



thungela

ANNUAL RESULTS PRESENTATION

for the year ended 31 December 2024

17 March 2025

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Throughout this presentation a range of financial and non-financial measures are used to assess our performance, including a number of financial measures that are not defined or specified under IFRS (International Financial Reporting Standards), which are termed 'Alternative Performance Measures' ("APMs"). Management uses these measures to monitor the Group's financial performance alongside IFRS measures to improve the comparability of information between reporting periods and business units. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

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2024 GROUP PERFORMANCE

July Ndlovu | Chief executive officer



2024 GROUP HIGHLIGHTS¹

**OPERATING
A FATALITY-FREE
BUSINESS**

25 months

Without a loss of life

**TOTAL
RECORDABLE CASE
FREQUENCY RATE**

1.93 (2023: 2.80)

Historic low in South Africa at 1.07

**EXPORT
SALEABLE
PRODUCTION²**

17.7Mt (2023: 13.2Mt)

Up year-on-year and
exceeded guidance

**NET
PROFIT**

R3.5 billion

(2023: R5.0 billion)

R676 million contribution
from Australia

**CAPITAL
EXPENDITURE**

R3.4 billion

(2023: R3.3 billion)

Life extension projects on
schedule and within budget

**TOTAL SHAREHOLDER
RETURNS**

Dividend per share R13

(Interim: R2 | Final: R11)

Share buyback R460 million

(Interim: R160 million | Final: R300 million)

Notes: ¹ Group results in 2023 includes the results of the Ensham Business for the four months from the acquisition date of 31 August 2023 to 31 December 2023

