thungela

NOTICE OF ANNUAL GENERAL MEETING 2026

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE NOTICE OF ANNUAL GENERAL MEETING

The directors are responsible for the preparation, fair presentation and integrity of the notice of the annual general meeting (AGM) (the notice) and related financial information of Thungela Resources Limited (Thungela or the Company, and together with its affiliates, the Group).

The summarised consolidated financial statements are based on appropriate accounting policies that have been consistently applied, and which are supported by reasonable judgements and estimates made by management.

The information included in this notice has been extracted from other reports as issued by the Group, including:

- The Annual Financial Statements for the year ended 31 December 2025.
- The Integrated Annual Report for the year ended 31 December 2025.

Shareholders are encouraged to access these documents for full details related to the contents of this notice and the related approvals thereof. Copies of these documents are available on the Thungela website at www.thungela.com.

APPROVAL OF THE NOTICE OF ANNUAL GENERAL MEETING

The notice on pages 3 to 13 was approved by the board of directors and is signed on behalf of the directors by:

Sango Ntsaluba

Sango Ntsaluba
Chairman

Moses Madondo

Moses Madondo
Chief executive officer

30 April 2026

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Responsibly creating value together for a shared future

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ABOUT THUNGELA

Thungela, which means 'to ignite' in isiZulu, is one of the largest producers and exporters of high-quality thermal coal, with operations in South Africa and Australia. Our quality coal reserves and marketable production position us as a key player in the global energy market as we deliver coal through world-class ports, powering nations.

The Group owns interests in and produces its thermal coal from five mining operations located in Mpumalanga, South Africa, which consist of both underground and opencast mines, namely Greenside, Khwezela, Zibulo, Mafube and Annea. Thungela owns 100% of the Ensham Mine in Queensland, Australia, reinforcing its geographic diversification strategic pillar.

The establishment of Thungela Marketing International in Dubai underscores the Company's commitment to capturing the full margin on our products and engaging with the international commodities market as a global coal producer.

In other parts of the value chain, Thungela holds a 50% interest in Phola Coal Processing Plant and a 23.56% direct interest in Richard's Bay Coal Terminal (RBCT). The terminal is one of the world's leading coal export terminals, with an advanced 24-hour operation and a design capacity of 91Mtpa.

Thungela is committed to operating in a responsible way to ignite value for a shared future. We want to ensure that our mining activities positively impact our employees, shareholders and the communities where we operate.

DIRECTORS' DECLARATION

The Thungela board of directors is ultimately responsible for the preparation, fair presentation and integrity of the summarised consolidated financial statements and related financial information of the Group for the year ended 31 December 2025. The board of directors confirm that they have collectively reviewed the contents of the notice of AGM and related annexures.

ALTERNATIVE PERFORMANCE MEASURES

The directors consider additional financial and operational measures to assess the results of the operations of the Group, referred to as alternative performance measures (APMs). These APMs can be identified throughout this document using the △ symbol, and are fully described in Annexure 1 of the Annual Financial Statements for the year ended 31 December 2025.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the fourth AGM of shareholders of Thungela, to be convened as a hybrid meeting, which can be attended virtually, or in person at the **Johannesburg Stock Exchange, Main Auditorium, Gwen Lane, Sandown, Johannesburg, South Africa, on Friday 5 June 2026 at 12:00 CAT/11:00 UKT**, or any adjournment or postponement, to:

- consider, and if deemed fit to pass the following ordinary and special resolutions with or without modification/s; and
- deal with such other business as may be dealt with at the AGM.

The AGM will be held partly by way of electronic communication and participation in accordance with section 63(2)(a) of the Companies Act 71 of 2008, as amended (the Companies Act of South Africa) and clause 30 of the Company's memorandum of incorporation (MOI), and as permitted by both the Johannesburg Stock Exchange (JSE) and London Stock Exchange (LSE).

This notice sets out the procedures that shareholders should follow in order to participate in the AGM in person or by electronic communication.

Included in this document are the following:

- The notice of AGM sets out the ordinary and special resolutions to be proposed at the AGM, with explanatory notes. There are also guidance notes if shareholders wish to attend the meeting or to vote by proxy.
- A form of proxy (FOP) for South African shareholders, for completion, signature and submission to Computershare Investor Services Proprietary Limited (the South African transfer secretaries) by shareholders holding Thungela ordinary shares in certificated form or recorded in sub-registered electronic form in "own name".
- A FOP and a Form of Instruction (FOI) for United Kingdom shareholders, for completion, signature and submission to Computershare Investor Services plc (the United Kingdom transfer secretaries). These will be distributed as additions to the notice of AGM.
- Annexure 1 – summarised consolidated financial statements for the year ended 31 December 2025.
- Annexure 2 – brief curricula vitae of the directors proposed for re-election, audit committee and the social, ethics and transformation committee members proposed for election.
- Annexure 3 – social, ethics and transformation committee report.
- Annexure 4 – remuneration report.
- Annexure 5 – shareholder information.

The salient dates in relation to participation at the AGM are as follows:

Record date to determine shareholders entitled to receive the notice	Friday, 17 April 2026
Date for posting of the notice	Thursday, 30 April 2026
Last day to trade to be eligible to attend and vote at the AGM	Tuesday, 26 May 2026
Record date to be eligible to participate in and vote at the AGM	Friday, 29 May 2026
Last date to lodge proxy forms with United Kingdom and South African transfer secretaries	Wednesday, 3 June 2026 by no later than 12:00 CAT/11:00 UKT

NOTICE OF ANNUAL GENERAL MEETING

CONTINUED

ELECTRONIC PARTICIPATION PROCESS

South African shareholders

The Company has appointed Computershare Investor Services Proprietary Limited to host the AGM on an interactive platform and facilitate electronic participation and voting by shareholders. The process to be followed by South African shareholders is set out below:

	Certificated shareholders and "own name" dematerialised shareholders	Dematerialised shareholders (excluding "own name" dematerialised shareholders)
Shareholders who wish to vote at, but not attend the AGM by electronic participation	Complete the FOP attached to this notice and email same, together with proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport) and authority to do so (where acting in a representative capacity), to the South African transfer secretaries, at proxy@computershare.co.za to be received by the South African transfer secretaries by no later than Wednesday, 3 June 2026 at 12:00 CAT, for administrative purposes. Any FOP not delivered to the South African transfer secretaries by this time and date may be emailed to them (who will provide same to the chairman of the AGM) at any time prior to the AGM, provided that such FOP and identification are verified and registered before the commencement of the AGM.	Shareholders should provide the Central Securities Depository Participant (CSDP) or broker with voting instructions in terms of the custody agreement entered into between them and their CSDP or broker. Shareholders should contact their CSDP or broker regarding the cut-off time for submitting voting instructions to them. If the CSDP or broker does not receive voting instructions from shareholders, they will be obliged to vote in accordance with the instructions as per the custody agreement.

	Certificated shareholders and "own name" dematerialised shareholders	Dematerialised shareholders (excluding "own name" dematerialised shareholders)
Shareholders who wish to vote at and attend the AGM by electronic participation or in person	Register online at https://meetnow.global/za by no later than 12:00 CAT on Wednesday, 3 June 2026. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, however, for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM. As part of the registration process, shareholders will be requested to upload proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport) and authority to do so (where acting in a representative capacity), as well as to provide details, such as name, surname, email address and contact number. Following successful registration, the South African transfer secretaries will provide shareholders with a link and invitation code in order to connect electronically to the AGM.	Shareholders should request their CSDP or broker to provide them or their proxy with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into with the CSDP or broker. Register online at https://meetnow.global/za by no later than 12:00 CAT on Wednesday, 3 June 2026. Shareholders may still register online to participate in and/or vote electronically at the AGM after this date and time, however, for those shareholders to participate and/or vote electronically at the AGM, they must be verified and registered before the commencement of the AGM. As part of the registration process shareholders will be requested to upload their letter of representation and proof of identification (i.e. certified copy of South African identity document, South African driver's licence or passport), as well as to provide details, such as name, surname, email address and contact number. Following successful registration, the South African transfer secretaries will provide shareholders with a link and invitation code to connect electronically to the AGM.

Explanatory notes for South African shareholders

- Each shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the Company) to participate, speak and vote in their stead at the AGM.
- Voting will take place by way of a poll and accordingly every holder of ordinary shares will have one vote in respect of each ordinary share held.
- The cost (e.g. for mobile data consumption or internet connectivity) of electronic participation in the AGM meeting will be carried by the participant.
- The participant acknowledges that the electronic communication services are provided by third parties and indemnifies the Company and its directors/employees/company secretary/the South African transfer secretaries/service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company or its directors/employees/company secretary/South African transfer secretaries/service providers, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the participant via the electronic services to the AGM.
- Due to the format of the AGM, shareholders are requested to submit the questions that they wish to raise at the AGM in advance of the AGM by sending them by email to the company secretary at coseccoalsa@thungela.com by no later than 12:00 CAT on Friday, 22 May 2026. These questions will be addressed at the AGM, as well as responded to through email.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

United Kingdom shareholders
United Kingdom shareholders and depositary interest holders are required to vote by proxy using the FOP or FOI, respectively, provided by the United Kingdom transfer secretaries and included as additional documents to this notice. Shareholders can cast their instructions online at www.investorcentre.co.uk/eproxy. To be effective, all forms of instruction must be lodged with the United Kingdom transfer secretaries at: Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 2 June 2026 at 11:00 UKT.

Explanatory notes for United Kingdom shareholders – form of instruction

- Shareholders should indicate, by placing 'X' in the appropriate space on the FOI, how they wish their votes to be cast in respect of each of the resolutions. If the FOI is duly signed and returned, but without specific direction as to votes which should be cast, the FOI will be rejected.
- The 'Vote Withheld' option on the FOI is provided to enable shareholders to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
- To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 72 hours before the time appointed for holding the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent can retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Explanatory notes for United Kingdom shareholders – FOP

- Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as their proxy to exercise all or any of their rights, to attend, speak and vote on their behalf at the AGM. If shareholders wish to appoint a person other than the chairman, please insert the name of the chosen proxy holder in the space provided on the FOP. If the proxy is being appointed in relation to less than a shareholder's full voting entitlement, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise their discretion as to whether, and if so how, they vote (or if the FOP has been issued in respect of a designated account for a shareholder, the proxy will exercise their discretion as to whether, and if so how, they vote).
- To appoint more than one proxy, additional FOPs may be obtained by contacting the United Kingdom transfer secretaries helpline on 0370 702 4040 or shareholders may photocopy the form. Please indicate in the box next to the proxy holder's name on the FOP the number of shares in relation to which they are authorised to act as proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- Entitlement to participate at the AGM will be determined by reference to the register of members of the Company at 18:00 UKT on Friday, 29 May 2026. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to participate at the AGM.

Explanatory notes to United Kingdom shareholders

- Any alterations made in the FOP and FOI forms should be initialled.
- The completion and return of these forms will not preclude a member from attending the AGM in person. Depositary interest holders or shareholders wishing to attend the AGM should send a request to attend the AGM to proxy@computershare.co.za by no later than 12:00 CAT/ 11:00 UKT on Friday 22 May 2026. As part of the request, shareholders should provide the name and designation of their holding, a contact name, email address, and contact number. Following successful registration, the United Kingdom transfer secretaries will provide shareholders with a link and invitation code in order to connect electronically to the AGM as a guest. Please ensure votes have been submitted using either the FOP or FOI prior to the deadline.

Voting procedures for shareholders who intend to attend the AGM in person:
Shareholders attending and wishing to vote at the AGM in person must ensure that they bring along an internet-enabled smartphone, tablet or computer in order to be able to vote at the venue. Please ensure that the compatible device's browser has the latest version of Chrome, Safari, Edge, or Firefox. Shareholders are also referred to the "Electronic Participation Meeting Guide" attached to this notice for instructions on electronic voting.

Shareholders who attend the meeting in person will follow the same steps to vote at the meeting as shareholders who attend the meeting via electronic communication.

DOCUMENTS PRESENTED TO SHAREHOLDERS

Presentation of the Annual Financial Statements

The Annual Financial Statements of the Company and the Group for the year ended 31 December 2025 (as approved by the board of directors of the Company), incorporating the independent external auditors, audit committee's and directors' reports, are presented to shareholders in terms of section 30(3) of the Companies Act of South Africa.

A summary of the Annual Financial Statements is attached to this document as Annexure 1. The complete Annual Financial Statements can be accessed at www.thungela.com/investors/financial-results.

Presentation of the report of the social, ethics and transformation committee

The Company's social, ethics and transformation committee report, read with the detailed Integrated Annual Report, which can be accessed at www.thungela.com/investors/annual-reports integrated report, will serve as the social, ethics and transformation committee's report to the Company's shareholders on the matters within its mandate at the AGM. Any specific questions for the committee may be sent to the company secretary prior to the AGM.

ORDINARY RESOLUTIONS

Percentage of voting rights – ordinary resolutions

Ordinary resolutions numbers 1 to 7 contained in this notice require the approval of a minimum of 50% (fifty percent) plus one vote of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted.

Ordinary resolution number 1

Re-appointment of independent external auditor

To re-appoint PricewaterhouseCoopers Incorporated (PwC), upon recommendation of the board of directors and the audit committee, as the independent external auditor of the Company, and Mr Sizwe Mtetwa as the individual designated auditor for the ensuing financial year ending 31 December 2026 until the conclusion of the next AGM and in accordance with section 90(1) of the Companies Act.

The Group audit committee has assessed the independence and experience of both the firm and the individual designated auditor and has concluded that both PwC and Mr Sizwe Mtetwa are independent of the Company in accordance with section 94(8) of the Companies Act.

In compliance with the JSE Listings Requirements (paragraph 5.7(h), the audit committee obtained and considered all information listed therein in its suitability assessment and nominated PwC as well as Mr Sizwe Mtetwa for re-appointment as independent external auditor and individual designated auditor of the Group, for the ensuing year ending 31 December 2026, and to hold office until the conclusion of the next AGM.

RESOLVED that PricewaterhouseCoopers Incorporated (PwC) be and is hereby re-appointed as independent external auditor and Mr Sizwe Mtetwa be hereby appointed as the individual designated auditor of the Company, to hold office until the conclusion of the next AGM in terms of section 90(1) of the Companies Act of South Africa.

Ordinary resolution number 2

Appointment and re-election of retiring directors

(Comprising separate ordinary resolutions numbered 2.1 to 2.3)

Resolved to individually appoint and re-elect each of the following directors (ordinary resolutions 2.1 to 2.3 to be voted on and adopted as separate resolutions). The board recommends the appointment and re-election of these directors:

Ms NY Jekwa and Mr TD McKeith are retiring due to the requirement in the MOI for one-third of the non-executive directors to retire and be eligible for re-election by rotation at every AGM.

Mr TM Madondo is retiring due to the requirement in the MOI for all newly appointed directors to retire and be eligible for election at the first AGM of the Company following their appointment.

A brief curriculum vitae of each director is attached in Annexure 2 on pages 74 and 75 of this document.

The nomination and governance committee has considered the performance, integrity, experience and capacity of the directors retiring by rotation and, having regard to applicable governance standards, is satisfied that each remains fit and proper and suitable for re-election.

Ordinary resolution number 2.1

RESOLVED that Ms NY Jekwa be and is hereby re-elected as a director of the Company with effect from 5 June 2026.

Ordinary resolution number 2.2

RESOLVED that Mr TD McKeith be and is hereby re-elected as a director of the Company with effect from 5 June 2026.

