowding score



Source: UBS Quantitative Research, Refinitiv Datastream

Figure 18: AngloGold - summary financial and valuation metrics (base case)

AngloGold Ashanti

UBS

03 September 2026
Metals & Mining

AngloGold Ashanti, $mn (unless otherwise noted)

AngloGold Ashanti	**ANGJ.J**	**Target price, ZAR:**	**2,060**
Market capitalisation, $mn:	**54,689**	**Share price, ZAR:**	**1,769**
Enterprise value, $mn:	**55,298**	**Potential 12-month return:**	**23.0%**

Dec-YE	2024	2025	2026E	2027E	2028E
Income statement					
Revenue	6,453	10,933	14,397	15,067	14,682
Adjusted EBITDA	3,165	6,806	9,777	10,376	9,381
Adjusted EBIT	**2,336**	**5,412**	**8,417**	**8,943**	**7,768**
Other items	-480	-300	-147	-438	-460
Net interest	-5	-97	-67	41	67
Taxation	-757	-1,303	-2,134	-2,296	-1,979
Minority interest in profit	-45	-538	-768	-825	-695
Net profit for the year	**1,049**	**3,174**	**5,301**	**5,424**	**4,701**
Headline earnings	**954**	**2,725**	**4,942**	**5,424**	**4,701**
Headline EPS, USc	**221**	**537**	**976**	**1,092**	**962**
Consensus HEPS, USc			845	1,014	1,010
DPS declared, USc	**91**	**357**	**628**	**705**	**703**
Consensus DPS, USc			398	471	438
Adjusted EBIT					
Continental Africa	1,435	3,629	5,642	6,158	5,329
EBIT margin	*39%*	*51%*	*59%*	*61%*	*55%*
Australasia	454	874	1,313	1,384	1,132
EBIT margin	*32%*	*46%*	*53%*	*52%*	*44%*
Americas	516	915	1,467	1,411	1,317
EBIT margin	*38%*	*48%*	*61%*	*62%*	*56%*
Other	-69	-6	-5	-9	-10
Adjusted EBIT	**2,336**	**5,412**	**8,417**	**8,943**	**7,768**
Income statement ratios					
EBITDA margin	49%	62%	68%	69%	64%
EBIT margin	36%	50%	58%	59%	53%
HEPS Growth	2109%	143%	82%	12%	-12%
Dividend payout ratio	41%	66%	64%	65%	73%
Input assumptions					
Gold, $/oz	2,387	3,439	4,675	4,800	4,250
ZAR/$	18.34	17.89	16.69	17.00	17.00
$/AUD	1.52	1.55	1.43	1.43	1.43
$/BRL	5.39	5.58	5.22	5.30	5.30
$/ARS	915	1,244	1,422	1,430	1,430
Gold production volumes, koz					
Continental Africa	1,556	2,006	1,993	2,068	2,255
Australasia	572	537	529	550	600
Americas	523	495	458	430	512
Total	**2,651**	**3,037**	**2,980**	**3,048**	**3,367**
Volume growth	1.3%	14.6%	-1.9%	2.3%	10.5%
Calculated breakeven price, $/oz					
Continental Africa	1,661	1,547	1,767	1,708	1,778
Australasia	1,489	1,748	2,063	2,161	2,188
Americas	1,462	1,662	1,721	1,641	1,794
Group	**1,692**	**1,728**	**1,992**	**1,919**	**1,990**