² Export saleable production at Ensham is shown on a 100% basis

OUR 5 STRATEGIC PILLARS

SAFETY

Operate a **fatality-free** business

Maintain safety strategy

Back to basics
Work management
Safety culture

DRIVING OUR ESG ASPIRATIONS

Employee and community trusts¹
contribution since listing of R1.7 billion

Rietvlei coal mine disposal

MAXIMISING VALUE FROM EXISTING ASSETS

Competitiveness
Productivity improvement and cost efficiencies

Elders
Construction completed

Zibulo North Shaft
Expect completion in 2026

LCBM project
Demonstrate value in use of the gas

CREATING FUTURE DIVERSIFICATION OPTIONS

Ensham
Acquisition of the remaining interest in Ensham

Thungela Marketing International

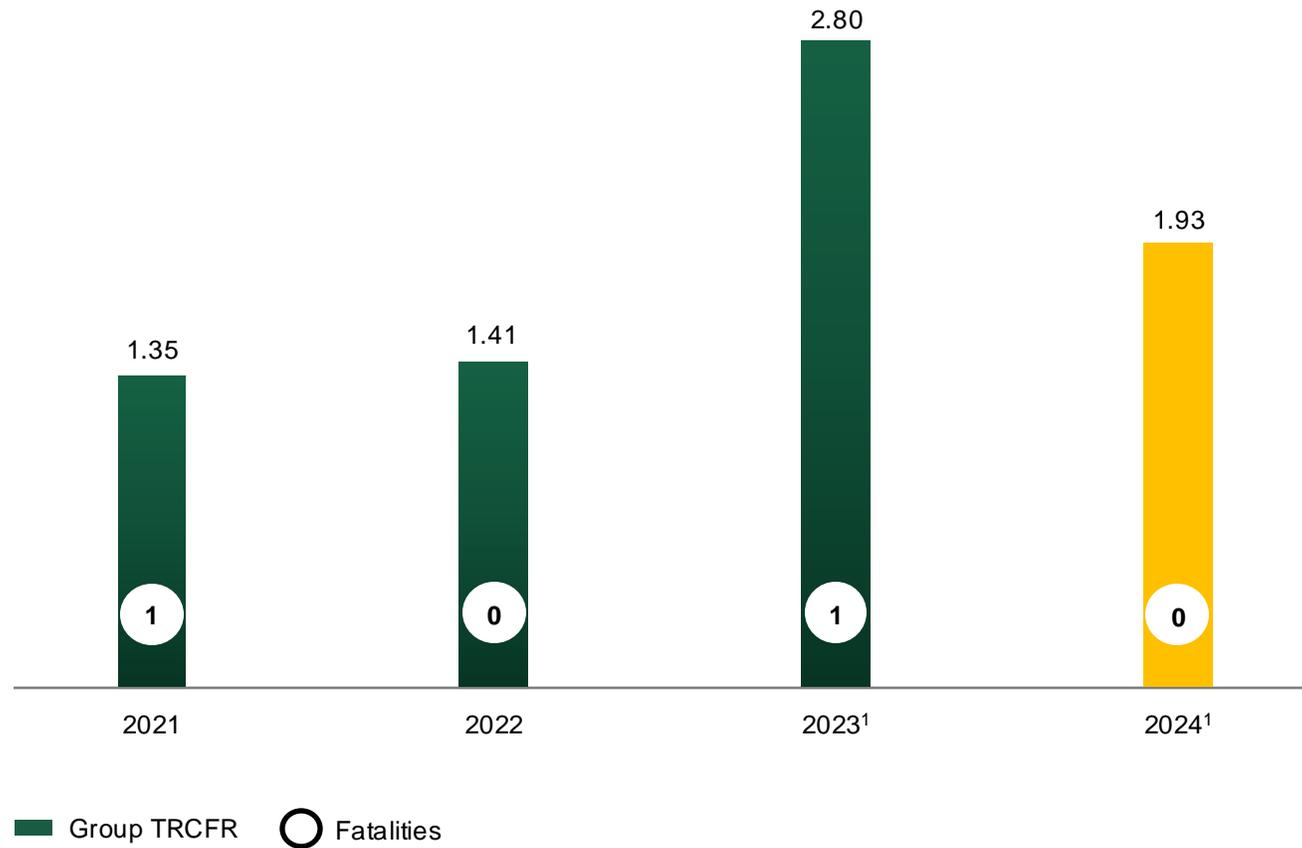
OPTIMISING CAPITAL ALLOCATION

Total dividends
R21 billion since listing

Share buybacks of
R901 million since listing

SAFETY IS OUR FIRST VALUE

GROUP TRCFR



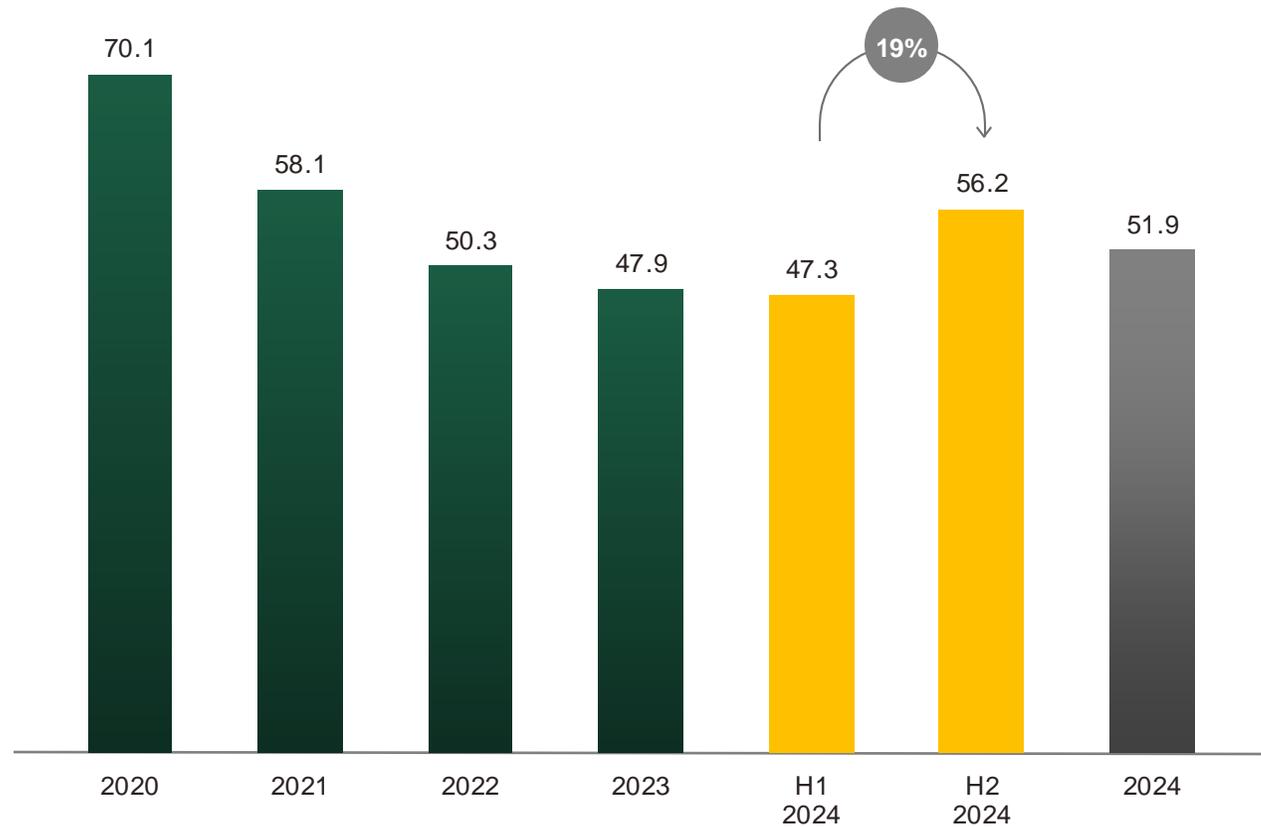
25 months fatality-free

- **South Africa – Historic low TRCFR of 1.07**, down from 1.40 in 2023
 - improved accountability
 - critical controls review
 - frontline leadership development
- **Australia – Significant improvement in TRCFR of 13.21**, down from 22.63 in 2023
 - improving conditions
 - leadership visibility
 - critical controls

Note: ¹ Group TRCFR includes Australia for 12 months in 2023 and 2024

SOUTH AFRICA – RAIL PERFORMANCE

Transnet Freight Rail annualised run rate
(Mt per annum)

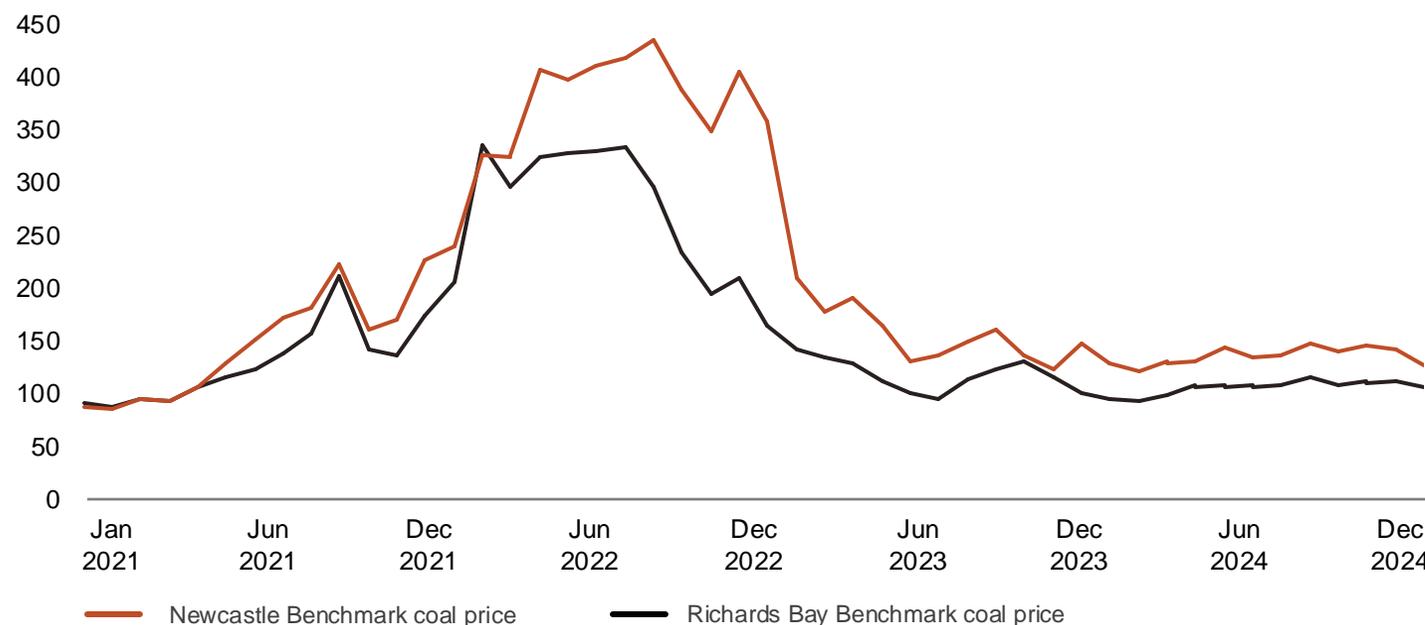


Rail improvement

- 2024 rail performance improved **8.4% year-on-year**
- H2 2024 annualised run rate at 56.2Mtpa - **best semester since 2021**
- **Mutual cooperation agreement** remains in place
- Transnet **long-term agreement extended to March 2028**

WEAKER COAL PRICES ACROSS OUR MARKETS

Benchmark and realised thermal coal prices
(USD per tonne)



USD per tonne	FY 2023	H1 2024	H2 2024	FY 2024
Richards Bay Benchmark coal price	121.00	101.05	109.56	105.30
Richards Bay realised coal price	103.67	85.73	97.43	91.56
Newcastle Benchmark coal price	172.79	130.66	139.03	134.85
Newcastle realised coal price	155.85 ¹	118.82	129.63	124.00

South Africa

- Richards Bay Benchmark coal price **13% lower year-on-year**
- Impacted by **higher coal and gas stocks** and **milder winter conditions** in the Northern Hemisphere
- **Discount of 13.1%**, compared to 14.3% in 2023
 - H1 2024: 15.2% | H2 2024 11.1%
 - 1% marketing fee saving
 - Blend uplift and brand premiums