Ordinary resolution number 2.3

RESOLVED that Mr TM Madondo be and is hereby elected as a director of the Company with effect from 5 June 2026.

Ordinary resolution number 3

Election of audit committee members

(Comprising separate ordinary resolutions numbered 3.1 to 3.3)

To elect, by way of separate ordinary resolutions, the audit committee consisting of independent non-executive directors in terms of section 94(4) of the Companies Act of South Africa and appointed in terms of section 94(2) to perform the duties and responsibilities stipulated in section 94(7) of the Companies Act of South Africa. The independent non-executive directors, each being eligible, offer themselves for re-election. A brief curriculum vitae for each member is attached as Annexure 2 on pages 74 and 75 of this document.

The board has satisfied itself that each proposed audit committee member is eligible for election in terms of section 94(4) of the Companies Act and meets any applicable requirements contemplated in section 94(5).

Ordinary resolution number 3.1

RESOLVED that Ms KW Mzondeki, be and is hereby re-elected, with effect from 5 June 2026, as a member of the audit committee.

Ordinary resolution number 3.2

RESOLVED that Mr TD McKeith, subject to the passing of ordinary resolution 2.2, be and is hereby re-elected, with effect from 5 June 2026, as a member of the audit committee.

Ordinary resolution number 3.3

RESOLVED that Mr BM Kodisang be and is hereby re-elected, with effect from 5 June 2026, as a member of the audit committee.

Ordinary resolution number 4

Election of social, ethics and transformation committee members

(Comprising separate ordinary resolutions numbered 4.1 to 4.3)

To elect by separate resolutions the social, ethics, and transformation committee, as provided for in section 72(4) of the Companies Act of South Africa and regulation 43 of the Regulations.

Following the amendments to the Companies Act effective 27 December 2024, the social, ethics and transformation committee must comprise not fewer than three members and, in the case of a public company, the majority of its members must be non-executive directors who have not been involved in the management of the Company during the previous three financial years.

A brief curriculum vitae for each member is attached as Annexure 2 on pages 74 and 75 of this document.

Ordinary resolution number 4.1

RESOLVED that Mr TD McKeith, subject to the passing of ordinary resolution 2.2, be and is hereby elected, with effect from 5 June 2026, as a member of the social, ethics and transformation committee.

Ordinary resolution number 4.2

RESOLVED that Ms NY Jekwa, subject to the passing of ordinary resolution 2.1 be and is hereby elected, with effect from 5 June 2026, as a member of the social, ethics and transformation committee

Ordinary resolution number 4.3

RESOLVED that Mr TM Madondo, subject to the passing of ordinary resolution 2.3, be and is hereby elected, with effect from 5 June 2026, as a member of the social, ethics and transformation committee.

Non-binding ordinary resolution number 5

Approval of the remuneration policy and implementation thereof

(Comprising separate non-binding ordinary resolutions numbered 5.1 and 5.2)

Shareholder approval is sought for the Company's remuneration policy and implementation thereof by way of separate non-binding advisory votes. The detailed remuneration policy, for which approval is being sought, is included as Annexure 4 on pages 80 to 117 of this document.

Non-binding advisory resolution number 5.1

RESOLVED that the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended by the King Code on Corporate Governance™ for South Africa, 2016* (King IV).

Non-binding advisory resolution number 5.2

RESOLVED that the implementation of the Company's remuneration policy be and is hereby approved by way of a non-binding advisory vote, as recommended by King IV.

Ordinary resolution number 6

General authority for directors to allot and issue ordinary shares

RESOLVED that the unissued shares in the Company, limited to 5% of the shares in issue at the date of this notice, being 140,492,585 shares, be and are hereby placed under the control of the directors until the next AGM. The directors be and are hereby authorised to issue any such shares, including options in respect thereof or convertible securities that are convertible into an existing class of equity securities, where applicable as they may deem fit, subject to the requirements of the Companies Act of South Africa, the MOI, the provisions of the JSE Listings Requirements, and the United Kingdom Listing Rules.

Ordinary resolution number 7

Authorisation to sign documents to give effect to resolutions

RESOLVED that any one director or the company secretary be and are hereby authorised to do all such things and sign all such documents and take all such actions as they consider necessary to give effect to the resolutions set out in this notice of AGM.

SPECIAL RESOLUTIONS

Percentage of voting rights – special resolutions

Special resolutions numbers 1 to 2, contained in this notice, require approval of a minimum of 75% (seventy-five percent) of the votes exercised on the resolutions by the shareholders present or represented by proxy at the AGM in order for the resolutions to be adopted.

Special resolution number 1

Remuneration payable to non-executive directors

RESOLVED that, in terms of section 66(9) of the Companies Act of South Africa and on the recommendation of the remuneration and human resources committee, the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors and/or pay any fees related thereto until the next AGM.

Reason and effect

In terms of sections 66(8) and 66(9) of the Companies Act of South Africa, remuneration may only be paid to members of the board for their services as directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in terms of the MOI. Therefore, the reason for and effect of special resolution number 1 is to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors for services rendered as directors of the Company.

NOTICE OF ANNUAL GENERAL MEETING
CONTINUED

The proposed fees for the non-executive directors, as approved by the board, are as follows:

Position[1]	Proposed fees for the year ending 31 December 2026	**Fees for the year ended 31 December 2025**
Board		
Chairperson[2]	1,923,408	**1,840,582**
Lead independent director[3]	1,374,301	**1,315,121**
Member	641,136	**613,527**
Audit committee		
Chairperson	403,087	**368,116**
Member	231,133	**221,180**
Remuneration and human resources committee		
Chairperson	282,100	**269,952**
Member	199,628	**191,031**
Social, ethics and transformation committee		
Chairperson	282,100	**269,952**
Member	199,628	**191,031**
Health, safety, environment and risk committee		
Chairperson[2]	282,100	**269,952**
Member	199,628	**191,031**
Nomination and governance committee		
Chairperson	282,100	**269,952**
Member	199,628	**191,031**
Investment committee		
Chairperson	309,540	**296,210**
Member	199,628	**191,031**
Ad hoc meeting fees[4]		
Per meeting	27,782	**26,586**

Amounts shown are in rand.

1 Executive directors do not receive directors' fees.
2 The chairperson of the board also chairs the nomination and governance committee, and is also a member of the health, safety, environmental and risk committee, and the investment committee, and attends the remuneration and human resources committee, the social, ethics and transformation committee, and the audit committee by invitation. He does not receive any additional remuneration in this regard.
3 Provision is made for the appointment of a lead independent non-executive director.
4 Provision is made for ad hoc board meetings or other additional services rendered to the Company in the capacity of non-executive directors to deal with time-critical matters limited to four additional meetings per annum. The amount shown is the per meeting fee, which shall be reduced for meetings or services that require substantially less time to prepare for, attend or undertake than a regular meeting.

Special resolution number 2

General authority to acquire the Company's own ordinary shares

RESOLVED that the Company and its subsidiaries be granted an authority under the Companies Act of South Africa and a general authority in terms of the JSE Listings Requirements to repurchase or purchase, as the case may be (collectively, 'repurchase') the ordinary shares issued by the Company (but not exceeding 10% of the Company's total issued ordinary shares in any one financial year), from any person, upon such terms and conditions and in such amounts as the directors of the Company or directors of the subsidiary (as the case may be) may from time to time determine, subject to compliance with the applicable provisions of the Companies Act of South Africa, the MOI and the JSE Listings Requirements (as regards repurchases effected on the JSE) or the listing rules applicable on any other exchange on which the Company's ordinary shares are listed (as regards repurchases effected on such exchanges, and only to the extent applicable) (each as presently constituted and as amended from time to time).

As regards any repurchase of the Company's ordinary shares to be effected on the JSE, it is noted that the JSE Listings Requirements presently provide that:

- Such repurchases may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades being prohibited).
- Such general authority for the repurchases has been given by the MOI.
- Such general authority for the repurchases shall be valid until the issuer's next AGM of for 15 months from the date of the authority, whichever period is shorter.
- An announcement must be published as soon as the Company and/or its subsidiaries have repurchased shares constituting, on a cumulative basis, 3% of the initial number of ordinary shares of the Company (being the number of ordinary shares in issue as at the time that this general authority is granted, excluding treasury shares), containing the details required in terms of the JSE Listings Requirements in respect of such repurchases, as well as for each 3% in aggregate thereafter.
- A resolution has been passed by the board of directors that it has authorised the repurchase, that the Company and its subsidiary/ies have passed the solvency and liquidity test as defined in the Companies Act of South Africa, and that since the solvency and liquidity test was performed, there have been no material changes to the financial position of the Group.
- Such repurchases may not be made at a price greater than 10% above the weighted average of the market value of the listed ordinary shares of the Company on the JSE for the five business days immediately preceding the date on which the repurchase is effected. The JSE should be consulted for a ruling if the Company's securities have not traded in such five business-day period.
- The Company may, at any point in time, only appoint one agent to effect any repurchases on its behalf.
- Such repurchases are subject to exchange control regulations and any required approvals at the relevant time.
- No general repurchase of ordinary shares of the Company shall be effected during any prohibited period as contemplated in the JSE Listings Requirements unless the Company or its subsidiaries have in place a repurchase programme, where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation), and full details of the programme have been submitted to the JSE in writing as required, prior to the commencement of the prohibited period. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period, to execute the repurchase programme submitted to the JSE.

Reason and effect

The reason for and effect of special resolution number 2 is to grant an authority under the Companies Act of South Africa and a general authority in terms of the JSE Listings Requirements,which shall be valid until the issuer's next AGM of for 15 months from the date of the authority, whichever period is shorter of passing of special resolution number 2 to authorise the Company and any of its subsidiary companies to repurchase or purchase, as the case may be (collectively, 'repurchase') the Company's issued ordinary shares (but not exceeding 10% of the Company's total issued ordinary shares in any one financial year) on such terms and conditions and in such amounts as determined from time to time by the directors of the Company or the directors of the subsidiary (as the case may be) subject to the limitations set out above. In terms of article 25 of the MOI, the repurchase of securities must be undertaken in accordance with the Companies Act of South Africa and the JSE Listings Requirements.

For the purpose of considering special resolution number 2 and in compliance with paragraph 7.91 of the JSE Listings Requirements, the following information has been included in this notice, at the places indicated:

- major shareholders – refer to pages 118 and 119
- share capital of the Company – refer to pages 67 and 68
- material changes – refer to page 12
- directors' responsibility statement – refer to page 12

Disclosures/information required in terms of the JSE Listings Requirements

For the purposes of considering special resolution number 2 and in compliance with the JSE Listings Requirements, the following information is provided:

Directors' statement after considering the effect of a repurchase pursuant to a general authority

The directors of the Company confirm that the method by which the Company and any of its subsidiaries intend to repurchase its securities, and the date on which such repurchase will take place, have not yet been determined.

Directors' responsibility statement

The directors of the Company, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that to the best of their knowledge and belief there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by the JSE Listings Requirements.

Special resolution number 3

Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa

RESOLVED that, to the extent required, the board of directors of the Company may, subject to compliance with the requirements of the MOI and the Companies Act of South Africa, as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance as contemplated in section 44 and/or 45 of the Companies Act of South Africa, by way of the provision of security or otherwise, to:

- Any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or interrelated to the Company, for any purpose or in connection with any matter, including, but not limited to, the subscription of any option, or any securities issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company as contemplated under section 44 of the Companies Act of South Africa.
- Any person who is a participant in any of the share or other employee incentive schemes of the Group, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company, where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme that satisfies the requirements of section 97 of the Companies Act of South Africa.

Reason and effect

The reason for special resolution number 3 is that Thungela from time to time, as an essential part of conducting its business, may be required to provide direct or indirect financial assistance in the form of loans, guarantees, the provision of security or in connection with the subscription for securities to be issued by the Company or related and interrelated companies or for the purchase of securities of the Company or related and interrelated companies, as contemplated in sections 44 and 45 of the Companies Act of South Africa.

In terms of the Companies Act of South Africa, companies are required to obtain the approval of their shareholders by way of a special resolution to provide financial assistance. The financial assistance will be provided as part of the day-to-day operations of the Company and in accordance with its MOI and provisions of the Companies Act of South Africa.

Approval is not sought for loans to directors and no such financial assistance will be provided under this authority.

Special resolution number 3 will grant the directors of Thungela the authority to authorise the provision by the Company of financial assistance as contemplated in sections 44 and 45 of the Companies Act of South Africa until the next AGM.

NO MATERIAL CHANGES

Other than the facts and developments reported on in integrated annual report for 2025 there have been no material changes in the assets or liabilities of the company or any subsidiary that have occurred between the end of the financial year of the company or any subsidiary of the company in respect of which its most recent annual financial statements report and the date of this notice of AGM.

Equity securities held in treasury, by a share trust or scheme will not have their votes taken into account at the AGM for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

By order of the board

Tovi Ellis

Tovi Ellis
Company secretary

30 April 2026

EXPLANATORY NOTES

Special resolution number 1

Remuneration payable to non-executive directors

The fees payable to non-executive directors by the Company were benchmarked by the Company's independent remuneration advisors who concluded that the aggregate total fees payable to non-executive directors were broadly in line with the market, except for the audit committee members and the chairperson of the investment committee. A general 5.5% increase was proposed and supported by the board for board and committee fees, along with an additional increase of 4% to the fees of the audit committee members, and an additional increase of 4.5% to the fees payable to the investment committee chairperson to catch up to the median over a two-year period. The total increase for the audit committee members would be 9.5%, and for the investment committee chairperson, the increase would be 10%.

Special resolution number 2

General authority to acquire the Company's own ordinary shares

The directors of the Company intend, should the proposed authority be granted to them under special resolution number 1, to use such authority to evaluate on an ongoing basis and consider, at appropriate times, repurchases of the ordinary shares of the Company on the open market to thereby more efficiently utilise cash on hand.

To the extent that the board determines to effect a repurchase of ordinary shares pursuant to this authority, it shall procure that the Company complies with the provisions of section 48 read with section 46 of the Companies Act of South Africa in respect of such transaction (including as regards the application of the solvency and liquidity test as contemplated in section 4 of the Companies Act of South Africa).

This authority includes an authority to repurchase, through the JSE's order book (for repurchases undertaken on the JSE), as contemplated in section 48(8) of the Companies Act of South Africa, ordinary shares disposed of by a director or prescribed officer of the Company or a person related to a director or prescribed officer of the Company.

Special resolution number 3

Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa

The Company, in the ordinary course of business, may need to provide financial assistance to certain of its subsidiaries, associates and joint ventures in accordance with section 45 of the Companies Act of South Africa. In addition, it may be necessary for the Company to provide financial assistance in the circumstances contemplated in section 44 of the Companies Act of South Africa. Despite the title of section 45 being 'Loans or other financial assistance to directors', on a proper interpretation, the body of the section also applies to financial assistance provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, and a person related to any such company, corporation or member. Section 44 may also apply to the financial assistance so provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, or a person related to any such company, corporation or member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or interrelated company, or for the purchase of any securities of the Company or a related or interrelated company.

