

Trading Statement for the year ended 31 December 2025

THUNGELA RESOURCES LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 2021/303811/06

JSE Share Code: TGA

LSE Share Code: TGA

ISIN: ZAE000296554

Tax number: 9111917259

('Thungela' or the 'Company' and, together with its affiliates, the 'Group')

Trading Statement for the year ended 31 December 2025

Shareholders are advised that Thungela and its directors have a reasonable degree of certainty related to the expected financial results of the Group for the year ended 31 December 2025 in line with paragraph 6.26 of the JSE Listings Requirements.

Expected loss per share and headline loss per share

Shareholders are advised that the loss per share for the year ended 31 December 2025 (the 'current period') is expected to be between R(53.50) and R(56.00), a decrease of between R80.26 and R82.76 per share, compared to earnings per share of R26.76 reported for the year ended 31 December 2024 (the 'prior period'). The loss attributable to the shareholders of the Group for the current period is expected to be between R(7.0 billion) and R(7.3 billion).

The headline loss per share¹ for the current period is expected to be between R(5.50) and R(7.50), a decrease of between R31.09 and R33.09 per share compared to headline earnings per share of R25.59 reported for the prior period. The headline loss attributable to the shareholders of the Group for the current period is expected to be between R(0.7 billion) and R(1.0 billion).

The expected loss incurred for the year is primarily as a result of impairment losses of R8.8 billion recognised across our operations both in South Africa and Australia, based on a softer benchmark coal price outlook and stronger forecast for our producing currencies against the US dollar at the reporting date. The determination of the value of the recoverable amounts of our assets also impacts the recoverability of the deferred tax assets, reflecting the possible future tax benefit to be received against taxable income in subsequent periods. Deferred tax assets of R1.1 billion have accordingly not been recognised at the reporting date on the basis of the assessment performed, which

has further lowered both earnings and headline earnings. For clarity, while the impact of the impairment is excluded from headline earnings, the impact of not recognising the deferred tax assets is not a headline earnings adjustment, and has contributed to the realisation of a headline loss for the year.

The expected loss and headline loss per share ranges for the current period are summarised in the table below:

Expected range - 2025	Expected decrease from (Rand per share) prior period (Rand per share)
Loss per share	(53.50) - (56.00) (80.26) - (82.76)
Headline loss per share	(5.50) - (7.50) (31.09) - (33.09)

The loss and headline loss per share figures are calculated using a weighted average number of shares of 129,655,457 for the current period and 134,238,447 for the prior period.

Impairment losses driven by current market conditions

Seaborne thermal coal prices continued to soften in 2025, with the Richards Bay Benchmark coal price and the Newcastle Benchmark coal price decreasing by 15% and 22%, respectively, year-on-year. Prices were impacted by weak demand from key seaborne markets, as pressure to meet energy demand with domestic coal and alternative energy sources reduced their coal imports. Meanwhile, robust production during the year from key markets created an oversupply imbalance that the market could not fully absorb. As a result, the medium-term outlook for seaborne thermal coal prices has also continued to soften.

Foreign exchange movements had a material impact on the Group's financial performance. In 2025, the South African rand and Australian dollar were stronger relative to the US dollar, driven in part by US dollar weakness, stemming from geopolitical uncertainty as well as US trade and foreign policy. The relative strength of the South African rand was further supported by changes in the South African Reserve Bank's monetary policy stance and renewed optimism in emerging markets more broadly and South Africa in particular. At 31 December 2025, the South African rand was 12% stronger against the US dollar than at 31 December 2024.

The combination of stronger local currency predictions and lower forward-looking coal prices, at the time of performing the impairment assessment, resulted in reduced

expected future margins and, consequently, impacted the recognised carrying values of our property, plant and equipment (PPE). As a result, we have recognised a non-cash impairment of our PPE of R8.8 billion. The impairment largely reflects a write-off of historical capital, particularly at operations nearing the end of their economic lives.

Both the impairment and the impact of not recognising the deferred tax assets are non-cash items that do not impact the Group's cash flow, liquidity, or operational continuity. Thungela's long-term fundamentals remain intact.

Key areas of judgement which may impact the expected loss and headline loss per share figures above are in the process of being finalised, and any changes to these expected ranges, if necessary, will be communicated to shareholders.

Thungela expects to release our financial results for the year ended 31 December 2025 on 23 March 2026. The financial results will be released on the Stock Exchange News Service of the Johannesburg Stock Exchange and the Regulatory News Service of the London Stock Exchange, and will be accompanied by a webinar and conference call that will start at 12:00 SAST on the same day. Details to register for the webinar and conference call are available below:

Webinar: <https://78449.themediaframe.com/links/thungela260323.html>

Conference call:

<https://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=7721589&linkSecurityString=160b7e901e>

Deon Smith
Chief financial officer

Footnote

1. Headline loss or earnings per share is determined in reference to Circular 1/2023 – Headline earnings ('Circular 1/2023') as issued by the South African Institute of Chartered Accountants. In order to calculate headline earnings, earnings attributable to the equity shareholders of the Group is adjusted for separately identifiable remeasurements, as defined in Circular 1/2023, net of related tax and non-controlling interests.

Johannesburg
2 March 2026

Review of Trading Statement

The information contained in this Trading Statement is the responsibility of the directors of Thungela and has not been reviewed or reported on by the Group's independent external auditor.

Disclaimer

This announcement includes forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Thungela's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations (including development plans and objectives relating to Thungela's products, production forecasts and reserve and resource positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Thungela, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Group assumes no responsibility to update forward-looking statements in this announcement except as required by law.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the market abuse regulation (EU) no. 596/2014 as amended by the market abuse (amendment) (UK mar) regulations 2019. Upon the publication of this announcement via the regulatory information service, this inside information is now considered to be in the public domain.

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