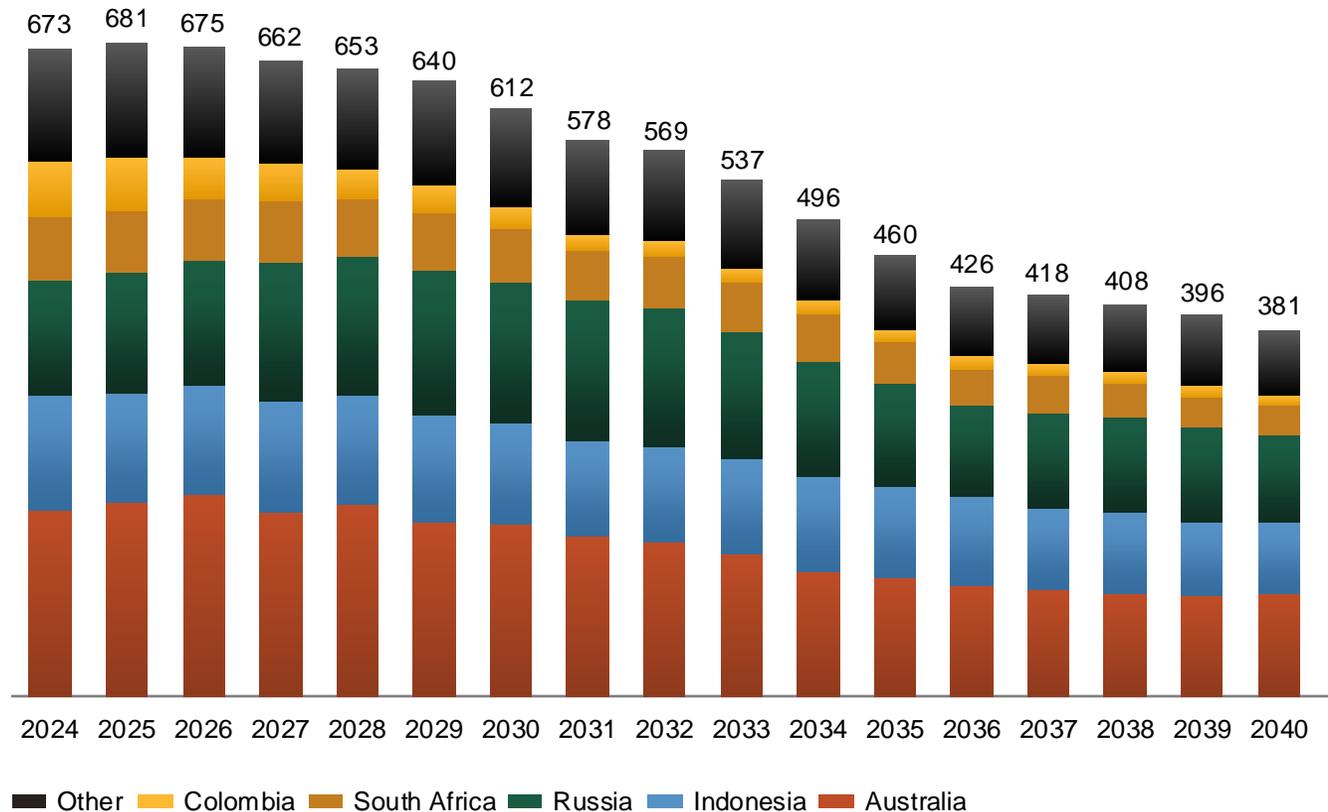
Australia

- **Ensham discount 8.0%**, compared to a 10.6% premium achieved in 2023¹
- Newcastle Benchmark coal price driven by **lower demand in Asian markets**

Note: ¹ For the four months from the acquisition date of 31 August 2023 to 31 December 2023

LONG-TERM FUNDAMENTALS OF COAL

Thermal coal supply¹
(Mt)



Demand

- **South East Asia - rapidly developing economies** need affordable, reliable energy sources
- Requirement to power **artificial intelligence boom**
- In India, **coal demand expected to reach 1.5 billion tonnes by 2030**
- **Closing of coal fired power stations** taking longer

Supply

- Government **royalty regimes** may impact producer appetite
- **Lack of new build programmes** even after Russia and Ukraine conflict
- **Consolidation preferred** to new builds
- **Investment in new coal mines** is limited

Note: ¹ Source Wood Mackenzie; Supply includes all coal with a CV higher than 4,300kcal/kg



FINANCIAL REVIEW

Deon Smith | Chief financial officer



2024 GROUP FINANCIAL RESULTS¹

ADJUSTED EBITDA

R6.3 billion

(2023: R8.5 billion)

NET PROFIT

R3.5 billion

(2023: R5.0 billion)

EARNINGS PER SHARE

R26.76

(2023: R37.66)

ADJUSTED OPERATING FREE CASH FLOW

R3.6 billion

(2023: R6.8 billion)

NET CASH

R8.7 billion

(2023: R10.2 billion)

TOTAL SHAREHOLDER RETURNS

Dividend per share R13

Share buyback R460 million

64% of adjusted operating free cash flow for 2024

2024 OPERATIONAL RESULTS¹

EXPORT SALEABLE PRODUCTION²

17.7Mt (2023: 13.2Mt)

SA 13.6Mt | Ensham 4.1Mt

FOB COST PER EXPORT TONNE

SA	ENSHAM
R1,151/t	R1,674/t
(2023: R1,134/t)	(2023: R1,886/t)

SUSTAINING CAPITAL

R1.7 billion
(2023: R1.7 billion)

EXPORT EQUITY SALES

16.7Mt (2023: 12.8Mt)

SA 12.6Mt | Ensham 4.1Mt²

FOB COST PER EXPORT TONNE

(excl. royalties)

SA	ENSHAM
R1,130/t	R1,433/t
(2023: R1,084/t)	(2023: R1,544/t)

EXPANSIONARY CAPITAL

R1.7 billion
(2023: R1.6 billion)

Notes: ¹ Group results in 2023 includes the results of the Ensham Business for the four months from the acquisition date of 31 August 2023 to 31 December 2023

² Export saleable production and export equity sales at Ensham are shown on a 100% basis

SOUTH AFRICA – EXPORT SALEABLE PRODUCTION AND SALES

H1 stockpile movement (Mt)



H2 stockpile movement (Mt)