Both sections 44 and 45 of the Companies Act of South Africa provide, inter alia, that the particular financial assistance may only be provided:

- Following a special resolution of shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient or generally for a category of potential recipients, with the specific recipient falling within that category.
- If the board is satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as contemplated in the Companies Act of South Africa), and the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

ANNEXURE 1
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

Rand million	Notes	2025	2024
Revenue	3	29,599	35,554
Operating costs		(31,297)	(31,751)
Transactions arising from the acquisition of the Ensham Business		(125)	(9)
Acquisition and integration costs	8	(93)	—
Expenses for conditional shares granted to non-controlling interests	8	—	(9)
Fair value adjustments to acquisition-related derivatives	8	(32)	—
Profit on disposal of investment in subsidiary		—	601
Profit on disposal of operation		250	—
Impairment losses	4	(8,785)	(278)
Restructuring costs and termination benefits		(308)	(13)
(Loss)/profit before net finance income and tax		(10,666)	4,104
Net finance income		2,670	894
Investment income		1,818	1,393
Interest expense		(1,088)	(1,157)
Other net financing gains		1,940	658
(Loss)/profit before tax		(7,996)	4,998
Income tax credit/(expense)	5	889	(1,454)
(Loss)/profit for the reporting period		(7,107)	3,544
Attributable to:			
Non-controlling interests		(22)	(48)
Equity shareholders of the Group		(7,085)	3,592
Other comprehensive loss			
Items that may be reclassified to profit or loss			
Foreign exchange translation losses		(316)	(373)
Items that will not be reclassified to profit or loss			
Remeasurement of retirement benefit obligations		(29)	(9)
Related tax	5	8	2
Other comprehensive loss for the reporting period		(337)	(380)
Total comprehensive (loss)/income for the reporting period		(7,444)	3,164
Attributable to:			
Non-controlling interests		(26)	(69)
Equity shareholders of the Group		(7,418)	3,233
(Loss)/earnings per share			
Basic (cents/share)	6	(5,464)	2,676
Diluted (cents/share)	6	(5,378)	2,642

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

Rand million	Notes	2025	2024
Assets			
Non-current assets			
Intangible assets		134	300
Property, plant and equipment	7	12,121	19,722
Environmental rehabilitation trusts	10	5,296	4,266
Investment in associate		187	199
Deferred tax assets		1,183	770
Financial asset investments		2,729	2,259
Investment in insurance structure		1,578	1,489
Trade and other receivables		617	229
Other non-current assets		71	66
Total non-current assets		23,916	29,300
Current assets			
Inventories		3,079	3,444
Trade and other receivables		4,088	4,977
Current tax assets	5	57	235
Financial asset investments		66	18
Derivative financial instruments		508	—
Cash and cash equivalents		6,071	10,103
Total current assets		13,869	18,777
Total assets		37,785	48,077
Equity			
Stated capital	11	11,323	11,323
Contributed capital		965	965
Merger reserve		2,606	2,606
Treasury shares	11	(1,539)	(980)
Share-based payments reserve		218	246
Other reserves		(385)	(49)
Retained earnings		2,824	11,449
Equity attributable to the shareholders of the Group		16,012	25,560
Non-controlling interests		166	544
Total equity		16,178	26,104
Liabilities			
Non-current liabilities			
Lease liabilities		49	19
Retirement benefit obligations		447	400
Deferred tax liabilities		495	1,567
Derivative financial instruments		153	—
Trade and other payables		27	—
Environmental and other provisions	10	12,397	11,789
Total non-current liabilities		13,568	13,775
Current liabilities			
Trade and other payables		6,414	6,093
Lease liabilities		37	31
Environmental and other provisions	10	1,398	1,130
Derivative financial instruments		—	462
Current tax liabilities		190	482
Total current liabilities		8,039	8,198
Total liabilities		21,607	21,973
Total equity and liabilities		37,785	48,077

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Rand million	Notes	Stated capital	Contributed capital	Merger reserve
Balance at 1 January 2024		11,323	965	2,606
Purchase of shares by Group companies		—	—	—
Total comprehensive (loss)/income for the reporting period		—	—	—
Dividends declared in the reporting period	12	—	—	—
Movements in share-based payments reserve[2]		—	—	—
Conditional shares granted to non-controlling interests in the Ensham Business	8	—	—	—
Change in ownership of the Ensham Business	8	—	—	—
Disposal of investment in subsidiary		—	—	—
Treasury shares issued to employees on vesting of share awards		—	—	—
Balance at 31 December 2024		**11,323**	**965**	**2,606**
Purchase of shares by Group companies		—	—	—
Total comprehensive loss for the reporting period		—	—	—
Dividends declared in the reporting period	12	—	—	—
Movements in share-based payments reserve[2]		—	—	—
Change in ownership of the Ensham Business	8	—	—	—
Reclassification		—	—	—
Treasury shares issued to employees on vesting of share awards		—	—	—
Balance at 31 December 2025		**11,323**	**965**	**2,606**

[1] Includes the retirement benefit obligation reserve of R132 million (2024: R153 million) and the foreign currency translation reserve with a debit of R517 million (2024: R202 million).

[2] Includes movements as a result of share-based payment expenses of R177 million (2024: R145 million), reduced by the impact of the vesting of shares of R130 million (2024: R113 million) under the Thungela share plan.

	Treasury shares	Share-based payments reserve	Other reserves[1]	Retained earnings	Total equity attributable to shareholders of the Group	Non-controlling interests	Total equity
	(493)	214	308	9,686	24,609	(13)	24,596
	(724)	—	—	—	(724)	—	(724)
	—	—	(359)	3,592	3,233	(69)	3,164
	—	—	—	(1,630)	(1,630)	(44)	(1,674)
	—	32	—	113	145	—	145
	—	9	—	—	9	—	9
	—	(9)	2	(75)	(82)	82	—
	—	—	—	—	—	588	588
	237	—	—	(237)	—	—	—
	(980)	246	(49)	11,449	25,560	544	26,104
	(772)	—	—	—	(772)	—	(772)
	—	—	(333)	(7,085)	(7,418)	(26)	(7,444)
	—	—	—	(1,722)	(1,722)	—	(1,722)
	—	47	—	130	177	—	177
	—	(75)	(19)	285	191	(356)	(165)
	—	—	16	(20)	(4)	4	—
	213	—	—	(213)	—	—	—
	(1,539)	218	(385)	2,824	16,012	166	16,178

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

Rand million	Notes	2025	2024
Cash flows from operating activities			
(Loss)/profit before tax		(7,996)	4,998
Net finance income		(2,670)	(894)
(Loss)/profit before net finance income and tax		(10,666)	4,104
Costs arising from the acquisition of the Ensham Business	8	32	9
Profit on disposal of investment in subsidiary		—	(601)
Profit on disposal of operation		(250)	—
Impairment losses	4	8,785	278
Depreciation and amortisation		2,914	2,452
Share-based payment charges		183	145
Increase in provisions		417	443
(Profit)/loss on disposal of property, plant and equipment		(48)	14
Other adjustments		(1)	(3)
Movements in working capital		1,217	(99)
Decrease in inventories		433	452
Decrease/(increase) in trade and other receivables		532	(1,055)
Increase in trade and other payables		252	504
Cash flows from operations		2,583	6,742
Amounts applied to reduce environmental and other provisions	10	(841)	(1,016)
Settlement of derivative financial instruments		1,309	905
Income tax paid	5	(683)	(1,342)
Net cash generated from operating activities		2,368	5,289
Cash flows from investing activities			
Expenditure on property, plant and equipment	3	(3,051)	(3,333)
Purchase of right-of-use assets		(36)	(130)
Proceeds on disposal of property, plant and equipment		58	—
Expenditure on intangible assets		(36)	(63)
Cash outflow on the acquisition of the Ensham Business	8	(481)	—
Purchase of financial asset investments		(664)	(1,179)
Disposal of financial asset investments		180	—
Repayment of loans granted to investees		35	35
Repayment/(advance) of quasi-equity loans to associate		12	(121)
Investment income received		493	685
Proceeds received on disposal of operation		220	—
Proceeds received on disposal of investment in subsidiary		—	186
Net cash utilised in investing activities		(3,270)	(3,920)
Cash flows from financing activities			
Interest expense paid		(111)	(76)
Capital repayment of lease liabilities		(49)	(47)
Advance of loans and borrowings		—	113
Purchase of shares by Group companies		(772)	(724)
Dividends paid to the equity shareholders of the Group	12	(1,670)	(1,630)
Dividends paid to non-controlling interests	12	—	(44)
Cash outflow on acquisition of additional interest in the Ensham Business	8	(30)	—
Net cash utilised in financing activities		(2,632)	(2,408)
Net decrease in cash and cash equivalents		(3,534)	(1,039)
Cash and cash equivalents at the start of the reporting period		10,103	10,959
Net decrease in cash and cash equivalents		(3,534)	(1,039)
Effects of changes in foreign exchange rates[1]		(498)	183
Cash and cash equivalents at the end of the reporting period		6,071	10,103

[1] Effects of changes in foreign exchange rates consist of foreign exchange losses on cash and cash equivalents of R341 million (2024: R281 million gains) recognised in net finance income, and losses on the revaluation of the cash balances held in foreign subsidiaries of R157 million (2024: R98 million) recognised in other comprehensive income.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. BASIS OF PREPARATION

A. Basis of preparation

The summarised consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with the relevant requirements of the following frameworks:

- IAS 34: Interim Financial Reporting;
- the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards as issued by the International Accounting Standards Board and the IFRS Interpretations Committee (collectively, IFRS® Accounting Standards);
- the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (collectively, the South African Financial Reporting Requirements);
- the Companies Act 71 of 2008, as amended (Companies Act of South Africa);
- the JSE Listings Requirements (as amended); and
- the United Kingdom (UK) Listing Rules and the UK Disclosure Guidance and Transparency Rules.

The summarised consolidated financial statements have been derived from the Annual Financial Statements for the year ended 31 December 2025, and should be read in conjunction therewith. A copy of this document, and the independent external auditor's report on the consolidated and separate financial statements, including the key audit matter, is available on the Group's website at www.thungela.com/investors/financial-results, together with the Annual Financial Statements.

The accounting policies applied in the preparation of the summarised consolidated financial statements are in accordance with IFRS Accounting Standards, as disclosed in the Annual Financial Statements for the year ended 31 December 2025. These accounting policies are consistent with the accounting policies applied in the preparation of the consolidated and separate financial statements for the year ended 31 December 2024.

The summarised consolidated financial statements have been prepared on the historical cost basis except for certain assets and liabilities which are measured at fair value. The summarised consolidated financial statements are presented in South African rand, which is the presentation currency of Thungela.

B. Going concern

The financial position of Thungela, its cash flows, net current asset position and net cash$^{\triangle}$ position are set out in the summarised consolidated financial statements. The Group's net cash$^{\triangle}$ at 31 December 2025 is R5,054 million (2024: R8,671 million). The Group's net current asset position of R5,830 million (2024: R10,579 million) continues to be robust. The Group has no significant external debt at 31 December 2025.

The directors have considered Thungela's cash flow forecasts for the period to the end of March 2027, under reasonably expected and stressed scenarios, with consideration given to the uncertainty of the current economic environment as well as the Group's operations. In all of the scenarios assessed, the Group maintains sufficient liquidity throughout the period of assessment.

The directors are satisfied that the Group's forecasts, taking into account reasonably possible changes in performance, show that Thungela will continue to operate for the foreseeable future. For this reason, Thungela has adopted the going concern basis in preparing the summarised consolidated financial statements.

C. Judgements and estimates

Thungela has made judgements, estimates and assumptions that may affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The critical accounting judgements and key sources of estimation uncertainty are fully described in the Annual Financial Statements for the year ended 31 December 2025.

The critical accounting judgements and key sources of estimation uncertainty used in the preparation of the consolidated and separate financial statements are as follows:

- understanding of our shareholding in the Ensham Business;
- impairment of assets;
- environmental provisions; and
- recognition of deferred tax assets.

Refer to note 2 of the Annual Financial Statements for the year ended 31 December 2025 for further detail of the judgements and estimates used by the Group.

D. New, revised and amended accounting pronouncements

There were no new, revised and amended accounting pronouncements as issued by the IASB which were effective for the Group from 1 January 2025 that had a material impact on the summarised consolidated financial statements.

E. Independent external auditor's opinion

The summarised consolidated financial statements have been derived from the consolidated and separate financial statements for the year ended 31 December 2025, which have been audited by our independent external auditor PwC, who has expressed an unqualified opinion thereon. A copy of the independent external auditor's report on the consolidated and separate financial statements, including the key audit matter, is available on the Group's website at www.thungela.com/investors/financial-results, together with the Annual Financial Statements.

These summarised consolidated financial statements have not been audited, and the independent external auditor's report on the consolidated and separate financial statements does not necessarily report on all of the information contained in this document. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the independent external auditor's engagement, they should obtain a copy of that report, together with the Annual Financial Statements, on the Group's website at www.thungela.com/investors/financial-results. Any forward-looking statements have not been audited or reported on by the Group's independent external auditor.

2. UNDERSTANDING OF OUR SHAREHOLDING IN THE ENSHAM BUSINESS

Our shareholding in the Ensham Business has been effected through three transactions as described in this note. From the effective date of the third transaction, Thungela owns 100% of the Ensham Business.

Understanding of the initial transaction

In the year ended 31 December 2023, Thungela, through our wholly-owned subsidiary Thungela Resources Australia Pty Limited (Thungela Resources Australia), acquired a 75% interest in Sungela Holdings Pty Ltd (Sungela Holdings) (the initial transaction). The remaining 25% interest in Sungela Holdings was acquired by Audley Energy Limited (Audley Capital) and Mayfair Corporations Group Pty Ltd (Mayfair), (collectively, the 'co-investors') in equal parts. Sungela Holdings, through its wholly-owned subsidiary Sungela Pty Ltd (Sungela), then purchased an 85% interest in the Ensham Mine, with the remaining 15% interest in the mine held by LX International, through its subsidiary Bowen Investment Australia Pty Ltd (Bowen).

The co-investors were also granted long-term incentive plan (LTIP) shares, which carried no voting or dividend rights on their initial issue date, but, if vested, could become ordinary shares in Sungela Holdings on the achievement of specific milestones, each of which will enhance the value of the Ensham Business. Should all of the LTIP shares have vested before the effective date of the third transaction, the legal ownership held by the co-investors in Sungela Holdings would have increased to 30%, on a fully diluted basis. The co-investors only had rights to earnings and distributions relating to the LTIP shares from 31 December in the year that the milestones were met, and as approved by the Sungela Holdings board. Since the effective date of the initial transaction, LTIP shares amounting to 2.5% (2024: 2.5%) of Sungela Holdings had vested. As a result of the vesting of the LTIP shares, Thungela owned 72.5% of the shares issued by Sungela Holdings up to the effective date of the third transaction.

The portion of the purchase price attributable to the shareholding purchased by the co-investors was R1,035 million (25%), of which R809 million (20%) was funded through a loan provided by Thungela International Proprietary Limited (Thungela International) (the loan). The loan was interest-bearing and repayable 18 months after the effective date of the initial transaction, being 31 August 2023, mainly through distributions received by the co-investors from Sungela Holdings. The co-investors were required to apply 90% of all distributions they received from Sungela Holdings to the repayment of the loan.

The loan was secured by shares owned by the co-investors, representing 20% of the shares of Sungela Holdings in issue at the acquisition date of the initial transaction (the secured shares). To the extent that the loan was not repaid by its final repayment date, some of the secured shares could have been called as security by Thungela International. Should the loan not have been repaid in full, and a portion of the secured shares called, the capital amount of the loan would have been considered fully repaid, even if the value of the secured shares called was lower than the value of the outstanding debt at the repayment date. Thungela International would have, in that case, become the legal owner of the shares called as security. No amount had been repaid by the co-investors against the loan since the effective date of the initial transaction, however, the loan was considered settled as part of the third transaction, as detailed in this note.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

2. UNDERSTANDING OF OUR SHAREHOLDING IN THE ENSHAM BUSINESS CONTINUED

Understanding of the second transaction

In December 2024, Thungela Resources Australia entered into a share sale and purchase agreement (SPA) with Bowen, in terms of which the Group acquired the 15% direct interest in the Ensham Mine and related companies held by Bowen (the second transaction).