Dec-YE	2024	2025	2026E	2027E	2028E
Balance sheet					
Net operating assets	9,891	10,031	10,767	11,621	11,892
Investments, net of rehab provision	-711	-806	-754	-754	-754
Equity	6,629	8,091	9,660	10,306	11,007
Minority interest	1,884	1,825	1,783	1,783	1,783
Net debt	667	-691	-1,430	-1,222	-1,652
Balance sheet ratios					
Gearing (net debt/(net debt+equity))	9.1%	-9.3%	-17.4%	-13.4%	-17.7%
Net debt to EBITDA	0.2x	-0.1x	-0.1x	-0.1x	-0.2x
RoCE	30.3%	55.2%	83.5%	83.4%	69.8%
RoIC (after tax)	17.9%	40.4%	61.4%	58.4%	48.1%
RoE	18.5%	37.0%	55.7%	54.3%	44.1%
Cash flow statement					
Operating cash flow	2,198	5,614	7,665	8,167	7,433
Capex (net of disposals)	-1,202	-1,592	-2,101	-2,164	-1,750
Other cash flows	-6	-311	-138	-636	-606
Free cash flow	**991**	**3,711**	**5,427**	**5,367**	**5,078**
Equity shareholders' cash	**964**	**3,229**	**4,535**	**4,570**	**4,430**
Dividends and share buy-backs	-244	-1,871	-3,796	-4,778	-3,999
Surplus (deficit) cash	**720**	**1,358**	**739**	**-208**	**430**
Cash flow ratios					
Working capital turnover, days	48	26	20	18	19
FCF yield	6.7%	13.6%	9.8%	9.9%	9.5%
Equity shareholders' yield	7.9%	12.3%	8.3%	8.5%	8.3%
Capex/EBITDA	38.0%	23.4%	21.5%	20.9%	18.7%
Cash conversion	1.0x	1.2x	0.9x	0.8x	0.9x

Valuation

SoTP DCF fair value and calculation of TP	$mn	ZAR/sh
Continental Africa	31,567	1,064
Australasia	4,568	154
Americas	8,828	298
Sukari (100% basis)	10,957	369
Corporate and other	-5,309	-179
Operating value	**50,610**	**1,706**
Financial instruments, less rehab provision as at 2-9-2026	-771	-26
Enterprise value	**49,839**	**1,680**
Net cash as at 2-9-2026	1,187	40
Minority interest as at 2-9-2026	-1,797	-61
Cash used in share buy-backs during 2026E	-500	-17
Equity value	**48,730**	**1,643**
Plus: CoE 12M roll forward		131
Less: 12M forward DPS		-115
DCF fair value		**1,660**
6.0x EV/EBITDA multiple		**2,059**
PT (100% EV/EBITDA), rounded to		**2,060**
Share price on 1/9/2026		1,768.9
Expected share price return		16.5%
Plus: expected dividend yield		6.5%
Total implied one-year return		**23.0%**

Share price range, ZAR:

12-month high on 2-3-2026	2147	12-month low on 4-9-2025	997
Price move since high	-17.6%	Price move since low	77.3%

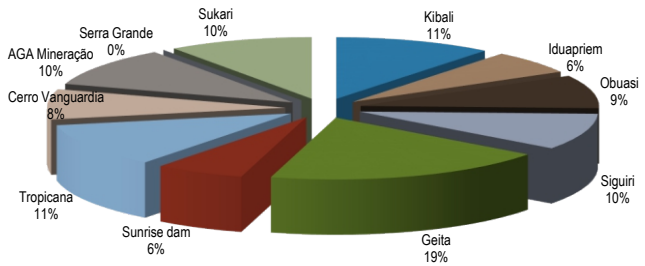
Calculation of WACC

WACC	**7.0%**	Cost of debt	4.0%
Risk-free rate	3.0%	Tax rate	30%
Equity risk premium	5.0%	After-tax cost of debt	0.6%
Beta	1.00	Debt weighting	20%
Cost of equity	8.0%	**Terminal growth rate**	**2.0%**

Valuation ratios

Dec-YE	2024	2025	2026E	2027E	2028E
P/E multiple	11.0x	9.6x	11.2x	10.0x	11.4x
Dividend yield	3.7%	6.9%	5.7%	6.4%	6.4%
EV/EBITDA	4.7x	4.0x	5.6x	5.2x	5.7x
P/B	1.9x	3.2x	5.7x	5.2x	4.8x
NAV per share, $	13.2	16.0	19.3	20.9	22.6
NAV per share, ZAR	241	287	322	356	384

Contribution to FY26E underlying EBITDA



Source: Company data, UBS estimates, Refinitiv

Figure 19: Gold Fields - summary financial and valuation metrics (base case)

Gold Fields

UBS

03 September 2026
Metals & Mining

Gold Fields, $mn (unless otherwise noted)

Gold Fields	**GFIJ.J**	**Target price, ZAR:**	**800**
Market capitalisation, $mn:	**40,816**	**Share price, ZAR:**	**736**
Enterprise value, $mn:	**41,100**	**Potential 12-month return:**	**14.7%**