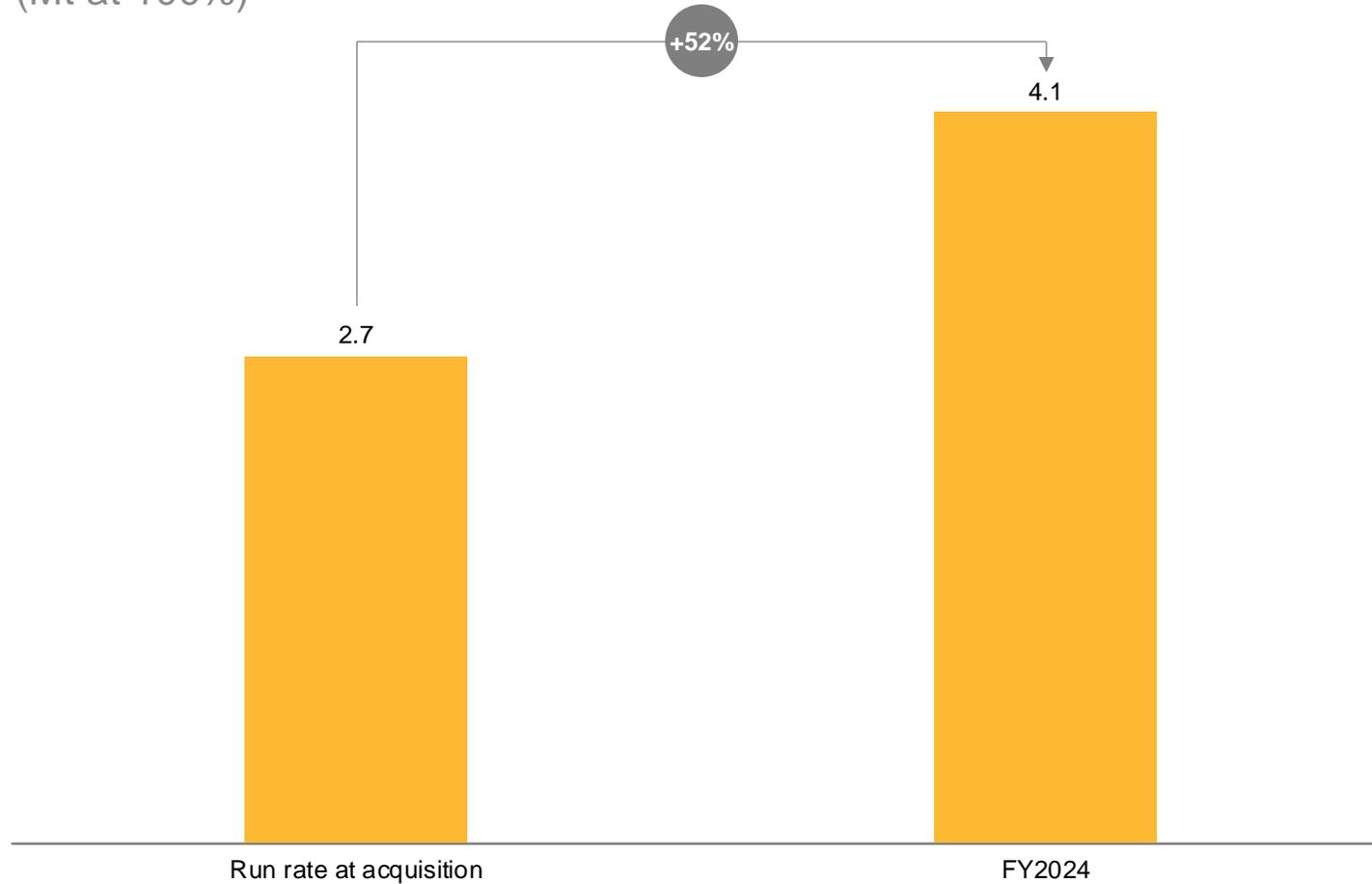
■ Mine stocks
 ■ Port stocks

Operational excellence reflects strong production growth

- **Full year output higher than 2023** – despite removal of three sections in 2023 due to rail constraints
- **H2 production of 7.4Mt higher** than H1 production of 6.2Mt due to:
 - Increased productivity
 - Improved rail performance
- Export sales of 12.6Mt **positively impacted by improvement in TFR performance** (2023: 11.9Mt)

ENSHAM – EXPORT SALEABLE PRODUCTION

(Mt at 100%)

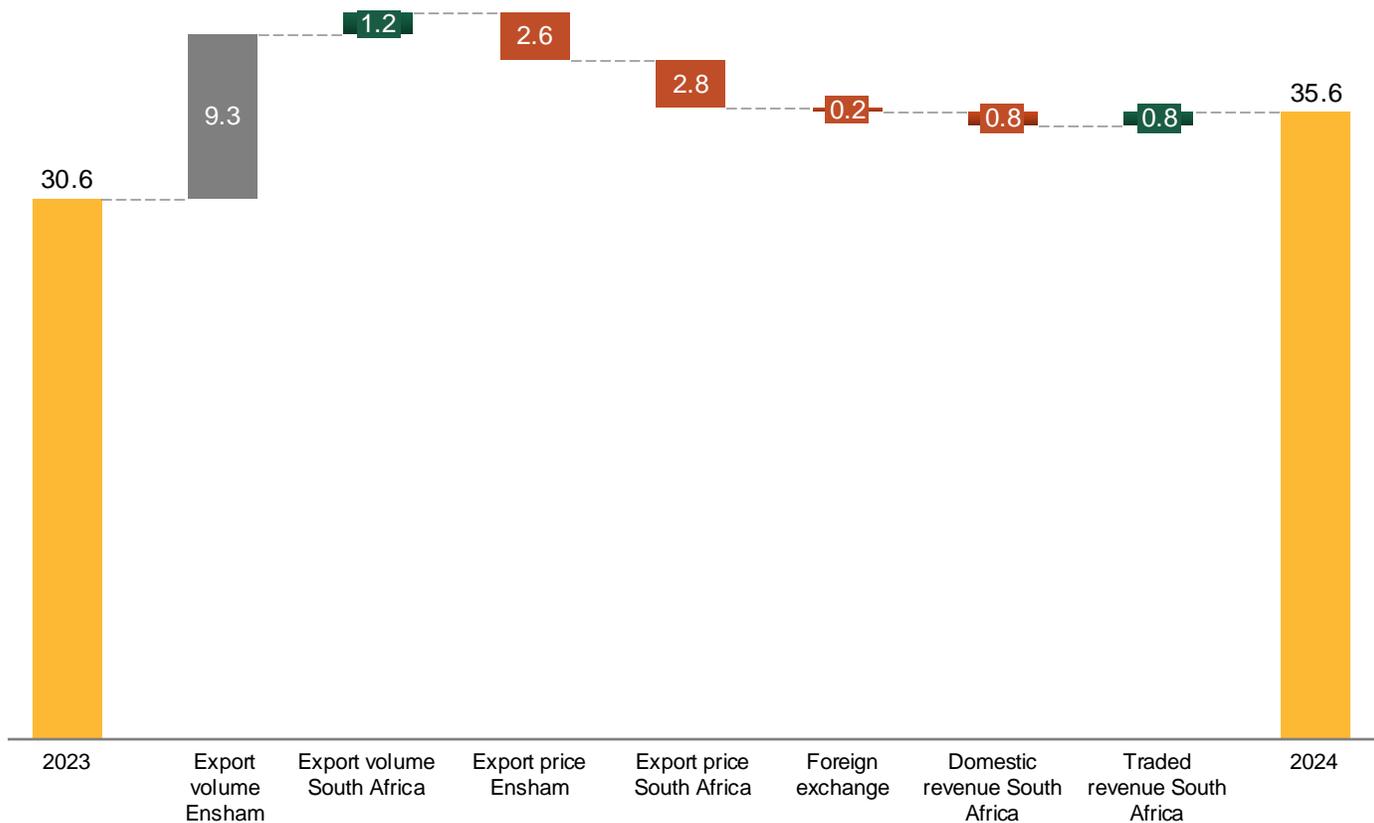


Significant increase in production performance

- **Export saleable production increased 52%** from annualised run rate of 2.7Mtpa at date of acquisition
- **Focused productivity projects** resulted in production of 2.5Mt in H2 2024 vs.1.6Mt in H1 2024
- **Exceeded the upward revised** export production guidance

REVENUE

(R billion)