The SPA was signed in December 2024, but included several conditions precedent that impacted the effective date of the second transaction. The conditions precedent were either met or waived by all parties by 28 February 2025, which is considered to be the effective date. The summarised consolidated results presented for Thungela for the year ended 31 December 2025 include the results of the 15% additional interest acquired for 10 months, from the effective date to the reporting date.

The purchase price payable, as included in the SPA, amounted to R558 million (AUD48 million), which is comprised of the following:
- the completion amount of R372 million (AUD32 million), which was paid on the effective date of 28 February 2025; and
- the second payment of R186 million (AUD16 million), which was transferred into an escrow account on the effective date of the transaction, and paid to Bowen in December 2025.

Understanding of the third transaction

In March 2025, Thungela Resources Australia entered into agreements with each of the co-investors to acquire their 27.5% interest in Sungela Holdings, and the remaining unvested LTIP shares (the third transaction).

The agreements were signed in March 2025, but included several conditions precedent that impacted the effective date of the third transaction. The conditions precedent were either met or waived by 31 July 2025 in relation to the Mayfair transaction, and 29 September 2025 in relation to the Audley Capital transaction, which are considered to be the effective dates of the respective transactions.

From 29 September 2025, Thungela owns 100% of the Ensham Business and related companies.

The total consideration in relation to the third transaction amounted to R1,113 million, which is comprised of the following elements:
- Cash consideration of R30 million (USD1.7 million), which was paid to the co-investors in equal parts on the respective effective dates of the transaction.
- Thungela Resources Australia stepped in as borrower on behalf of the co-investors on the loan provided by Thungela International in relation to the initial transaction. The amount outstanding on the loan, including all outstanding interest, of R947 million (AUD82 million) is no longer considered owing by the co-investors. No cash was paid to the co-investors in relation to the settlement of the loan.
- Contingent deferred consideration of up to R273 million (USD15.5 million), which may be payable to the co-investors based on sales of Ensham coal, subject to certain coal price thresholds, for a period of six years from the later of the effective date of the agreement, or the approval of the extension of specific mining leases. At the respective effective dates, the expected value to be paid to the co-investors was R136 million (USD7.7 million), based on forecasted coal prices at those dates. No amount has been paid to the co-investors in relation to the contingent deferred consideration at 31 December 2025.

Understanding of the Ensham Business

The Ensham Mine is the primary asset of the Ensham joint venture, and comprises several tenements located in the southern Bowen Basin in Queensland, Australia. The mining tenements related to the initial transaction were transferred to Sungela in July 2024, while those related to the second transaction were transferred to Thungela Resources Australia in June 2025. The Group, however, took beneficial ownership thereof from the effective dates of the respective transactions.

The entities forming part of the Ensham Business are described below:

Entity	Description
Sungela Holdings	Sungela Holdings is an investment holding company, which owns 100% of the shares issued by Sungela.
Sungela	Sungela owns an 85% interest in the Ensham Mine, and is required to fund the operations thereof on an ongoing basis, in proportion to its ownership interest.
Ensham Resources	Ensham Resources Pty Limited (Ensham Resources) is the operator of the Ensham Mine, an unincorporated joint venture between Sungela and Thungela Resources Australia (previously Bowen) (collectively, the 'JV participants'), which hold 85% and 15% thereof, respectively. The mining tenements and underlying mining assets are owned by the JV participants directly, and are not owned by Ensham Resources. The operations of Ensham Resources are funded by the JV participants directly in relation to their participation in the Ensham Mine, being 85% and 15%, respectively.
Ensham Coal Sales	Ensham Coal Sales Pty. Ltd. (Ensham Coal Sales) coordinates the sale of coal extracted from the Ensham Mine, and the proceeds on the sales are settled to Sungela and Thungela Resources Australia (previously Bowen) in line with their contractual ownership of the joint venture.
Nogoa Pastoral	Nogoa Pastoral Pty. Ltd. (Nogoa Pastoral) undertakes small-scale agricultural activity on the surface land owned by the Ensham Business, and is the operator of the Nogoa joint venture, the participants of which are also Sungela and Thungela Resources Australia (previously Bowen).

Accounting treatment

Thungela is considered to control all of the entities within the Ensham Business, and these entities are consolidated into the operating and financial results of the Group, with specific considerations as noted below.

Ensham Resources is the operator of the Ensham Mine, and recognises all assets, liabilities, income and expenses related to the operation of the mine. However, the underlying assets are owned by the JV participants directly, in proportion to their ownership of the mining tenements. Notably, Ensham Resources does not own any assets in its own right. On this basis, from the effective date of the second transaction, Thungela now has rights to, and obligations for, all of the assets and liabilities of the Ensham Mine, through the ownership held by Sungela and Thungela Resources Australia. From 28 February 2025, the summarised consolidated results for Thungela thus include the results of Ensham Resources on a 100% basis. Up to that date, Thungela only had rights to, and obligations for, 85% of the assets and liabilities of the Ensham Mine. The summarised consolidated results presented for Thungela for the year ended 31 December 2024 thus include the results of Ensham Resources on an 85% basis.

Ensham Coal Sales is fully consolidated, with non-controlling interest recognised, representing 15% of the net assets of this entity, until the effective date of the second transaction. The equity attributable to the non-controlling interests has been adjusted to reflect the change in their relative interest in the Group from that date. As Ensham Coal Sales coordinates all coal sales from the Ensham Mine, 100% of the revenue from the mine has been recognised within the Thungela Group's revenue from the effective date of the initial transaction. The cost for the proportion of coal sales reflecting Bowen's 15% participation in the Ensham Mine, up to 28 February 2025, was accounted for as a commodity purchase within Ensham Coal Sales, at the realised sales price less specific selling costs incurred.

Nogoa Pastoral is the operator of the Nogoa Pastoral agricultural operation, which is managed, on a contractual basis, in the same way as Ensham Resources, and so the accounting treatment has been considered in the same way. The results of Nogoa Pastoral are consolidated at 100% on a line-by-line basis from the effective date of the second transaction, while the results from the effective date of the initial transaction were consolidated on an 85% basis.

The loan provided by Thungela International was used by the co-investors to fund the acquisition of the majority of their initial 25% shareholding in Sungela Holdings, and was secured by shares representing 20% of the shares in Sungela Holdings. For accounting purposes, while the loan was not repaid, the shares were not considered to have been issued, and Thungela was instead considered to have granted the co-investors an option to acquire the shares in Sungela Holdings. The option was exercisable only to the extent that the loan was repaid by the repayment date, and was treated as an equity-settled share-based payment on the effective date of the initial transaction.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

2. UNDERSTANDING OF OUR SHAREHOLDING IN THE ENSHAM BUSINESS CONTINUED

Accounting treatment *continued*

As a result of the accounting treatment applied and recognition of the option issued to them, up to the effective date of the third transaction, the co-investors have enjoyed rights to only 7.5% of the earnings generated by the Ensham Business (2024: 6.5%), following the vesting of a portion of the LTIP shares. From the respective effective dates of the third transaction, the co-investors have no further rights to the earnings generated by the Ensham Business and the relative equity attributable to the co-investors and the shareholders of the Group has been appropriately adjusted. Thungela Resources Australia has stepped in as borrower on the loan, and the option granted to the co-investors on the initial transaction is considered to have lapsed.

The LTIP shares were treated as an equity-settled share-based payment, as they were settled with shares in Sungela Holdings, to the extent that the milestones were met. On the respective vesting dates of the LTIP shares, Thungela recognised a decrease in our share of Sungela Holdings, and a corresponding increase in the non-controlling interests attributable to the co-investors. There was no requirement for earnings related to the LTIP shares to be attributed to the non-controlling interests before the vesting dates, and the change in ownership was accounted for prospectively from the date of vesting. The remaining unvested LTIP shares were considered to be forfeited by the co-investors on the respective effective dates of the third transaction, and Thungela Resources Australia now legally owns 100% of the shares issued by Sungela Holdings.

The acquisition of the additional interest in the Ensham Mine, through the second transaction, is considered to be a business combination in line with IFRS 3: Business Combinations (IFRS 3), and the acquisition method of accounting has been applied at the effective date of 28 February 2025. The transaction is considered a business combination as the Group previously had no rights to, or obligations for, the assets and liabilities related to the portion of the business owned by Bowen.

The third transaction resulted in the Group acquiring a further interest in a subsidiary that we already controlled, and so this is considered to be a transaction between equity participants. The relative interests of the non-controlling interests and the equity shareholders of the Group have been adjusted to reflect the increased shareholding of Thungela from the respective effective dates.

Flow of economic benefits

Thungela is entitled to 100% of the earnings and cash flows generated by the Ensham Business from the respective effective dates of the third transaction, through our legal ownership of shares in Sungela Holdings. From the effective date of the second transaction, Thungela was entitled to 92.5% and 97.3% of the earnings and cash flows generated by the Ensham Business, respectively, based on the accounting treatment described in this note.

In the year ended 31 December 2024, Thungela was entitled to 78.6% and 82.7% of the earnings and cash flows generated by the Ensham Business, respectively.

Fair value of the identifiable net assets acquired

The fair value of the identifiable net assets acquired in the second transaction was determined using a discounted cash flow model, based on the life-of-mine valuation of the Ensham Mine.

The key assumptions used in the determination of the fair value of the Ensham Mine, as well as other elements required to be considered in terms of the acquisition method per IFRS 3, were finalised in the year ended 31 December 2025 and no further measurement period adjustments are expected.

Refer to note 8 for detail related to the acquisition of the additional interest in the Ensham Business.

3. SEGMENTAL INFORMATION

Thungela's segments are aligned with those operations that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assess performance. The Group executive committee is identified as the chief operating decision maker of Thungela.

Accounting policy

Reportable segments

Operating segments with similar economic characteristics are aggregated into reportable segments. The economic characteristics considered include the geographic location, the performance of key equipment specific to each type of operation and the productivity of the operations measured in volumes and headcount. Thungela has one principal operating activity, which is the operation of opencast and underground thermal coal mines and the processing of coal in South Africa and Australia. The reportable segments are aggregated by the nature of the technology applied by the operations, either as an opencast or underground mine, and similar economic characteristics as it relates to the capital and operating structure thereof.

The Group has a dedicated business, operating in Dubai, with responsibility for marketing our coal from South Africa and Australia directly to third parties. Revenue related to the sale of our products through Thungela Marketing International FZCO (Thungela Marketing International) is shown, for accounting purposes only, within the relevant reportable segment, including the margins retained by that entity. Operating costs from the marketing activities undertaken by Thungela Marketing International are presented, for accounting purposes, within the services segment, as these activities support the ongoing operations of the Group.

There have been no changes to the reportable segments identified in the current year. In the year ended 31 December 2024, the Elders project was added to the South Africa underground segment on the extraction of first coal and the commencement of sales activity at the colliery.

The following summary describes each reportable segment:

Reportable segments	Operations
South Africa	
Opencast	Mining operations undertaken in an opencast mine where coal is extracted include the following mining operations in South Africa: • Isibonelo • Khwezela • Mafube • Rietvlei (until the disposal thereof in 2024)
Underground	Mining operations undertaken in an underground mine where coal is extracted include the following mining operations in South Africa: • Zibulo • Greenside • Goedehoop • Annea (previously the Elders project)
Services	Operations providing various services to support the ongoing operations of the Group, including marketing activities in Dubai
Australia	
Underground	Mining operations undertaken in an underground mine where coal is extracted at Ensham, as well as the operations providing various services to support the mining operations in Australia

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

3. SEGMENTAL INFORMATION CONTINUED

Accounting policy continued

Revenue

Revenue is recognised in a manner that depicts the pattern of the transfer of thermal coal to customers. The amount recognised reflects the amount to which the Group is entitled in exchange for the sale of thermal coal, exclusive of related discounts and sales taxes. Sales contracts are evaluated to determine the performance obligations, the transaction price and the point at which there is transfer of control. The transaction price is the amount of consideration due in exchange for transferring thermal coal to the customer and is recognised at a specific point in time.

Revenue in South Africa is comprised of export sales to various customers through Thungela Marketing International, as well as domestic sales based on contracts signed with various customers in the areas where the Group mines.

Revenue in Australia includes export sales, predominately to Asian markets, as well as specific domestic sales contracts. The domestic sales in Australia are at export parity prices, or better and, on this basis, all revenue in Australia is disclosed as export revenue.

The Group has applied the practical expedient available in IFRS 15: Revenue from Contracts with Customers, and determined that no significant financing component is included in the consideration received. A sale is recognised when control has been transferred, which is usually when title and significant risks have passed to the customer, and the thermal coal has been delivered.

South Africa

Export sales

Revenue derived from South African export sales is recognised when the thermal coal is loaded onto the vessel at the Richards Bay Coal Terminal (RBCT). The transaction price is determined with reference to the average benchmark price reference for 6,000kcal/kg thermal coal exported from the RBCT (Richards Bay Benchmark coal price) in the month of loading, with various adjustments for quality, grade and calorific value. Revenue is not impacted by changes in the Richards Bay Benchmark coal price subsequent to the month of loading during which control transfers. This revenue is generated in US dollars, and payments received for export revenue are in US dollars.

Domestic sales

Domestic sales are made to various customers in the areas in which the Group operates in South Africa and revenue from these sales is recognised when the thermal coal is delivered to a contractually agreed location, either at the customers' premises, or at the collection point at the operation. The transaction price is contractually agreed based on various inputs and is not always directly impacted by changes in the Richards Bay Benchmark coal price.

Australia

Revenue in Australia is derived from export sales into Asian markets or sales to customers in Australia. Revenue for exported volumes is recognised when coal is loaded onto the vessel at the Port of Gladstone, while revenue for sales railed locally is recognised as the coal is delivered to the customers' premises.

The transaction price is determined with reference to the average Newcastle Benchmark price reference for 6,000kcal/kg coal exported from Newcastle, Australia (Newcastle Benchmark coal price) for the month of loading, with various adjustments for quality, grade and calorific value. Revenue is not impacted by changes in the Newcastle Benchmark coal price subsequent to the month of loading. The revenue is generated either in US dollars or Australian dollars, and payments are received from customers in these currencies. Sales contracts with specific customers include fixed prices for sales, which are negotiated based on the Newcastle Benchmark coal price at a specific point in time. Revenue for these sales is recognised at the agreed fixed price, and is not impacted by subsequent changes in the Newcastle Benchmark coal price for the period of the contract.