Dec-YE	2024	2025	2026E	2027E	2028E
Income statement					
Revenue	5,201	8,751	12,434	12,277	11,057
EBITDA	2,985	6,020	8,790	9,136	7,782
EBIT	**2,373**	**5,144**	**7,627**	**8,022**	**6,621**
Other items	-305	-654	-733	-724	-597
Net interest	-56	-61	-91	-12	84
Taxation	-697	-1,649	-2,302	-2,421	-2,030
Minority interest in profit	-46	-78	-110	-106	-87
Net profit for the year	**1,245**	**3,567**	**4,394**	**4,759**	**3,990**
Headline earnings	**1,188**	**2,576**	**4,375**	**4,759**	**3,990**
Headline EPS, USc	**133**	**288**	**490**	**534**	**448**
Consensus HEPS, USc			514	548	533
DPS declared, USc	**55**	**172**	**243**	**267**	**200**
Consensus DPS, USc			234	235	202
Underlying EBIT					
South Africa Region	227	589	885	987	873
EBIT margin	*35%*	*55%*	*62%*	*63%*	*59%*
West Africa Region	714	1,024	1,306	1,475	1,215
EBIT margin	*44%*	*52%*	*57%*	*67%*	*61%*
South America Region	227	1,411	2,261	2,080	1,643
EBIT margin	*45%*	*70%*	*68%*	*69%*	*63%*
Australia Region	1,205	2,121	3,175	3,481	2,890
EBIT margin	*50%*	*57%*	*59%*	*63%*	*58%*
Adjusted EBIT	**2,373**	**5,144**	**7,627**	**8,022**	**6,621**
Income statement ratios					
EBITDA margin	57%	69%	71%	74%	70%
EBIT margin	46%	59%	61%	65%	60%
HEPS Growth	41%	117%	70%	9%	-16%
Dividend payout ratio	42%	60%	50%	50%	45%
Input assumptions					
Gold, $/oz	2,387	3,439	4,675	4,800	4,250
Copper, $/t	9,146	9,937	13,272	13,779	14,330
ZAR/$	18.34	17.89	16.69	17.00	17.00
AUD/$	1.52	1.55	1.43	1.43	1.43
Gold production volumes, koz					
South Africa	258	298	299	312	338
West Africa	605	515	443	414	423
South America	218	564	715	628	612
Australia	992	1,063	1,152	1,146	1,172
Canada	0	0	0	0	0
Total	**2,072**	**2,439**	**2,609**	**2,501**	**2,544**
Volume growth	*-7.7%*	*17.7%*	*6.9%*	*-4.1%*	*1.7%*
Calculated breakeven price, $/oz					
South Africa	1,759	1,720	1,996	2,118	1,996
West Africa	1,414	1,786	2,531	1,739	1,809
South America	1,009	700	1,026	1,179	1,265
Australia	1,284	1,482	2,091	1,892	1,818
Group	**1,510**	**1,668**	**2,078**	**1,928**	**1,889**

Dec-YE	2024	2025	2026E	2027E	2028E
Balance sheet					
Net operating assets	7,710	10,414	10,389	10,845	11,288
Investments, net of rehab provision	-257	-300	-329	-329	-329
Equity	5,201	8,433	10,461	12,879	14,604
Minority interest	166	240	262	283	300
Net debt	2,086	1,442	-662	-2,646	-3,945
Balance sheet ratios					
Gearing (net debt/(net debt+equity))	28.6%	14.6%	-6.8%	-25.9%	-37.0%
Net debt to EBITDA	0.7x	0.2x	-0.1x	-0.3x	-0.5x
RoCE	33.3%	51.8%	63.8%	63.8%	49.3%
RoIC (after tax)	24.0%	44.6%	47.6%	47.7%	37.3%
RoE	24.6%	37.8%	46.3%	40.8%	29.0%
Cash flow statement					
Operating cash flow	2,496	5,677	7,074	7,131	6,244
Capex (net of disposals)	-1,246	-1,359	-1,695	-1,990	-2,072
Other cash flows	-1,851	-2,879	-727	-724	-597
Free cash flow	**-601**	**1,439**	**4,652**	**4,417**	**3,576**
Equity shareholders' cash	**-710**	**1,385**	**4,528**	**4,324**	**3,565**
Dividends and share buy-backs	-351	-741	-2,424	-2,341	-2,265
Surplus (deficit) cash	**-1,061**	**644**	**2,104**	**1,983**	**1,300**
Cash flow ratios					
Working capital turnover, days	14	-8	-12	-12	-16
FCF yield	-3.8%	5.3%	11.6%	11.6%	9.7%
Equity shareholders' yield	-5.2%	5.4%	11.2%	10.7%	8.8%
Capex/EBITDA	41.8%	22.6%	19.3%	21.8%	26.6%
Cash conversion	-0.6x	0.5x	1.0x	0.9x	0.9x