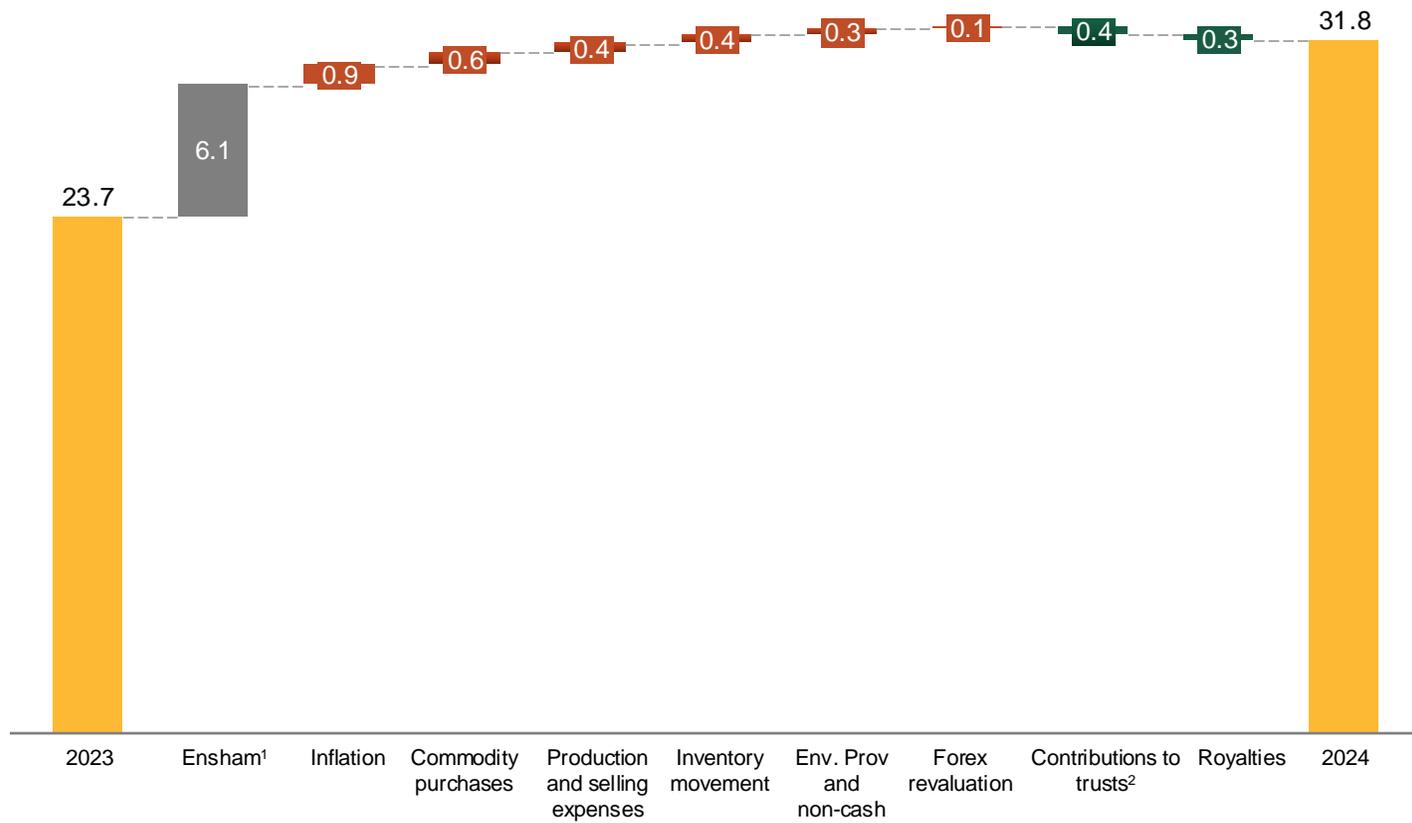


Revenue impacted by lower realised coal prices

- **Ensham export sales** included for 12 months (4 months in 2023)
- **Higher export equity sales** in South Africa at 12.6Mt (2023: 11.9Mt)
- Realised prices in South Africa **12% lower in 2024**
- Realised prices in Australia **20% lower in 2024**

OPERATING COSTS

(R billion)



Inflation and cost of incremental production drives increase in South Africa

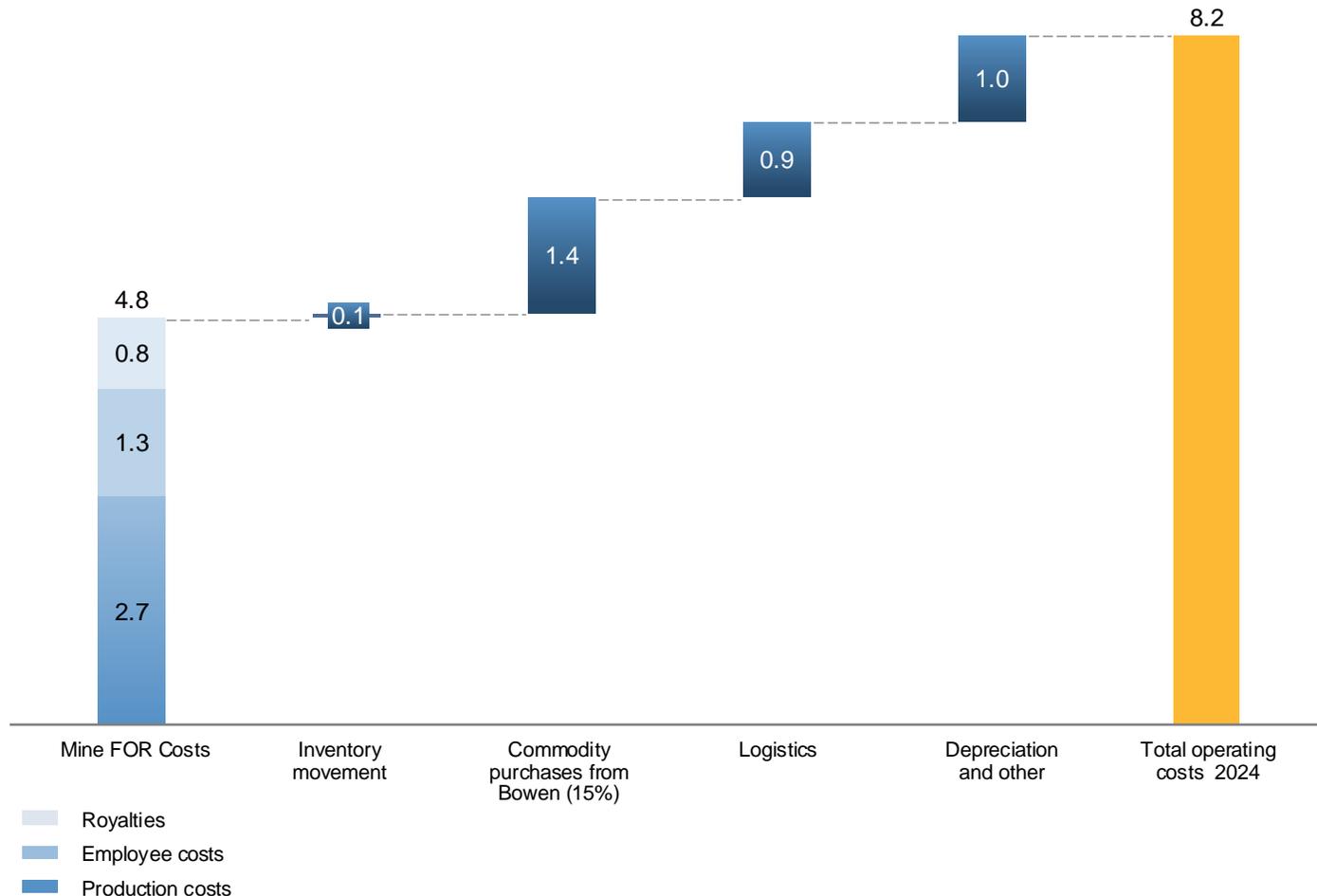
- **Ensham costs** included for 12 months
- **Inflation** remains pronounced in South Africa
- Commodity purchases to **fulfil our sales commitments**
- Higher production costs due to **incremental volumes**
- Inventory movement impacted by **stock valuations**