Profit for the reporting period

The profit for the reporting period by reportable segment can be analysed as follows:

					2025
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground	Total
Revenue	7,959	13,673	418	7,549	29,599
Operating costs excluding depreciation and amortisation	(6,935)	(12,341)	(2,409)	(6,698)	(28,383)
Employee costs	(1,309)	(2,895)	(1,078)	(1,472)	(6,754)
Commodity purchases	(881)	—	(411)	(321)	(1,613)
Consumables used in production	(1,203)	(1,041)	(8)	(665)	(2,917)
Maintenance expenditure	(1,548)	(2,004)	(212)	(846)	(4,610)
Production input costs	(591)	(2,262)	(71)	(1,083)	(4,007)
Inventory production movement	44	(575)	—	(19)	(550)
Logistics costs	(991)	(2,544)	(4)	(1,186)	(4,725)
Royalties	(12)	(71)	—	(633)	(716)
Other	(444)	(949)	(625)	(473)	(2,491)
Adjusted EBITDA[△]	1,024	1,332	(1,991)	851	1,216
Transactions arising from the acquisition of the Ensham Business	—	—	—	(125)	(125)
Acquisition and integration costs	—	—	—	(93)	(93)
Fair value adjustments to acquisition-related derivatives	—	—	—	(32)	(32)
Profit on disposal of operation	250	—	—	—	250
Depreciation and amortisation	(370)	(1,335)	(68)	(1,141)	(2,914)
Impairment losses	(987)	(5,493)	(608)	(1,697)	(8,785)
Restructuring costs and termination benefits	(110)	(106)	(92)	—	(308)
Net finance income/(costs)	179	267	2,295	(71)	2,670
Investment income	713	461	567	77	1,818
Interest expense	(534)	(194)	(129)	(231)	(1,088)
Other financing gains	—	—	1,857	83	1,940
Income tax credit/(expense)	213	1,386	(601)	(109)	889
Profit/(loss) for the reporting period	199	(3,949)	(1,065)	(2,292)	(7,107)

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

3. SEGMENTAL INFORMATION CONTINUED

Profit for the reporting period continued

The profit for the reporting period by reportable segment can be analysed as follows continued:

					2024
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground	Total
Revenue	10,826	15,478	—	9,250	35,554
Operating costs excluding depreciation and amortisation	(9,240)	(10,856)	(1,992)	(7,211)	(29,299)
Employee costs	(1,282)	(2,844)	(1,245)	(1,289)	(6,660)
Commodity purchases	(1,609)	—	—	(1,374)	(2,983)
Consumables used in production	(1,544)	(964)	(53)	(604)	(3,165)
Maintenance expenditure	(1,469)	(1,830)	(384)	(432)	(4,115)
Production input costs	(1,574)	(1,791)	(104)	(1,491)	(4,960)
Inventory production movement	(172)	(368)	—	(60)	(600)
Logistics costs	(931)	(2,278)	—	(915)	(4,124)
Royalties	(106)	(174)	—	(834)	(1,114)
Other	(553)	(607)	(206)	(212)	(1,578)
Adjusted EBITDA△	1,586	4,622	(1,992)	2,039	6,255
Transactions arising from the acquisition of the Ensham Business	—	—	—	(9)	(9)
Expenses for conditional shares granted to non-controlling interests	—	—	—	(9)	(9)
Profit on disposal of investment in subsidiary	601	—	—	—	601
Depreciation and amortisation	(290)	(1,096)	(60)	(1,006)	(2,452)
Impairment losses	—	(278)	—	—	(278)
Restructuring costs and termination benefits	—	—	(13)	—	(13)
Net finance (costs)/income	(207)	60	1,118	(77)	894
Investment income	385	244	672	92	1,393
Interest expense	(592)	(184)	(136)	(245)	(1,157)
Other financing gains	—	—	582	76	658
Income tax expense	(354)	(476)	(353)	(271)	(1,454)
Profit/(loss) for the reporting period	1,336	2,832	(1,300)	676	3,544

Capital expenditure

Capital expenditure encompasses expenditure (including cash capital expenditure and capital expenditure accruals) to sustain the business and to invest in life extension projects.

The capital expenditure per reportable segment can be analysed as follows:

Rand million	Expansionary	Stay-in-business	Stripping and development	Total 2025
Property, plant and equipment	1,115	1,630	306	3,051
South Africa	1,115	1,028	306	2,449
Opencast	—	232	297	529
Underground	747	750	9	1,506
Services	368	46	—	414
Australia	—	602	—	602
Underground	—	602	—	602
Intangible assets	—	36	—	36
South Africa	—	36	—	36
Services	—	36	—	36
Total capital expenditure	1,115	1,666	306	3,087
Movement in capital creditors	(52)	(32)	(8)	(92)
South Africa	(52)	(16)	(8)	(76)
Australia	—	(16)	—	(16)
Total additions[1]	1,063	1,634	298	2,995

[1] Total additions consist of additions to property, plant and equipment of R2,959 million and additions to intangible assets of R36 million.

Rand million	Expansionary	Stay-in-business	Stripping and development	Total 2024
Property, plant and equipment	1,696	1,445	192	3,333
South Africa	1,696	840	192	2,728
Opencast	—	273	66	339
Underground	1,670	444	126	2,240
Services	26	123	—	149
Australia	—	605	—	605
Underground	—	605	—	605
Intangible assets	—	63	—	63
South Africa	—	63	—	63
Services	—	63	—	63
Total capital expenditure	1,696	1,508	192	3,396
Movement in capital creditors	120	(67)	(12)	41
South Africa	120	(24)	(12)	84
Australia	—	(43)	—	(43)
Total additions[1]	1,816	1,441	180	3,437

[1] Total additions consist of additions to property, plant and equipment of R3,374 million and additions to intangible assets of R63 million.

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For the year ended 31 December 2025

3. SEGMENTAL INFORMATION CONTINUED

Revenue

All of the revenue generated by the Group is from the sale of thermal coal of varying grades and quality. The majority of the revenue and profit of Thungela is derived from mining operations based in South Africa and Australia.

Revenue by product and segment

					2025
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground	Total
Thermal export	5,057	13,438	418	7,549	26,462
Industrial and domestic	2,902	235	—	—	3,137
Other industrial and domestic	2,738	51	—	—	2,789
Domestic sales from thermal export stockpiles	164	184	—	—	348
Total revenue	7,959	13,673	418	7,549	29,599

				2024
	South Africa		Australia	
Rand million	Opencast	Underground	Underground	Total
Thermal export	6,668	15,191	9,250	31,109
Industrial and domestic	4,158	287	—	4,445
Other industrial and domestic	3,897	37	—	3,934
Domestic sales from thermal export stockpiles	261	250	—	511
Total revenue	10,826	15,478	9,250	35,554

Revenue by destination

					2025
	South Africa			Australia	
Rand million	Opencast	Underground	Services	Underground	Total
India	2,457	7,760	204	—	10,421
Taiwan	347	541	—	3,116	4,004
South Africa	2,902	235	—	—	3,137
Japan	82	376	—	1,131	1,589
Australia	—	—	—	1,180	1,180
Other export destinations[1]	2,171	4,761	214	2,122	9,268
Total revenue	7,959	13,673	418	7,549	29,599

[1] No individual destination contributes more than 10% to the total revenue generated by the Group.

Rand million	South Africa		Australia	2024
	Opencast	Underground	Underground	Total
United Kingdom[1]	4,102	10,138	—	14,240
India	1,719	2,997	659	5,375
South Africa	4,158	287	—	4,445
Taiwan	92	—	3,411	3,503
Japan	223	402	1,156	1,781
Australia	—	—	409	409
Other export destinations[2]	532	1,654	3,615	5,801
Total revenue[3]	10,826	15,478	9,250	35,554

1 Sales to Anglo American Marketing Limited up to the expiry of the offtake agreement in 2024 were sold to an entity domiciled in the United Kingdom.
2 No individual destination contributes more than 10% to the total revenue generated by the Group.
3 Enhanced disclosure of the revenue by destination has been presented in the current year. This disclosure does not impact any other lines in the summarised consolidated financial statements.

Revenue by customer

Of the total revenue generated by the Group, 20% (2024: 43%) is attributable to two customers (2024: one customer). Other customers each accounted for less than 10% of the total revenue generated for the years presented. Thungela does not have a significant level of concentration risk across our customer base, due to the marketing activities performed by Thungela Marketing International.

4. IMPAIRMENT LOSSES

The Group is required to assess whether assets may be impaired, or an impairment loss previously recognised may need to be reversed, at each reporting date. The impairment losses recognised are determined based on various judgements around the recoverable amount of each identified cash-generating unit (CGU).

Accounting policy

Any impairment loss is recognised immediately in the summarised statement of profit or loss and other comprehensive income.

Goodwill arising on business combinations is allocated to the CGUs that are expected to benefit from synergies of the combination and represents the lowest level at which goodwill is monitored by the Group's leadership team for internal management purposes. The CGUs to which goodwill has been allocated are tested for impairment annually, or when events or changes in circumstances indicate that they may be impaired. An impairment of goodwill is not subsequently reversed.

At each reporting date, the Group reviews the carrying amounts of our property, plant and equipment and intangible assets to determine whether there is any indication that those assets are impaired. If such an indication exists, the recoverable amount of those assets is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, we estimate the recoverable amount of the CGU to which the asset belongs. The CGUs are determined as the individual operating mines and impairment is assessed at that level. When assessing assets for impairment, centrally held assets, which do not generate independent cash flows, are allocated to the CGUs on an appropriate basis.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use, assessed using discounted cash flow models. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

Subsequent changes to the CGU allocation, to the timing of the forecasted cash flows or to the assumptions used to determine the forecasted cash flows could impact the recoverable amounts of the respective CGUs. There have been no changes to the identified CGUs in the year ended 31 December 2025. In the year ended 31 December 2024, Rietvlei was no longer considered a CGU from the date of the disposal of our interest in that operation. No impairment indicators were identified at this CGU ahead of its disposal.

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For the year ended 31 December 2025

4. IMPAIRMENT LOSSES CONTINUED

Impairment losses recognised

In the current year, we have recognised impairment losses across all of our operations, other than Mafube. In the year ended 31 December 2024, the impairment losses were recognised in relation to the Goedehoop operation.

Impairment losses recognised in the year can be analysed as follows:

Rand million	Note	2025	2024
Property, plant and equipment	7	8,486	231
Goodwill		159	—
Intangible assets		140	47
Impairment losses		**8,785**	278
Tax impact		(2,303)	(62)
Net impairment losses		**6,482**	216

Goodwill impairment testing

The recoverable amount of Ensham, which is the only operation with a remaining goodwill balance, is determined on the same basis as the remaining export operations.

Understanding of our operations

For impairment purposes, our operations are grouped together based on the nature of the revenue generated, which impacts the realisation of the cash flows used to determine the recoverable amounts of the underlying CGUs. The impairment considerations applied have been detailed in this note based on the groupings as described below.

Export operations – South Africa

The mining operations carried out at Zibulo, Goedehoop, Annea, Greenside, Khwezela and Mafube represent the export operations of the Group in South Africa. Export sales are made directly to third-party customers through Thungela Marketing International. The price realised on export sales is determined using the Richards Bay Benchmark coal price as a base, with specific adjustments made for quality, grade, volume and content. These CGUs do supply limited quantities into the domestic market, but domestic sales are not a key value contributor to the CGUs.

Export operation – Australia

Ensham represents the export operation of the Group in Australia. Sales are made directly to third-party customers, either through Thungela Marketing International, or by Ensham itself. The realised sales price is determined using the Newcastle Benchmark coal price as a base, with specific adjustments made for quality, grade, volume and content. The Ensham Business has negotiated fixed-price contracts with some of its customers, and these prices are negotiated at a specific point in the year, in line with market conditions at the time. These fixed-price contracts can be reasonably valued using the Newcastle Benchmark coal price as a base.

Domestic operation – South Africa

Isibonelo represents the domestic operation of the Group in South Africa. This operation sold to a domestic customer under a fixed-term offtake agreement. Contractual prices were escalated annually with reference to various input cost indices. Changes in the Richards Bay Benchmark coal price therefore do not directly impact the life-of-mine revenue assumptions at this operation. Isibonelo has reached the end of its economic life at 31 December 2025 as the offtake agreement with its customer has come to an end, and has been placed on care and maintenance from January 2026.

Centrally held assets

Assets that are held centrally are allocated to the CGUs, for impairment assessment purposes, on an appropriate basis. The centrally held assets allocated to CGUs which have been impaired are allocated a proportionate share of that impairment loss, where appropriate.

Determining recoverable amounts

The recoverable amounts are determined on a fair value less costs of disposal basis with reference to the life-of-mine forecasted cash flows per the approved financial budgets and, where relevant, a valuation of in-situ coal resources beyond the current life-of-mine plan.

Expected future cash flows used in the discounted cash flow models are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including coal resources and coal reserves and production volumes, together with economic factors such as forecasted benchmark coal prices, forecasted exchange rates, discount rates, estimates of production costs and future capital expenditure. Where discounted cash flow models based on management assumptions are used, the resulting fair value measurements are at level 3 in the fair value hierarchy as defined in IFRS 13: Fair Value Measurement (IFRS 13), as they depend to a significant extent on unobservable valuation inputs.

Where in-situ coal resources beyond the current life-of-mine plan are included in the recoverable amount, an appropriate risk adjustment is made, or alternatively, the fair value is determined on a comparable transaction basis and added to the recoverable amount.

The discounted cash flow models incorporate a number of key assumptions which can be analysed as follows:

Coal prices

The estimated coal prices used are based on the latest internal forecasts, benchmarked with external sources of information, to ensure that they are within the range of available external forecasts. The estimated realised price for the export operations is calculated using the forecasted benchmark coal prices, with adjustments to reflect the quality and calorific value of the products, to reflect the estimated realised prices at each CGU.

The forecasted Richards Bay Benchmark coal prices, in real terms, used in the estimation of cash flows over the forecast period range from USD95 per tonne to USD105 per tonne (2024: USD100 per tonne to USD107 per tonne). The forecasted Newcastle Benchmark coal prices, in real terms, used in the estimation of cash flows over the forecast period range from USD115 per tonne to USD116 per tonne (2024: USD115 per tonne to USD130 per tonne).

In estimating the forecasted cash flows, the Group also considered the expected realised prices from existing contractual arrangements for the domestic operation. As the existing contractual agreement has come to an end, no price was used in determining the recoverable amount of this CGU (2024: R618 per tonne to R780 per tonne).

Foreign exchange rates

Foreign exchange rates are based on the latest internal forecasts, benchmarked with external sources of information, in line with the approved budget assumptions. Export sales from South Africa are undertaken in US dollars only, and sales from Australia are undertaken in both US dollars and Australian dollars.

The foreign exchange rates used in the estimation of cash flows over the forecast period range from R17.28:USD1 to R17.30:USD1 and AUD1.45:USD1 to AUD1.49:USD1. For the year ended 31 December 2024, the estimated foreign exchange rates utilised ranged from R17.02:USD1 to R18.20:USD1 and AUD1.45:USD1 to AUD1.55:USD1 over the forecast period.

Discount rates

The discounted cash flow models used to determine the recoverable amounts are discounted based on a real post-tax discount rate, assessed annually, of 9.5% (2024: 9.5%) for our South African operations. The discounted cash flow model used to determine the recoverable amount of Ensham is based on a real post-tax discount rate of 7.7% (2024: 9.3%), based on risks specific to the business and the Australian economic environment. The discount rate applied in Australia has reduced based on the risk profile of the mining industry in that country. Adjustments to the discount rate are made for any risks that are not reflected in the underlying cash flows, including the risk profile of the CGU.