Valuation

SoTP DCF fair value and calculation of target price	$mn	ZAR/sh
South Africa	11,347	215
West Africa	6,903	131
Cerro Corona	627	12
Australia	18,566	352
Salares Norte	6,016	114
Windfall	2,457	47
Other	-6,071	-115
Operating value	**39,846**	**756**
Financial instruments, less rehab provision as at 2-9-2026	-319	-6
Enterprise value	**39,527**	**750**
Net debt as at 2-9-2026	-29	-1
Minority interest as at 2-9-2026	-254	-5
Cash used in share buy-backs during 2026E	-305	-6
Equity value	**38,938**	**739**
Plus: CoE 12M roll forward		59
Less: 12M forward DPS		-44
DCF fair value		**754**
5.0x EV/EBITDA multiple		**799**
PT (100% EV/EBITDA), rounded to		**800**
Share price on 1/9/2026		736
Expected share price return		8.7%
Plus: expected dividend yield		6.0%
Total implied one-year return		**14.7%**

Share price range, ZAR:			
12-month high on 2-3-2026	986	12-month low on 20-7-2026	513
Price move since high	-25.4%	Price move since low	43.5%

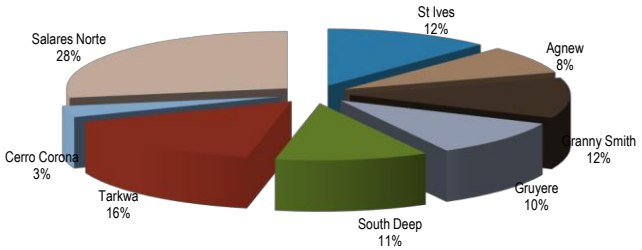
Calculation of WACC

WACC	**7.0%**	Cost of debt	4.0%
Risk-free rate	3.0%	Tax rate	30%
Equity risk premium	5.0%	After-tax cost of debt	0.6%
Beta	1.00	Debt weighting	20%
Cost of equity	8.0%	**Terminal growth rate**	**2.0%**

Valuation ratios

Dec-YE, $mn	2024	2025	2026E	2027E	2028E
P/E multiple	11.5x	9.9x	9.3x	8.5x	10.2x
Dividend yield	3.6%	6.1%	5.3%	5.9%	4.4%
EV/EBITDA	5.4x	4.5x	4.6x	4.2x	4.7x
P/B	2.6x	3.0x	3.9x	3.1x	2.8x
NAV per share, $	5.8	9.4	11.7	14.5	16.4
NAV per share, ZAR	107	169	196	246	279

Contribution to FY26E underlying EBITDA



Source: Company data, UBS estimates, Refinitiv

Figure 20: Harmony - summary financial and valuation metrics (base case)

Harmony Gold

UBS

03 September 2026
Metals & Mining

Harmony Gold, ZARmn (unless otherwise noted)

Harmony	**HARJ.J**	**Target price, ZAR:**	**370**
Market capitalisation, ZARmn:	**199,051**	**Share price, ZAR:**	**312**
Enterprise value, ZARmn:	**198,513**	**Potential 12-month return:**	**23.9%**