Notes: ¹ Operating costs for Ensham shown separately on slide 17

² Nkulo Community Partnership Trust and Sisonke Employee Empowerment Scheme

ENSHAM – OPERATING COSTS

(R billion)

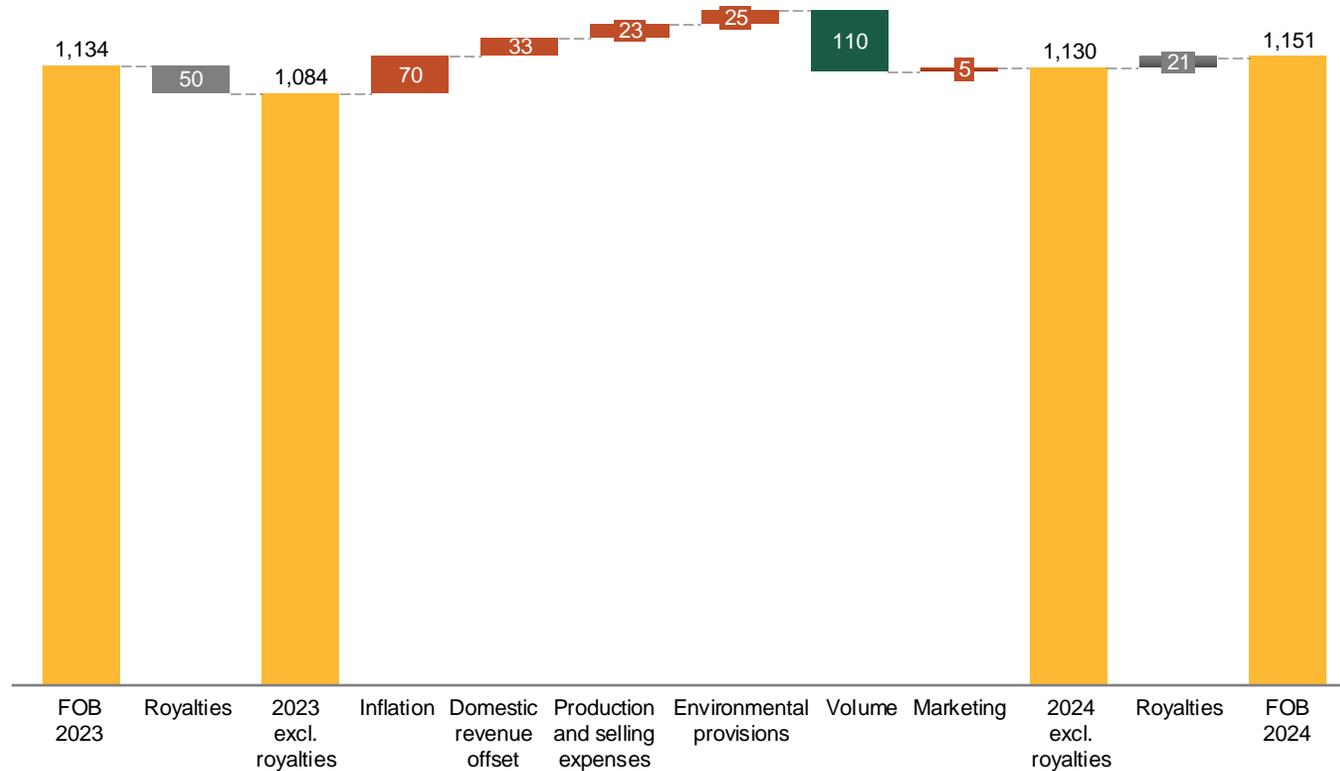


On mine costs 59% of total operating costs

- **Employee costs represent 27%** of total on-mine cash costs
- **Royalties** based on Queensland progressive royalty method – 11% of average realised price in 2024
- **Logistics costs** driven by rail and port costs of AUD22/tonne
- Purchases from Bowen of R1.4 billion
- FOB cost per tonne excluding royalties of R1,433 **lower than guidance range** of R1,590 to R1,710

SOUTH AFRICA - FOB COST PER EXPORT TONNE

(R per tonne)

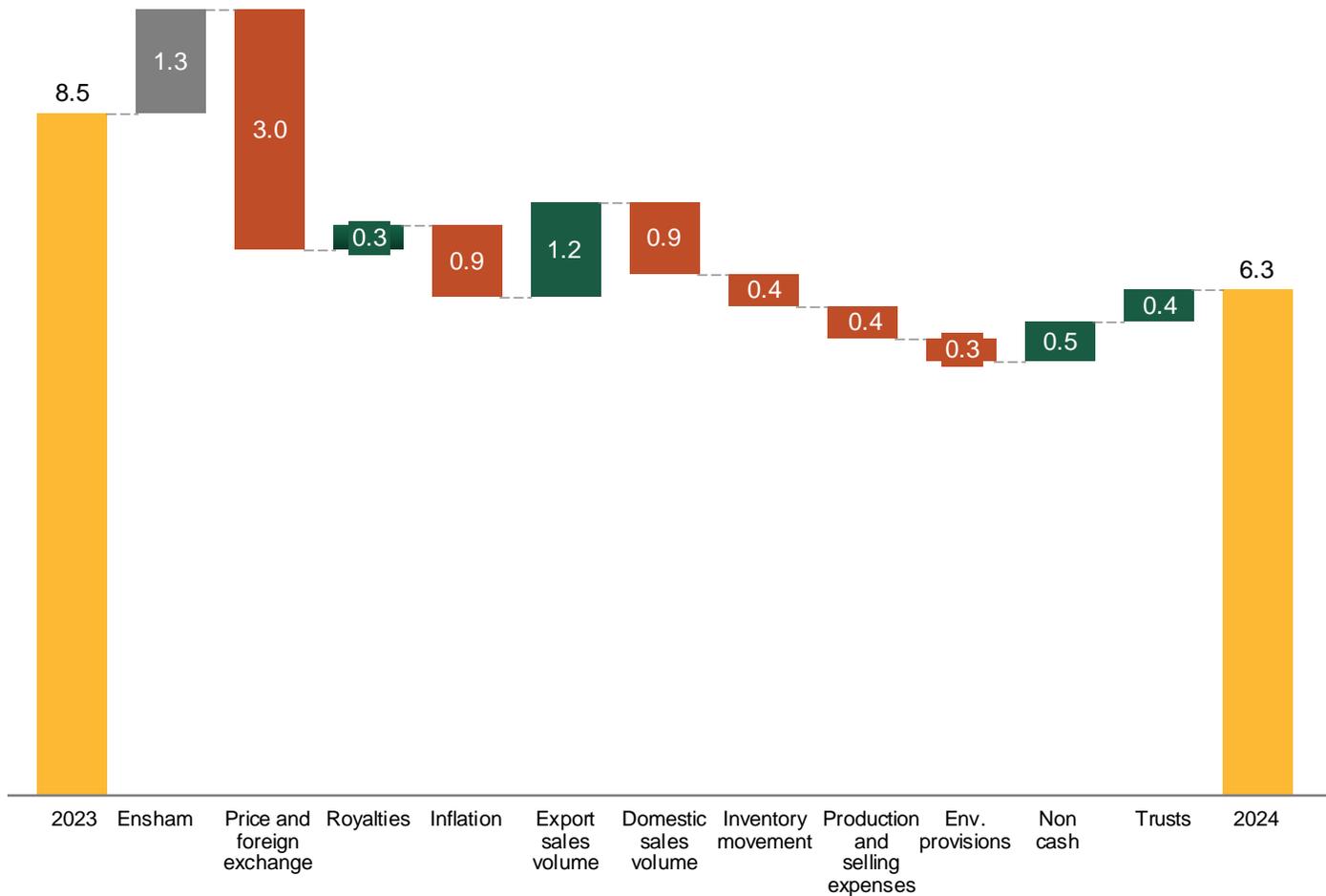


Cost increase partially offset by additional volumes

- Unit cost increase by 4.2%
- Inflation on cash costs of 6.5%
- Lower domestic revenue offset
- Increases in FOB cost offset by impact of higher volumes
- FOB cost per export tonne (excluding royalties) **lower than guidance range** of R1,170 to R1,290