Saleable production

The forecasted saleable production used in the discounted cash flow models is based on the approved financial budgets, including any risks related to rail capacity and ongoing production or other challenges. The assumptions used in determining the forecasted saleable production take into account various factors, including coal resources and coal reserves, life-of-mine plans, rail capacity and the approved sales profiles based on the Group's experience and expectations.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

4. IMPAIRMENT LOSSES CONTINUED

Determining recoverable amounts continued

The discounted cash flow models incorporate a number of key assumptions which can be analysed as follows continued:

Operating costs, capital expenditure and other operating factors

Operating costs and capital expenditure are based on the approved financial budgets. Forecasted cash flows beyond the budget period are based on approved life-of-mine plans and internal forecasts. Cost assumptions incorporate the Group's experience and expectations, as well as the nature and location of the operations, the risks associated therewith (for example, due to varying geological conditions over time and unforeseen operational issues), and appropriate cost savings over the forecast period.

Climate change

The Group has carefully considered the potential impact of climate-related risks in the estimation of the recoverable amounts. The risks considered include the global trends of decreasing demand for coal, the impact on the cost of capital, the impact on forecasted benchmark coal prices and the increased cost of adhering to applicable regulatory requirements, including carbon pricing, in addition to physical risks caused by climate change.

The life-of-mine models assume that there will be a market for thermal coal over the expected life of mine of our operations after assessing local and global demand forecasts. The prices and other key assumptions represent the Group's best estimate of key market factors, including scenarios related to climate change.

The cost of carbon-related emissions has been considered and incorporated into the discounted cash flow models, based on enacted legislation and expectations for carbon prices based on the latest internal forecasts, benchmarked with external sources.

Impairment loss assessments

Export operations – South Africa

The export operations in South Africa are significantly affected by the Richards Bay Benchmark coal price, along with the production profile of the operations and the ability to rail coal to the RBCT. We have seen consistent improvement in rail performance over the course of the year, and this has been taken into account in determining the forecasted saleable production across our operations.

The Richards Bay Benchmark coal price continued to soften in the year, with the average index price reducing by 15% compared to the year ended 31 December 2024. Prices were impacted by weak demand, coupled with stronger domestic production in key seaborne markets. This has impacted the forward-looking prices as well, as the expected level of supply discipline in the market has not yet been reflected.

The exchange rate of the South African rand to the US dollar has strengthened in the year, from an average of R18.34 in the prior year to R17.89 in the year ended 31 December 2025. The forecasted rate has also strengthened from levels experienced in prior years. This reduces the revenue realised in South African rand and impacts the margins generated at our export operations.

The combination of the deteriorating Richards Bay Benchmark coal price and the strengthening exchange rate of the South African rand to the US dollar has materially reduced the recoverable amounts of our CGUs. The recoverable amounts of our shorter dated, higher-cost operations have been more heavily impacted, and the related carrying amounts have been reduced to zero. The recoverable amounts at our longer-dated operations, Zibulo and Annea, now more closely reflect the capital spent in recent years on our life extension projects. No impairment losses have been recognised at Mafube, as the recoverable amount of that CGU exceeds its carrying amount.

In the year ended 31 December 2024, Goedehoop was fully impaired as a result of the forecast Richards Bay Benchmark coal prices used, as well as the short remaining life of mine of the operation.

The impairment losses recognised and remaining carrying amounts of our CGUs can be analysed as follows:

Rand million	Reporting segment	Impairment losses	2025 Carrying amounts[1]
Zibulo	Underground	3,273	3,302
Annea	Underground	1,246	1,893
Greenside	Underground	974	—
Khwezela	Opencast	857	—
Mafube	Opencast	—	1,858
Total carrying amount		**6,350**	**7,053**

[1] The carrying amounts comprise other intangible assets and property, plant and equipment.

Rand million	Reporting segment	Impairment losses	2024 Carrying amounts[1]
Zibulo	Underground	—	6,584
Goedehoop	Underground	278	—
Annea	Underground	—	2,138
Greenside	Underground	—	1,302
Khwezela	Opencast	—	708
Mafube	Opencast	—	1,761
Total carrying amount		278	12,493

[1] The carrying amounts comprise other intangible assets and property, plant and equipment.

Sensitivities

The recoverable amounts, based on the discounted cash flow models, are sensitive to changes in input assumptions. The most significant inputs to the discounted cash flow models are the short to medium-term forecasted Richards Bay Benchmark coal prices and foreign exchange rates used to calculate the estimated realised prices across the CGUs, the discount rates applied and the forecasted saleable production across the CGUs. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in these assumptions.

The impact on the estimated recoverable amounts, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

Rand million	5.0% decrease in saleable production	5.0% decrease in estimated realised prices	2025 0.5% increase in discount rate
Zibulo	(1,594)	(1,817)	(151)
Goedehoop	(5)	(9)	1
Annea	(1,072)	(1,015)	(122)
Greenside	(320)	(413)	4
Khwezela	(452)	(563)	30
Mafube	(605)	(991)	(103)
Total	**(4,048)**	**(4,808)**	**(341)**

4. IMPAIRMENT LOSSES CONTINUED

Impairment loss assessments continued

Export operations – South Africa continued

Sensitivities continued

The impact on the estimated recoverable amounts, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows continued:

			2024
Rand million	5.0% decrease in saleable production	5.0% decrease in estimated realised prices	0.5% increase in discount rate
Zibulo	(1,601)	(1,993)	(267)
Goedehoop	(99)	(144)	—
Annea	(891)	(1,276)	(124)
Greenside	(316)	(550)	(20)
Khwezela	(443)	(696)	(8)
Mafube	(601)	(1,116)	(138)
Total	(3,951)	(5,775)	(557)

For the year ended 31 December 2025, the impact of the sensitivities shown above would result in an increase in the impairment recognised for Zibulo and Annea, and a reduction in the headroom available at Mafube. No further impairment would be required at Goedehoop, Greenside and Khwezela as these CGUs have been fully impaired.

For the year ended 31 December 2024, the impact of the sensitivities shown above would have resulted in an impairment possibly being recognised at Khwezela and Greenside, and a reduction of headroom at the remaining CGUs. No further impairment would have been required at Goedehoop as all assets had been fully impaired.

The recoverable amounts of our CGUs continue to be the most sensitive to changes in estimated realised prices and saleable production used over the forecast period. The Group continues to identify areas for productivity and cost improvement in response to the current market conditions. We are comfortable that the judgements used to determine the recoverable amounts are reasonable and appropriate.

Export operation – Australia

The Newcastle Benchmark coal price has continued to deteriorate in the current year due to weaker demand in key export markets, coupled with stronger domestic production in these countries. We have not yet seen the expected level of supply discipline in the market, which has also impacted the forward-looking Newcastle Benchmark coal price.

The forecasted exchange rate of the Australian dollar to the US dollar has strengthened, which has resulted in a decrease in the revenue realised in Australian dollars at Ensham, and placed pressure on the margins generated.

Ensham has forecast stable saleable production, in line with the improvements noted since we took ownership of the mine in 2023. However, the impact of the lower Newcastle Benchmark coal price has materially reduced the recoverable amount of the CGU, and resulted in impairment losses of R1,697 million being recognised in the year ended 31 December 2025.

The remaining carrying value of Ensham of R5,203 million more closely reflects the original cost of the underlying assets, rather than the fair value recognised on the initial transaction in line with the requirements of IFRS 3.

For the year ended 31 December 2024, there was no impairment recognised for the Ensham CGU due to a relatively stronger price environment and continued improvement in performance of the CGU.

Sensitivities

The recoverable amount, based on the discounted cash flow model, is sensitive to changes in input assumptions. The most significant inputs to the discounted cash flow model are the short to medium-term forecasted Newcastle Benchmark coal prices and foreign exchange rates used to calculate the estimated realised prices, the discount rates applied and the forecasted saleable production. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in these assumptions.

The impact on the estimated recoverable amount, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

			2025
Rand million	**5.0% decrease in saleable production**	**5.0% decrease in estimated realised prices**	**0.5% increase in discount rate**
Ensham	(1,492)	(1,339)	(55)
Total	(1,492)	(1,339)	(55)

			2024
Rand million	5.0% decrease in saleable production	5.0% decrease in estimated realised prices	0.5% increase in discount rate
Ensham	(900)	(939)	(77)
Total	(900)	(939)	(77)

For the year ended 31 December 2025, the impact of the sensitivities shown above would result in an increase in the impairment recognised.

For the year ended 31 December 2024, the impact of the sensitivities shown above would have resulted in a possible impairment in relation to the decreases in saleable production and estimated realised prices, and a decrease in available headroom in relation to the increase in the discount rate.

The recoverable amount of the CGU continues to be the most sensitive to changes in estimated realised prices and saleable production used over the forecast period. The Group continues to identify areas for productivity and cost improvement in response to the current market conditions. We are comfortable that the judgements used to determine the recoverable amount are reasonable and appropriate.

Domestic operation – South Africa

At 31 December 2025, the customer offtake agreement at Isibonelo has come to an end, and the mine has been placed into care and maintenance from January 2026. As the mine has come to the end of its economic life, impairment losses of R130 million have been recognised for the year ended 31 December 2025.

In the year ended 31 December 2024, Isibonelo sales were made under a fixed-term offtake agreement with committed production. Prices were contractually agreed and impacted by mining inflation and other inputs. The forecasted production was sufficient to meet the committed production for the year, and so there were no impairment indicators for the Isibonelo CGU.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

4. IMPAIRMENT LOSSES CONTINUED

Impairment loss assessments continued

Domestic operation – South Africa continued

Sensitivities

As domestic sales prices are largely fixed with annual input cost inflation adjustments, recoverable amounts are the most sensitive to production volumes and cost increases not catered for in the annual sales price adjustment.

The impact on the estimated recoverable amount, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

	2025	
Rand million	5.0% increase in operating expenditure	5.0% decrease in saleable production
Isibonelo	(13)	—
Total	(13)	—

	2024	
Rand million	5.0% increase in operating expenditure	5.0% decrease in saleable production
Isibonelo	(116)	(138)
Total	(116)	(138)

For the year ended 31 December 2025, no further impairment would be required at Isibonelo as all assets have been fully impaired.

For the year ended 31 December 2024, the impact of the sensitivities shown above would have been a decrease in the available headroom, but no impairment of Isibonelo.

Centrally held assets

The assets held centrally by the Group are allocated to all CGUs on an appropriate proportionate basis for impairment assessment purposes. For the year ended 31 December 2025, due to the impairment losses recognised at multiple CGUs across the Group, impairment losses of R608 million were recognised on these centrally held assets. No impairment losses were recognised on the centrally held assets in the year ended 31 December 2024 based on the allocation performed to the appropriate CGUs.

5. INCOME TAX CREDIT/(EXPENSE)

The income tax credit/(expense) comprises current tax charged in line with relevant legislation, and deferred tax determined in line with IAS 12: Income Taxes (IAS 12).

Accounting policy

The income tax credit/(expense) comprises the sum of current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income or in equity.

Current tax and deferred tax is recognised in other comprehensive income or in equity if the taxation relates to items that are recognised, in the same or a different period, in other comprehensive income or in equity.

The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Analysis of income tax credit/(expense)

Rand million	2025	2024
Current tax expense	(589)	(1,813)
Charged in respect of the current reporting period	(629)	(1,824)
Credited in respect of prior reporting periods	40	11
Deferred tax credit	1,478	359
Credited in respect of deferred tax assets	410	367
Credited/(charged) in respect of deferred tax liabilities	1,068	(8)
Total income tax credit/(expense)	889	(1,454)

The South African and Australian corporate tax rates are 27% and 30%, respectively. Dubai treats the qualifying income of businesses recognised as a qualifying free zone person at a 0% corporate tax rate, but these businesses may still be subject to a minimum effective tax rate of 15%, based on relevant Pillar Two requirements.

Australia has a tax consolidation regime that, when elected, allows wholly owned groups of companies operating within Australia to be taxed as one entity. We have elected to apply the tax consolidation regime.

Previously, the tax consolidated group was headed by Sungela Holdings, however, given the increased shareholding of Thungela Resources Australia in Sungela Holdings, the original tax consolidated group ceased to exist on 1 October 2025. A new tax consolidated group was formed from this date, with Thungela Resources Australia as the head company, and including all Thungela subsidiaries in Australia. As the head company, Thungela Resources Australia is solely responsible for the income tax liabilities of the new tax consolidated group.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

5. INCOME TAX CREDIT/(EXPENSE) CONTINUED

Factors affecting income tax credit/(expense)

The income tax credit/(expense) has been impacted by various transactions and can be analysed as follows:

Rand million	2025	2024
(Loss)/profit before tax	**(7,996)**	4,998
Tax at the applicable rate (South African corporate tax rate) of 27%	2,159	(1,349)
Adjusted for the tax effects of:		
Items non-deductible for tax purposes	(358)	(165)
Depreciation of mineral rights	(6)	(8)
Impairment losses	(71)	(13)
SARS penalties and interest	—	(3)
Royalty and carbon tax prior year adjustment	(1)	(15)
Fair value losses on biological assets	(1)	(3)
Non-deductible items considered capital in nature	(18)	(25)
Expenses related to contributions to the trusts[1]	(59)	(52)
Expenses not incurred in the production of income	(12)	(9)
Transactions related to the acquisition of the Ensham Business[2]	(190)	(37)
Items non-taxable for tax purposes	62	231
Contribution to other environmental investments	—	1
Accounting adjustments not taxable	29	74
Disposal of investment in subsidiary	—	137
Disposal of operation	13	—
Exempt income	20	19
Other items	(1,010)	(168)
Effect of different tax rates in foreign jurisdictions	103	7
Deferred tax assets previously not recognised	—	6
Deferred tax assets not recognised[3]	(1,054)	(154)
Current tax expense related to Pillar Two top-up tax	(60)	(18)
Other	1	(9)
Prior year adjustments	36	(3)
Current tax	40	11
Deferred tax	(4)	(14)
Total income tax credit/(expense)	**889**	(1,454)

[1] Expenses related to contributions to the trusts relates to contributions made to the Nkulo Community Partnership Trust and the Sisonke Employee Empowerment Scheme. Refer to note 10 for further detail.

[2] Transactions related to the acquisition of the Ensham Business relate to the tax impact of various elements of the acquisition, which are considered non-deductible based on the application of the tax laws in Australia. This also includes the impact of the change in the tax consolidated group in the year.

[3] Deferred tax assets not recognised reflect mainly assets not recognised in relation to Anglo American Inyosi Coal Proprietary Limited and the Ensham Business. In the year ended 31 December 2024, this related to losses incurred in Rietvlei Mining Company Proprietary Limited until its disposal. The unrecognised deferred tax asset was disposed of along with the disposal of our investment in the company.

The total income tax for the year ended 31 December 2025 reflects a credit, while in the year ended 31 December 2024 it reflected an expense. The effective tax rate for the period of 11% (2024: 29%) is lower (2024: higher) than the applicable statutory rate of corporate tax in South Africa of 27%. The lower effective tax rate is primarily impacted by the deferred tax assets not recognised, the transactions related to the acquisition of the Ensham Business, and other non-deductible expenses incurred throughout the Group.

The prior year tax adjustments relate to adjustments required to align with the final tax returns as submitted to the South African Revenue Service.

Organisation for Economic Co-operation and Development's Two-Pillar Solution

The Group is subject to global minimum top-up taxes as part of the Two-Pillar Solution of the Organisation for Economic Co-operation and Development's Global Anti-Base Erosion Rules. The Two-Pillar Solution (referred to as 'Pillar Two') seeks to introduce a global minimum effective tax rate, in terms of which multinational enterprise groups may be subject to a minimum effective tax rate of 15% on income arising in each jurisdiction in which they operate. At the reporting date, all jurisdictions in which we operate have implemented legislation related to Pillar Two.