Jun-YE	2025	2026	2027E	2028E	2029E
Income statement					
Revenue	73,896	98,082	113,926	118,357	124,747
Underlying EBITDA	30,741	49,986	62,990	64,881	64,421
Underlying EBIT	**25,762**	**42,324**	**54,679**	**56,205**	**55,120**
Other items	-5,388	-5,292	-2,975	-3,087	-3,238
Net interest	699	1,167	-963	4	1,048
Taxation	-6,631	-8,905	-13,720	-14,363	-14,316
Net profit for the year	**14,384**	**29,349**	**36,928**	**38,659**	**38,525**
Headline earnings	**14,531**	**36,165**	**36,928**	**38,659**	**38,525**
Headline EPS, ZAR	**23.37**	**43.63**	**57.99**	**60.71**	**60.49**
Consensus HEPS, ZAR			56.16	65.36	74.15
DPS declared, ZAR	**3.82**	**12.80**	**16.38**	**18.50**	**18.60**
Consensus DPS, ZAR			17.07	13.78	26.80
Production EBIT					
South Africa underground	16,235	26,513	33,585	33,492	25,741
EBIT margin	*32%*	*41%*	*47%*	*46%*	*38%*
South Africa Surface	5,081	6,918	10,444	11,224	9,215
EBIT margin	*43%*	*48%*	*61%*	*59%*	*53%*
Hidden Valley	3,913	9,491	8,955	8,945	7,756
EBIT margin	*49%*	*77%*	*70%*	*69%*	*65%*
CSA	0	-524	860	1,659	2,792
EBIT margin	-	*-15%*	*12%*	*20%*	*29%*
Group production EBIT	**25,762**	**42,324**	**54,679**	**56,205**	**55,120**
Income statement ratios					
EBITDA margin	42%	51%	55%	55%	52%
EBIT margin	35%	43%	48%	47%	44%
HEPS Growth	26%	87%	33%	5%	0%
Dividend payout ratio	16%	29%	28%	30%	31%
Input assumptions					
Gold, $/oz	2,820	4,253	4,800	4,575	4,000
$/ZAR	18.17	17.19	17.00	17.00	17.00
Calculated breakeven price, $/oz (GE)					
South Africa	1,991	2,743	2,714	2,479	2,360
International	1,434	1,905	2,350	1,904	1,510
Group	**2,062**	**2,772**	**2,748**	**2,461**	**2,192**
Production volumes (GE), koz					
Underground	1,062	1,019	957	960	974
Surface	254	221	229	250	250
South Africa Total	**1,316**	**1,240**	**1,186**	**1,210**	**1,224**
Hidden Valley	164	190	171	170	170
CSA	0	40	85	105	143
International total	**164**	**240**	**256**	**275**	**501**
Total production	**1,480**	**1,480**	**1,442**	**1,485**	**1,725**
Volume growth	*-5.2%*	*0.0%*	*-2.6%*	*3.0%*	*16.2%*

Jun-YE	2025	2026	2027E	2028E	2029E
Balance sheet					
Net operating assets	36,565	83,271	100,284	115,636	129,955
Investments, net of rehab provision	-494	-7,043	-6,043	-5,043	-4,043
Equity	46,942	75,094	102,641	129,679	156,009
Minority interest	277	282	427	579	730
Net debt	-11,148	852	-8,828	-19,665	-30,827
Balance sheet ratios					
Gearing (net debt/(net debt+equity))	-31.1%	1.1%	-9.4%	-17.9%	-24.6%
Net debt to EBITDA	-0.4x	0.0x	-0.1x	-0.3x	-0.5x
RoCE	62.9%	63.2%	53.4%	46.7%	40.4%
RoIC (after tax)	49.6%	59.7%	41.6%	36.1%	30.9%
RoE	33.1%	59.3%	41.6%	33.3%	27.0%
Cash flow statement					
Operating cash flow	25,803	46,823	51,402	52,157	50,918
Capex (net of disposals)	-11,855	-17,845	-27,567	-25,513	-23,987
Other cash flows	-4,869	-43,817	-2,975	-3,087	-3,238
Free cash flow	**9,079**	**-14,839**	**20,859**	**23,557**	**23,693**
Equity shareholders' cash	**10,349**	**-7,537**	**19,060**	**22,458**	**23,357**
Dividends and share buy-backs	-2,100	-4,463	-9,380	-11,622	-12,195
Surplus (deficit) cash	**8,249**	**-12,000**	**9,680**	**10,837**	**11,163**
Cash flow ratios					
Working capital turnover, days	1	1	-0	0	2
FCF yield	7.5%	-7.8%	11.0%	13.1%	14.0%
Equity shareholders' yield	7.8%	-4.0%	9.6%	11.3%	11.8%
Capex/EBITDA	38.6%	35.7%	43.8%	39.3%	37.2%
Cash conversion	0.7x	-0.2x	0.5x	0.6x	0.6x