ADJUSTED EBITDA

(R billion)

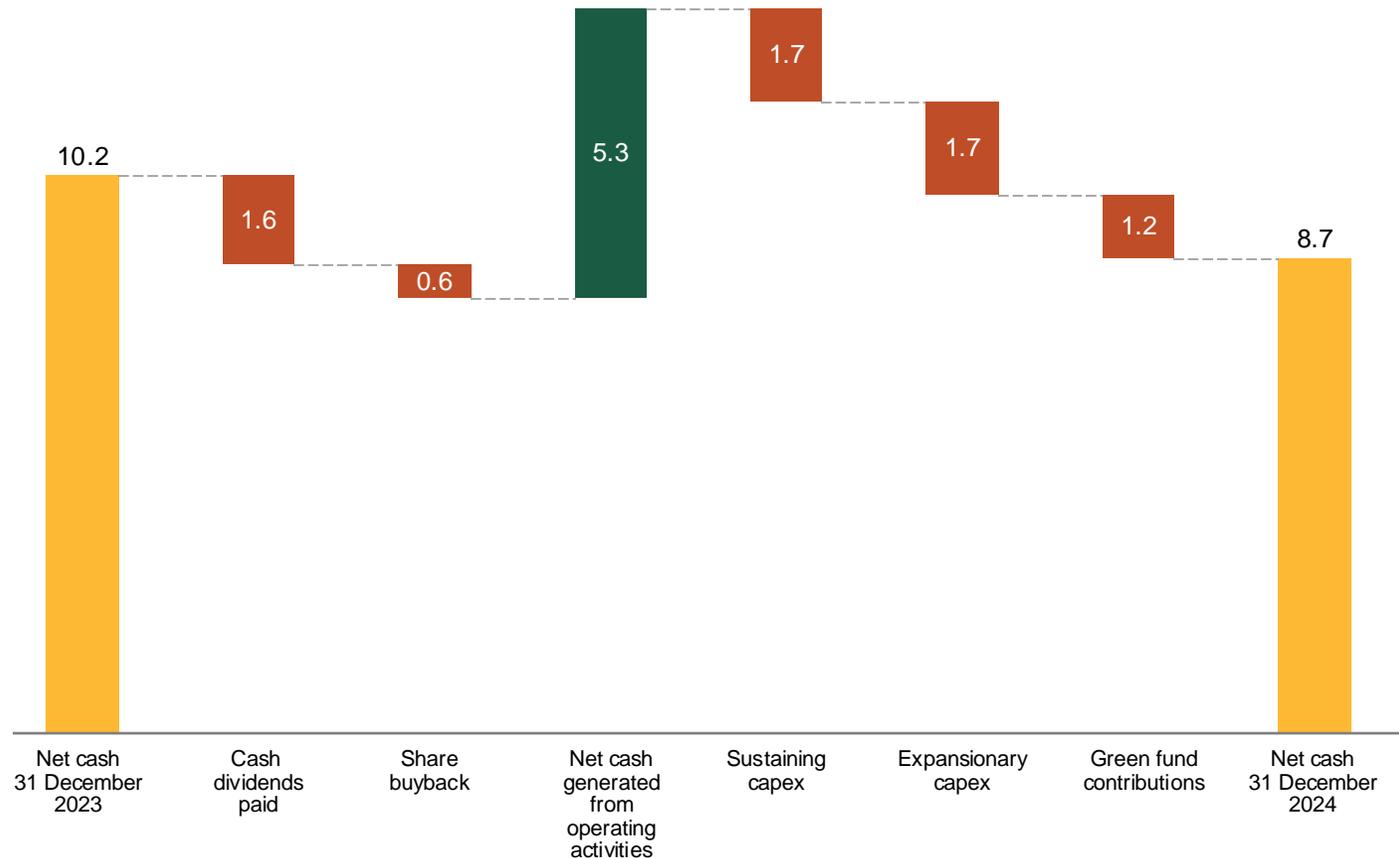


Lower coal prices drive the decrease

- Ensham adjusted EBITDA for 12 months
- Average realised price in South Africa and Ensham decreased by 12% and 20% respectively
- **Adjusted EBITDA margin of 18%** (2023: 28%)
 - South Africa 16%
 - Ensham 22%

SUMMARISED CASH FLOW

(R billion)