The Pillar Two assessment performed by the Group relied on the transitional safe harbour rules for our operations in South Africa and Australia. Our operations in the United Arab Emirates do not meet any of the transitional safe harbour rules and a Pillar Two calculation was performed for the entities in this jurisdiction. The calculation notes that a domestic minimum top-up tax of R60 million may need to be paid by our operations in the United Arab Emirates for the year ended 31 December 2025. For the year ended 31 December 2024, the calculation noted that a top-up tax of R18 million may need to be paid based on these operations, which would be payable by Thungela as the ultimate parent entity of the Group.

The Group continues to apply the mandatory temporary exception from recognising and disclosing deferred tax assets and liabilities that arise from the implementation of the Pillar Two rules as required by the amendments to IAS 12, issued in May 2023.

Tax amounts included in other comprehensive loss

The tax impact of the individual items presented in other comprehensive loss can be analysed as follows:

Rand million	2025	2024
Tax credit on items that will not be reclassified to profit or loss		
Remeasurement of retirement benefit obligations	8	2
Total income tax credit recognised in other comprehensive loss	8	2

Current tax assets and liabilities

Current tax assets and liabilities are only offset to the extent that the Group has the ability and intention to settle these amounts simultaneously.

Current tax assets and liabilities can be analysed as follows:

Rand million	2025	2024
Current tax assets	57	235
Current tax liabilities	(190)	(482)
Net current tax liabilities	(133)	(247)

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

5. INCOME TAX CREDIT/(EXPENSE) CONTINUED

Income tax paid

The income tax paid in the year can be analysed as follows:

Rand million	2025	2024
Balance at the start of the reporting period	(247)	196
Income tax – current tax charge	(589)	(1,813)
Disposal of investment in subsidiary	—	2
Interest capitalised	17	12
Non-cash movements	—	1
Currency movements	3	13
Balance at the end of the reporting period	133	247
Income tax paid	**(683)**	**(1,342)**

6. (LOSS)/EARNINGS PER SHARE AND HEADLINE (LOSS)/EARNINGS PER SHARE

(Loss)/earnings per share has been calculated in line with the requirements of IAS 33: Earnings per Share. The headline (loss)/earnings has been determined in line with Circular 1/2023: Headline Earnings (Circular 1/2023) issued by SAICA, detailing the requirements for determining headline earnings, and the JSE Listings Requirements.

Accounting policy

The Group calculates and presents basic and diluted (loss)/earnings per share and basic and diluted headline (loss)/earnings per share for its ordinary shares.

The headline (loss)/earnings is calculated by adjusting the (loss)/profit attributable to the equity shareholders of the Group for all separately identifiable remeasurements, which are excluded from the headline (loss)/earnings as defined in Circular 1/2023, net of related tax (both current and deferred) and related non-controlling interests. The headline (loss)/earnings is then divided by the weighted average number of shares outstanding (WANOS) to calculate headline (loss)/earnings per share. Disclosure of the headline (loss)/earnings is not a requirement of IFRS Accounting Standards, but it is a commonly used measure of earnings in South Africa that is more closely aligned with the operating activities of an entity.

The diluted (loss)/earnings and headline (loss)/earnings per share are determined by adjusting the basic and headline (loss)/earnings attributable to the equity shareholders of the Group and the WANOS for the effects of all dilutive potential ordinary shares at the reporting date, which comprise share awards granted to employees in line with the Thungela share plan.

Number of shares

The WANOS used in the calculation of the (loss)/earnings per share and the headline (loss)/earnings per share can be analysed as follows:

Number of shares	2025	2024
Net shares in issue at the start of the reporting period	133,566,696	136,900,568
Adjusted for the weighted average impact of shares:		
Acquired in the reporting period[1]	(4,927,769)	(3,115,877)
Reissued in the reporting period[2]	1,016,530	453,756
WANOS at the end of the reporting period	**129,655,457**	134,238,447
Adjusted for dilutive potential ordinary shares relating to:		
Conditional share awards	1,213,229	1,057,262
Forfeitable share awards	876,693	641,691
Diluted WANOS at the end of the reporting period	**131,745,379**	135,937,400
Number of shares in issue	140,492,585	140,492,585
Treasury shares held by Group companies[3]	(13,708,399)	(6,925,889)
Net shares in issue at the end of the reporting period	**126,784,186**	133,566,696

[1] Shares acquired in the reporting period relate to shares purchased in line with the requirements of the Thungela share plan, as well as in relation to the share buybacks undertaken by the Group. Refer to note 11 for details.
[2] Shares reissued in the reporting period relate to share awards which have vested, or share awards which have been forfeited and subsequently sold, in line with the requirements of the Thungela share plan.
[3] Refer to note 11 for detail related to the treasury shares held by Group companies.

(Loss)/earnings per share

(Loss)/earnings per share can be analysed as follows:

Rand million (unless otherwise stated)	2025	2024
(Loss)/profit attributable to the equity shareholders of the Group	(7,085)	3,592
(Loss)/profit used in the calculation of diluted (loss)/earnings per share[1]	(7,085)	3,592
(Loss)/earnings per share		
Basic (cents/share)	(5,464)	2,676
Diluted (cents/share)	(5,378)	2,642

[1] There were no adjustments to the (loss)/profit attributable to the equity shareholders of the Group used in the calculation of diluted (loss)/earnings per share relating to the potential ordinary shares.

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CONTINUED

For the year ended 31 December 2025

6. (LOSS)/EARNINGS PER SHARE AND HEADLINE (LOSS)/EARNINGS PER SHARE CONTINUED

Headline (loss)/earnings per share

(Loss)/profit attributable to the equity shareholders of the Group has been reconciled to the headline (loss)/earnings as follows:

Rand million (unless otherwise stated)	Note	2025	2024
(Loss)/profit attributable to the equity shareholders of the Group		(7,085)	3,592
Adjusted for:			
Excluded remeasurements		8,487	(309)
Impairment of property, plant and equipment	4	8,486	231
Impairment of intangible assets	4	140	47
Impairment of goodwill	4	159	—
Profit on disposal of operation		(250)	—
Profit on disposal of investment in subsidiary		—	(601)
(Profit)/loss on disposal of property, plant and equipment		(48)	14
Tax effects of excluded remeasurements		(2,241)	(40)
Impairment of property, plant and equipment	4	(2,267)	(62)
Impairment of intangible assets	4	(36)	—
Profit on disposal of operation		55	—
Profit on disposal of investment in subsidiary		—	26
Profit/(loss) on disposal of property, plant and equipment		7	(4)
Non-controlling interests related to excluded remeasurements		—	192
Profit on disposal of investment in subsidiary		—	192
Headline (loss)/earnings		(839)	3,435
Headline (loss)/earnings used in the calculation of diluted headline (loss)/earnings per share[1]		(839)	3,435
Headline (loss)/earnings per share			
Basic (cents/share)		(647)	2,559
Diluted (cents/share)		(637)	2,527

[1] There were no adjustments to the headline (loss)/earnings used in the calculation of the diluted headline (loss)/earnings per share relating to the potential ordinary shares.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprises tangible assets which are critical to Thungela's operations. These include acquired mineral rights, capitalised waste stripping and mine development costs, processing plant and infrastructure, vehicles, and other equipment.

Accounting policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost is the fair value of the consideration required to acquire and develop the asset and includes the purchase price, acquisition of mineral rights, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the initial estimate of any decommissioning provisions.

Capital work-in-progress represents the costs incurred on assets being constructed by the Group, which are capitalised as costs are incurred. These assets are measured at the cost incurred on construction. When the assets can operate in the manner intended by management, or are considered to be impaired, they are transferred to the appropriate asset class. Depreciation will commence once the assets are considered ready for use.

Gains or losses on the disposal of property, plant and equipment are determined by comparing the proceeds from the disposal with the carrying amount of the assets disposed. The gains or losses are recognised in the summarised statement of profit or loss and other comprehensive income when the disposal becomes effective.

Deferred stripping

The removal of rock or soil, overburden, and other waste materials overlying a mineral deposit is often necessary during the initial development of a mine site in order to access the orebody. The process of removing overburden and other mine waste materials is referred to as stripping. The directly attributable cost of this activity is capitalised in full within mining properties if the stripped area will only commence production in more than one year after the stripping costs are incurred. All amounts capitalised in respect of waste removal are depreciated using the unit of production method for the component of the orebody to which they relate, consistent with depreciation of property, plant and equipment.

The removal of waste material after the point at which mining properties are available for use is referred to as production stripping. When the waste removal activity improves access to ore extracted in the current period, the costs of production stripping are charged to the summarised statement of profit or loss and other comprehensive income as operating costs in accordance with the principles of IAS 2: Inventories.

Right-of-use assets

Right-of-use assets are included within property, plant and equipment. At the commencement of the lease, these are recognised at the amount of the corresponding lease liability, adjusted for any lease payments made on or before the lease commencement date, plus any direct costs incurred, an estimate of costs for dismantling, removing, or restoring the underlying asset, and less any lease incentives received.

Depreciation

Mining properties and items of plant and equipment for which the consumption of economic benefits is linked to production are depreciated to their residual values, from the date that they are considered to be available for use, using the unit of production method based on proved and probable coal reserves. Mining properties include the value of the mining tenement acquired with the Ensham Business, which is depreciated on a straight-line basis over the estimated remaining reserve life.

Land is not depreciated. Buildings and items of plant and equipment for which the consumption of economic benefits is linked primarily to utilisation or to throughput, rather than production, are depreciated to their residual values, from the date that they are considered to be available for use, at varying rates on a straight-line basis over their estimated useful lives or the reserve life, whichever is shorter. Estimated useful lives normally vary from up to 20 years for items of plant and equipment, to a maximum of 50 years for buildings.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease, or, if shorter, the useful life of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

Depreciation methods, residual values and estimated useful lives are reviewed at least annually.

7. PROPERTY, PLANT AND EQUIPMENT CONTINUED

Property, plant and equipment can be analysed as follows:

2025

Rand million	Mining properties[1]	Land and buildings Owned	Land and buildings Right-of-use	Plant and equipment Owned[2]	Plant and equipment Right-of-use	Capital work-in-progress	Total
Cost							
Balance at the start of the reporting period	9,630	2,764	42	30,894	244	9,253	52,827
Acquisition of the additional interest in the Ensham Business[3]	274	231	—	499	5	37	1,046
Additions	—	—	—	—	—	2,959	2,959
Additions to right-of-use assets	—	—	89	—	36	—	125
Disposals	(889)	(4)	(3)	(2,124)	(16)	—	(3,036)
Disposal of operation	—	—	—	(3)	—	—	(3)
Transfers of capital work-in-progress	862	15	—	7,576	—	(8,453)	—
Reclassifications	—	—	—	213	(213)	(25)	(25)
Adjustments to decommissioning assets	—	—	—	15	—	—	15
Currency movements	(167)	(95)	(1)	(246)	(3)	(16)	(528)
Balance at the end of the reporting period	9,710	2,911	127	36,824	53	3,755	53,380
Accumulated depreciation and impairment losses							
Balance at the start of the reporting period	(5,877)	(1,091)	(37)	(22,565)	(42)	(3,493)	(33,105)
Depreciation	(619)	(192)	(15)	(1,973)	(31)	—	(2,830)
Impairment losses	(1,251)	(334)	(26)	(6,776)	(99)	—	(8,486)
Disposals	889	4	2	2,115	9	—	3,019
Disposal of operation	—	—	—	1	—	—	1
Reclassifications	—	—	—	(121)	121	—	—
Currency movements	43	22	—	74	3	—	142
Balance at the end of the reporting period	(6,815)	(1,591)	(76)	(29,245)	(39)	(3,493)	(41,259)
Carrying amount							
Balance at the start of the reporting period	3,753	1,673	5	8,329	202	5,760	19,722
Balance at the end of the reporting period	2,895	1,320	51	7,579	14	262	12,121

[1] Mining properties includes assets with a carrying value of R96 million, which are not yet considered ready for use.
[2] Plant and equipment includes assets with a carrying value of R593 million, which are not yet considered ready for use.
[3] Refer to note 8 for further detail related to the acquisition of the additional interest in the Ensham Business.

Rand million	Mining properties	Land and buildings Owned	Land and buildings Right-of-use	Plant and equipment Owned	Plant and equipment Right-of-use	Capital work-in-progress	2024 Total
Cost							
Balance at the start of the reporting period	9,992	2,703	58	30,502	155	7,214	50,624
Additions	—	—	—	—	—	3,374	3,374
Additions to right-of-use assets	—	—	—	—	198	—	198
Disposals	(18)	(5)	—	(466)	—	—	(489)
Transfers of capital work-in-progress	77	149	—	1,068	—	(1,294)	—
Disposal of investment in subsidiary	(241)	—	(16)	(34)	(107)	(8)	(406)
Adjustments to decommissioning assets	—	—	—	37	—	—	37
Currency movements	(180)	(83)	—	(213)	(2)	(33)	(511)
Balance at the end of the reporting period	9,630	2,764	42	30,894	244	9,253	52,827
Accumulated depreciation and impairment losses							
Balance at the start of the reporting period	(5,479)	(930)	(39)	(21,154)	(51)	(3,494)	(31,147)
Depreciation	(510)	(173)	(4)	(1,683)	(53)	—	(2,423)
Impairment losses	(5)	—	—	(226)	—	—	(231)
Disposals	18	4	—	453	—	—	475
Disposal of investment in subsidiary	82	—	6	16	61	1	166
Currency movements	17	8	—	29	1	—	55
Balance at the end of the reporting period	(5,877)	(1,091)	(37)	(22,565)	(42)	(3,493)	(33,105)
Carrying amount							
Balance at the start of the reporting period	4,513	1,773	19	9,348	104	3,720	19,477
Balance at the end of the reporting period	3,753	1,673	5	8,329	202	5,760	19,722

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For the year ended 31 December 2025

8. ACQUISITION OF THE ADDITIONAL INTEREST IN THE ENSHAM BUSINESS

Thungela acquired an additional 15% interest in the Ensham Mine from Bowen (the second transaction), and the remaining interest in Sungela Holdings from the co-investors (the third transaction) as fully described in note 2. The effective date of the second transaction was 28 February 2025, and of the third transaction was 31 July 2025 and 29 September 2025 in relation to the transaction with Mayfair and Audley Capital, respectively.

The acquisition of the additional interest in the Ensham Mine is considered to be a business combination as defined in IFRS 3, and the acquisition method of accounting has been applied to the transaction. The transaction is considered to be a business combination as the Group previously had no rights to, or obligations for, the assets and liabilities related to the portion of the business owned by Bowen.

The acquisition of the remaining interest in Sungela Holdings is considered to be a transaction between equity participants, as Thungela is increasing our shareholding in an entity over which we already exercised control.

Accounting policy

Goodwill, or a gain on bargain purchase, is determined by comparing the fair value of the consideration transferred (including contingent consideration) to the fair value of the Group's share of identifiable net assets at the acquisition date. Where this difference is positive, it reflects goodwill, and where it is negative, it results in a gain on bargain purchase. Goodwill is recognised as an intangible asset, while a gain on bargain purchase is recognised directly in the summarised statement of profit or loss and other comprehensive income on the acquisition date.

Transactions which are not considered to be part of the business combination are recognised separately, in line with the relevant IFRS Accounting Standards considerations, and do not impact the goodwill or gain on bargain purchase recognised.

Acquisition and integration costs relate to costs incurred in relation to the business combination, or subsequent integration of the business into the Group, and are expensed as incurred.