Valuation

SoTP DCF fair value and calculation of target price	ZARmn	ZAR/sh
SA underground	89,482	140.5
SA surface	52,319	82.2
Hidden Valley	21,907	34.4
CSA	22,103	34.7
Other (incl. hedges)	2,009	3.2
Operating value	**187,819**	**294.9**
Investments less financial obligations as at 2-9-2026	-6,868	-10.8
Enterprise value	**180,952**	**284.2**
Net cash as at 2-9-2026	845	1.3
Minority interest as at 2-9-2026	-307	-0.5
Golpu assuming it trades at avg. replacement cost	3,388	5.3
Cash used in share buy-backs during 2027E	0	0.0
Equity value	**184,877**	**290.3**
Plus: CoE 12M roll forward		39.2
Less: 12M forward DPS		-15.3
DCF fair value		**314.2**
3.5x EV/EBITDA multiple		**368.4**
PT (100% EV/EBITDA), rounded to		**370.0**
Share price on 1/9/2026		312.1
Expected share price return		18.5%
Plus: expected dividend yield		5.4%
Total implied one-year return		**23.9%**

Share price range, ZAR:

12-month high on 29-1-2026	429	12-month low on 23-3-2026	214
Price move since high	-27.2%	Price move since low	46.2%

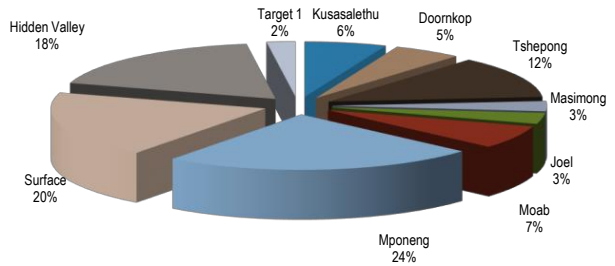
Calculation of WACC

WACC	**14.0%**	Cost of debt	9.5%
Risk-free rate	8.5%	Tax rate	28%
Equity risk premium	5.0%	After-tax cost of debt	0.0%
Beta	1.00	Debt weighting	0%
Cost of equity	13.5%	**Terminal growth rate**	**4.0%**

Valuation ratios

Jun-YE	2025	2026	2027E	2028E	2029E
P/E multiple	8.9x	6.8x	5.4x	5.1x	5.2x
Dividend yield	1.8%	4.3%	5.2%	5.9%	6.0%
EV/EBITDA	3.9x	3.8x	3.0x	2.8x	2.6x
P/B	2.8x	2.5x	1.9x	1.5x	1.3x
NAV per share, ZAR	74.0	117.9	161.2	203.6	245.0

Contribution to FY27E mining EBITDA



Source: Company data, UBS estimates, Refinitiv

人在草木间

Valuation Method and Risk Statement

AngloGold Ashanti: We point out to investors the potential risks including, but not limited to, the volatile nature of commodity prices and currencies, which may differ materially from expectations. Earnings are very sensitive to changes in the rand/US dollar exchange rate and changes in commodity prices. The volatility of these variables poses a risk to our earnings forecasts and ultimately our price targets in this sector. Furthermore, the sector is exposed to political, financial and operational risks, each of which has the potential to significantly affect company/industry performance. Our PT for AngloGold is set using an EV/EBITDA valuation based approach.
Gold Fields: We point out to investors the potential risks including, but not limited to, the volatile nature of commodity prices and currencies, which may differ materially from expectations. Earnings are very sensitive to changes in the rand/US dollar exchange rate and changes in commodity prices. The volatility of these variables poses a risk to our earnings forecasts and ultimately our price targets in this sector. Furthermore, the sector is exposed to political, financial and operational risks, each of which has the potential to significantly affect company/industry performance. Our PT for Gold Fields is set using an EV/EBITDA valuation based approach.
Harmony Gold: We point out to investors the potential risks including, but not limited to, the volatile nature of commodity prices and currencies, which may differ materially from expectations. Earnings are very sensitive to changes in the rand/US dollar exchange rate and changes in commodity prices. The volatility of these variables poses a risk to our earnings forecasts and ultimately our price targets in this sector. Furthermore, the sector is exposed to political, financial and operational risks, each of which has the potential to significantly affect company/industry performance. Company-specific risks include but are not limited to: Operational risks associated with mining such as injuries and fatalities or mine wall failures; Higher unit cash costs than we expect; Higher capex than expected, including any potential acquisitions; Lower production than expected due to operation challenges; If Harmony elects to acquire new mines this may change the cash flow profile of the company. We derive our price target using an EV/EBITDA valuation based approach.