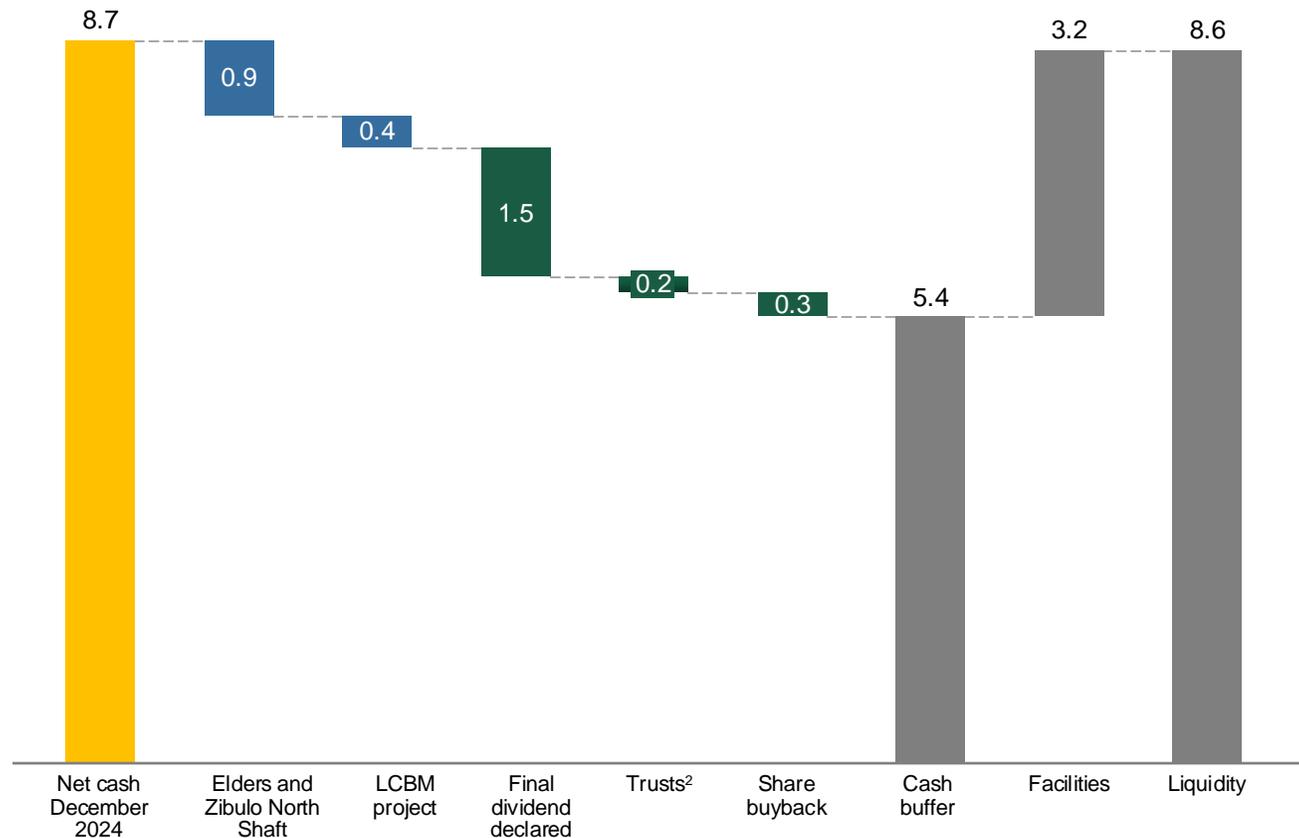


Sources and uses of cash

- **Cash returned to shareholders**
R3.2 billion during the year
- **Net cash generated from operating activities** R5.3 billion
(2023: R8.5 billion)
- Investment of R3.4 billion in **sustaining and expansionary capital**
- Investment of R1.2 billion in **green funds in South Africa and Australia**

RETURNS TO SHAREHOLDERS

Capital allocation¹
(R billion)

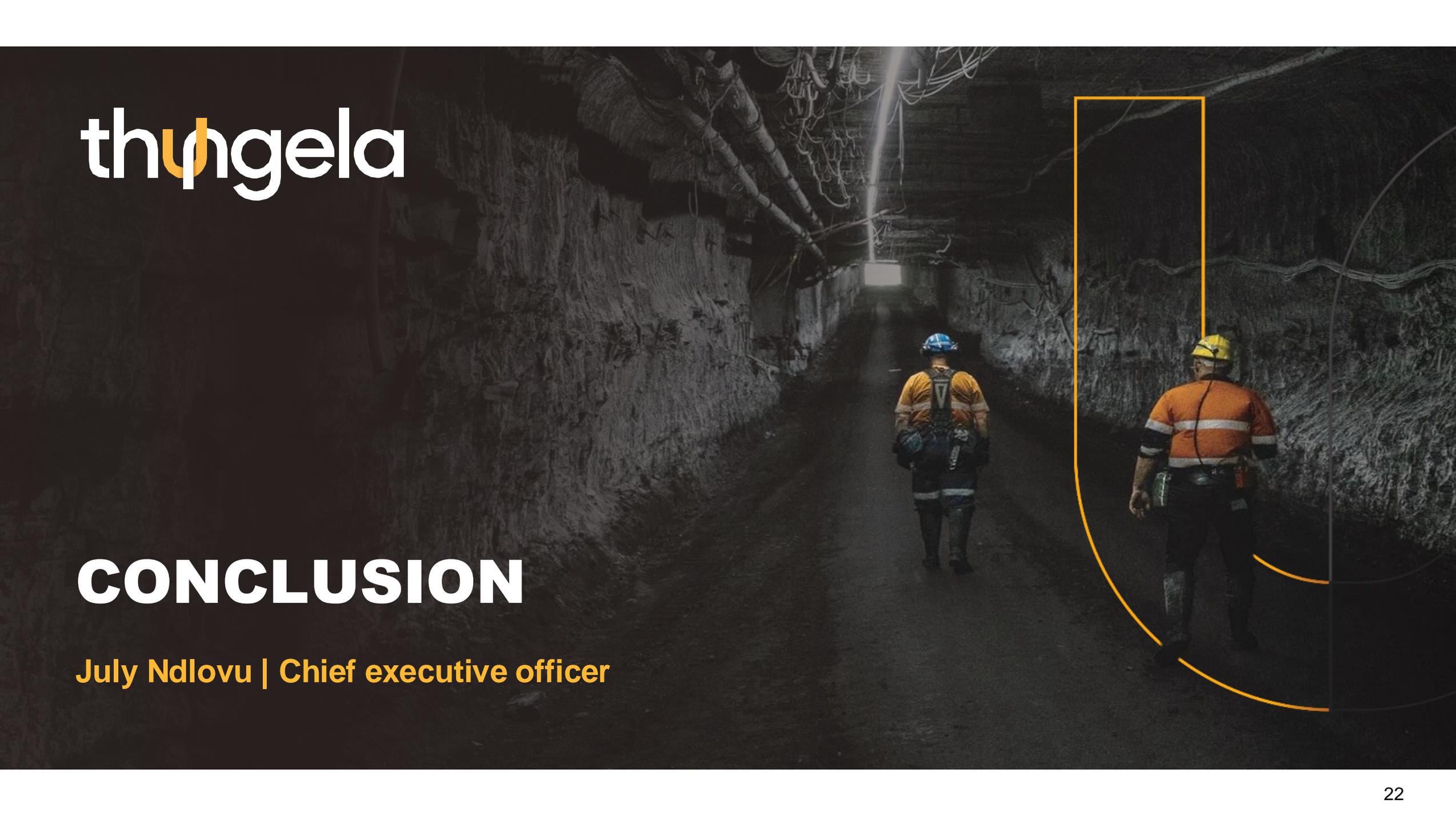


Disciplined capital allocation

- R900 million cash reserved for **life extension projects**
- R400 million cash reserved for **LCBM project**
- **Final dividend of R1.5 billion** (R11 per share)
- **Share buyback of up to R300 million**
- Final shareholder returns of R1.8 billion, **70% of H2 adjusted operating free cashflow**

Notes: ¹ This is a conceptual representation, the graph does not reflect historical financial information (other than the net cash balance)

² Nkulo Community Partnership Trust and Sisonke Employee Empowerment Scheme



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CONCLUSION

July Ndlovu | Chief executive officer

2025 OPERATIONAL GUIDANCE

South Africa

	Metric	2025
Export saleable production	Mt	12.8 – 13.6
FOB cost per export tonne	R/tonne	1,220 – 1,300
FOB cost per export tonne (excl. royalties)	R/tonne	1,210 – 1,290
Sustaining capital	R'million	1,400 – 1,700
Expansionary capital	R'million	1,100 – 1,200

Ensham (on a 100% basis)

	Metric	2025
Export saleable production	Mt	3.7 – 4.1
FOB cost per export tonne	R/tonne	1,650 – 1,780
FOB cost per export tonne (excl. royalties)	R/tonne	1,470 – 1,580
Sustaining capital	R'million	700 – 950
Expansionary capital	R'million	–

DELIVERING ON OUR PURPOSE

UNWAVERING COMMITMENT TO SAFETY

Operate a **fatality-free** business

DRIVING OPERATIONAL EXCELLENCE

Our ability of **controlling the controllables**
Productivity improvement and **cost competitiveness**

EXECUTING ON OUR STRATEGIC PILLARS

Building a **sustainable long-life business**

OPTIMISING CAPITAL ALLOCATION

Cornerstone of our strategy
Commitment to shareholder returns



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Q&A