Accounting for the second transaction

Thungela Resources Australia acquired the 15% direct interest in Ensham, previously held by Bowen, with an effective date of 28 February 2025, which is referred to as the second transaction.

Critical judgements applied in determining the fair value of the Ensham Mine

The fair value of the Ensham Mine at the acquisition date of the second transaction was determined with reference to the life-of-mine forecasted cash flows, in line with the specific requirements of IFRS 3. Ensham is considered to be a single CGU, based on the operations thereof and the generation of cash flows in the business.

Expected future cash flows used in the discounted cash flow model are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including coal resources and coal reserves, expected production volumes and costs, forecasted capital expenditure, as well as economic factors such as the Newcastle Benchmark coal price, foreign exchange rates, and discount rates. Where discounted cash flow models based on management assumptions are used, the resulting fair value measurements are at level 3 in the fair value hierarchy as defined in IFRS 13.

The discounted cash flow model used to determine the fair value of the Ensham Mine at the effective date of the second transaction was based on the model used to value the business at 31 December 2024, which was adjusted based on our best estimate of various inputs at 28 February 2025.

The key assumptions used in the discounted cash flow model, effective at the acquisition date, can be analysed as follows:

Life of mine and production volumes

The life of mine used in the determination of the fair value of the Ensham Mine was reflective of the operations thereof at the acquisition date. This included an assumption that mining leases over certain areas of the mine would be extended past their current expiry date, and that mining will continue until 2032. While the extension to these leased areas had not been granted at the acquisition date, it was considered appropriate to include the extension in determining a market participant view of the value of Ensham. We continue to progress our applications for the extensions of these leased areas. Production volumes included in the cash flow model were based on demonstrated rates and internal forecasts, as approved in the normal operating cycle.

Coal prices

The estimated coal prices used were based on the internal forecasts available at the acquisition date, benchmarked with external sources of information to ensure that they were within the range of available external forecasts. The estimated prices were calculated using the forecasted Newcastle Benchmark coal price, with adjustments to reflect the quality and calorific value of the product. Where Ensham had negotiated fixed-price contracts with customers, the estimated price for these sales volumes reflected the agreed fixed price. The forecasted Newcastle Benchmark coal price used in the cash flow model ranged from USD95 per tonne to USD142 per tonne. When combined with the fixed prices agreed with customers on specific contracts, the estimated prices used in the cash flow model ranged from USD105 per tonne to USD142 per tonne.

Foreign exchange rates

Foreign exchange rates were based on the internal forecasts available at the acquisition date, benchmarked against external sources of information. Sales for Ensham are made in both US dollars and Australian dollars, however the majority of costs are incurred in Australian dollars. The cash flow model is thus sensitive to fluctuations in the US dollar to Australian dollar exchange rate. The real exchange rates used in the cash flow model ranged from AUD1.52:USD1 to AUD1.57:USD1.

Discount rate

The discounted cash flow model used to determine the fair value of the Ensham Mine was based on a real post-tax discount rate of 7.6%, based on risks specific to the business and the Australian economic environment. The fair value of the environmental and other provisions was determined using a risk-free real discount rate of 1.8%.

Operating costs, capital expenditure and other operating factors

Operating costs and capital expenditure were based on the financial budgets as included in the initial model. Forecasted cash flows beyond the budget period were based on approved life-of-mine plans and internal forecasts. Cost assumptions incorporate the Group's experience and expectations of costs to be incurred.

Tax and deferred tax

The tax and deferred tax impact included in the cash flow model was based on the tax laws and regulations in place in Queensland at the acquisition date, and the expected tax to be paid on the forecasted cash flows. The deferred tax asset at the acquisition date was determined using the adjusted tax bases of the assets and liabilities acquired, based on the purchase price paid to Bowen.

Determining the total consideration

The purchase price payable, which was considered the total consideration in line with IFRS 3, amounted to R558 million (AUD48 million), which is comprised of the following:

- the completion amount of R372 million (AUD32 million), which was paid on the effective date of 28 February 2025; and
- the second payment of R186 million (AUD16 million), which was transferred into an escrow account on the effective date of the transaction, and paid to Bowen in December 2025.

Impact on the summarised statement of cash flows

The amounts recognised in the summarised statement of cash flows relating to the second transaction can be analysed as follows:

Rand million	2025
Total consideration	558
Realised foreign exchange gains	(7)
Net cash outflow related to total consideration	**551**
Less – cash acquired in the Ensham Business[1]	(70)
Net cash outflow on acquisition of the additional interest in the Ensham Business	**481**

1 The cash acquired in the Ensham Business relates to cash on hand in the underlying entities at the acquisition date.

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For the year ended 31 December 2025

8. ACQUISITION OF THE ADDITIONAL INTEREST IN THE ENSHAM BUSINESS CONTINUED

Accounting for the second transaction continued

Fair value of the net assets of the Ensham Mine

Thungela accounted for the second transaction by consolidating the fair value of the additional net assets acquired, representing 15% of the mine, on a line-by-line basis at the acquisition date. From the acquisition date of 28 February 2025, the results of Ensham Resources and Nogoa Pastoral are included in the summarised consolidated financial statements at 100% of the underlying entities performance. Prior to this date, the results were included in the summarised consolidated financial statements at 85% of the underlying entities performance.

The fair values of the additional assets and liabilities acquired in the second transaction are considered to be final at 31 December 2025, and no further measurement period adjustments are expected.

The acquisition date fair values of the additional net assets acquired can be analysed as follows:

Rand million	Notes	2025
Assets		
Non-current assets		
Property, plant and equipment	7	1,046
Trade and other receivables		1
Deferred tax assets		11
Other non-current assets		4
Total non-current assets		1,062
Current assets		
Inventories		135
Trade and other receivables		60
Derivative financial instruments		8
Cash and cash equivalents		70
Total current assets		273
Total assets		1,335
Liabilities		
Non-current liabilities		
Lease liabilities		3
Environmental and other provisions	10	723
Total non-current liabilities		726
Current liabilities		
Trade and other payables		166
Lease liabilities		3
Environmental and other provisions	10	41
Total current liabilities		210
Total liabilities		936
Fair value of net assets acquired		399

Property, plant and equipment

The Group primarily used the cost approach to determine the fair value of the property, plant and equipment. By using this approach, we recognised the contributory value associated with the necessary installation, engineering and set up costs related to the installed complement of equipment. The market approach was applied where we had sufficient information with respect to comparable sales and offering data in the market place.

Property, plant and equipment includes R274 million relating to the additional fair value of the mining tenements acquired, which were not previously recognised. The fair value of the mining tenements was determined based on the residual business fair value, adjusted for the fair value of the net assets acquired.

Inventories

Inventories acquired included consumables and finished products, being coal inventory. Consumables were measured at cost, considered to reflect their fair value at the acquisition date. Coal inventory was measured at net realisable value, which was reflective of its fair value at the acquisition date. The coal inventory on hand at the acquisition date had been sold by 31 December 2025, and the remaining inventory on hand has been measured at the lower of cost or net realisable value.

Trade and other receivables

Trade and other receivables were reflected at the book value thereof at the acquisition date. Thungela considered the gross contractual amounts receivable to be equal to the fair value of the receivables at that date.

Derivative financial instruments

The Ensham Mine has a number of contracts with agreed fixed prices for coal sales over a specified period of time. The fixed prices were agreed when the Newcastle Benchmark coal price was higher than the levels experienced throughout the current year. The fixed price element of these contracts was considered to be an above-market transaction, which required the recognition of an appropriate asset at the acquisition date. The value of the favourable customer contracts was determined using the same forecasted Newcastle Benchmark coal price as detailed in this note, and resulted in a derivative asset of R8 million being recognised at the acquisition date. The contracts include a fixed price for an agreed volume of coal, after which the pricing will be renegotiated. The relevant contracts with customers have been renegotiated, or the underlying coal has been delivered to customers, and the remaining fair value of the derivative is considered to be Rnil at the reporting date.

Trade and other payables

Trade and other payables were reflected at the book value thereof at the acquisition date. Thungela considered the gross contractual amounts payable to be equal to the fair value of the payables.

Environmental and other provisions

Environmental provisions

The SPA noted that the purchase of the additional interest in the Ensham Mine includes the assumption of the additional liability to perform rehabilitation activities related to past mining activities. The environmental provisions have been determined in line with the relevant regulations in Australia, as detailed in note 10, and our estimate of the closure costs for the Ensham Mine.

Other provisions

Other provisions reflect the acquisition date fair values of contingent liabilities, which are required to be recognised in accordance with IFRS 3. This includes various ongoing litigation matters at the Ensham Mine.

The value of these provisions at the acquisition date reflected our best estimate of the costs to be incurred.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2025

8. ACQUISITION OF THE ADDITIONAL INTEREST IN THE ENSHAM BUSINESS CONTINUED

Accounting for the second transaction continued

Fair value of the net assets of the Ensham Mine continued

Sensitivity analysis

The discounted cash flow model used to determine the fair value of the Ensham Mine at the acquisition date is sensitive to changes in input assumptions, particularly in relation to life-of-mine assumptions, discount rates, forecasted Newcastle Benchmark coal prices and foreign exchange rates used to determine the estimated realised prices, and costs. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in key assumptions.

The impact on the estimated fair value, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

Rand million	2025
Decrease of life of mine to 2028	(329)
Increase of 5.0% in forecasted costs	(111)
Increase of 0.5% in discount rate	(18)
Decrease of 5.0% in forecasted saleable production	(164)
Decrease of 5.0% in estimated realised prices	(172)

The fair value of the Ensham Mine is the most sensitive to changes in the forecasted saleable production, including a shorter life of mine, and the estimated realised prices. The Newcastle Benchmark coal price used at the acquisition date is in line with our price modelling used for key investment decisions, and is considered to be a reasonable basis on which to determine the fair value of the Ensham Mine.

Goodwill

Goodwill is determined by comparing the total consideration to the fair value of the net assets acquired in the business combination.

The goodwill recognised in relation to the second transaction can be analysed as follows:

Rand million	2025
Total consideration	558
Fair value of net assets acquired	(399)
Goodwill	**159**

The significant contributor to the goodwill recognised is related to the expected synergies from full ownership of Ensham, including the ability to fully utilise all entities within the Thungela Group to improve the underlying performance of the business. The goodwill has been allocated to the Australia segment.

The goodwill is included in intangible assets in the summarised statement of financial position.

Contribution of the additional interest in the Ensham Mine

Based on the accounting treatment applied to the Ensham Mine from the effective date of the initial transaction, all revenue generated by the business has been included in the Thungela Group's revenue from that date. On this basis, the completion of the second transaction has had no impact on the revenue generated by the Group.

If the second transaction had been effective from 1 January 2025, the Ensham Mine would have contributed an additional net profit of R28 million to the Group for the year ended 31 December 2025.

Accounting for the third transaction

Thungela Resources Australia acquired the remaining 27.5% interest in Sungela Holdings, an existing subsidiary, as well as the remaining unvested LTIP shares (the third transaction), previously held by Audley Capital and Mayfair, in equal parts.

The transaction was subject to a number of conditions precedent, and was considered effective from 31 July 2025 and 29 September 2025, in relation to the Mayfair and Audley Capital agreements, respectively.

The agreements note that Thungela Resources Australia will step in as borrower on the loan granted to the co-investors by Thungela International in relation to the initial transaction. The loan is considered to be fully settled by the co-investors, and the in-substance option granted to them in relation to the loan has now lapsed.

The remaining unvested LTIP shares at the effective date of the third transaction are considered to be forfeited and no further expense in relation to these shares has been recognised in the year ended 31 December 2025.

Determining the total consideration

The total consideration related to the third transaction can be analysed as follows:

Rand million	2025
Cash consideration	30
Loan granted to the co-investors on the initial transaction	947
Contingent deferred consideration	136
Total consideration	**1,113**

Cash consideration

The cash consideration of R30 million (USD1.7 million) was paid to the co-investors on the effective dates of 31 July 2025 and 29 September 2025, respectively.

Loan granted to the co-investors on the initial transaction

Thungela Resources Australia has stepped in as borrower on the loan provided by Thungela International to the co-investors in relation to the initial transaction. The amount outstanding on the loan, including all outstanding interest, was R947 million (AUD82 million), which is considered to be part of the total consideration. No cash was paid to the co-investors or Thungela International in relation to the loan.

Contingent deferred consideration

The agreements provide for a contingent deferred consideration which may be payable to the co-investors based on sales of Ensham coal, subject to certain coal price thresholds, for a period of six years from the later of the effective date of the agreement, or the approval of the extension of specific mining leases.

The contingent deferred consideration is considered to be a derivative liability as defined in IFRS 9: Financial Instruments (IFRS 9) and is measured at its fair value, being the value expected to be paid to the co-investors over the term of the agreement. The fair value is based on the internal forecast Newcastle Benchmark coal prices available at the effective date, benchmarked with external sources of information, and forecasted sales volumes. The fair value of the derivative will be reassessed at each reporting date.

The fair value of the contingent deferred consideration was determined using a discounted cash flow model. The estimates applied to the cash flows used to determine the value of the contingent deferred consideration at the effective date and the reporting date are consistent with those disclosed in relation to the second transaction, and the impairment considerations as detailed in note 4, respectively. The fair value measurement is considered to be at level 3 in the fair value hierarchy as per IFRS 13.

Subsequent changes to the valuation of the contingent deferred consideration will be recognised in profit or loss and will not affect the total consideration for the third transaction.

8. ACQUISITION OF THE ADDITIONAL INTEREST IN THE ENSHAM BUSINESS CONTINUED

Accounting for the third transaction continued

Determining the total consideration *continued*

Contingent deferred consideration *continued*

The fair value of the contingent deferred consideration can be analysed as follows:

Rand million	2025
Fair value at the effective date of the third transaction	136
Fair value losses	24
Currency movements	(7)
Balance at the end of the reporting period	**153**

No amounts have been paid to the co-investors in the year ended 31 December 2025 in relation to the contingent deferred consideration. Based on the forecast coal prices applied in the valuation of the contingent deferred consideration at the reporting date, no portion of the liability is considered to be payable in the next 12 months, and the instrument has been classified as a non-current liability in the summarised statement of financial position.

Sensitivity analysis

The discounted cash flow model used to determine the fair value of the contingent deferred consideration at the acquisition date is sensitive to changes in input assumptions, particularly in relation to the forecasted Newcastle Benchmark coal prices. In addition to the base case valuation, alternative scenarios have been considered to assess the impact of changes in key assumptions.

The impact on the estimated fair value, for reasonably possible changes to the key assumptions used, keeping other assumptions constant, can be analysed as follows:

Rand million	2025
Decrease of 10% in forecasted Newcastle Benchmark coal price	(105)
Increase of 10% in forecasted Newcastle Benchmark coal price	65

Non-controlling interests

As a result of the accounting treatment applied to the initial transaction, the co-investors have enjoyed rights to only 7.5% of the earnings generated by the Ensham Business up to the effective date of the third transaction (2024: 6.5%), following the vesting of a portion of the LTIP shares. From this date, the co-investors have no further rights to the earnings generated by Ensham, and Thungela now owns 100% of the Ensham Business and related companies.

Through the second transaction, the Group acquired an additional 15% shareholding directly in Ensham Coal Sales, and through the third transaction the Group acquired an additional 27.5% shareholding in Sungela Holdings. As these entities were fully consolidated from the effective date of the initial transaction, the increase in shareholding represents a transaction between equity participants. An adjustment is required to the non-controlling interests and the equity attributable to the shareholders of the Group, to correctly reflect their relative ownership in the Group post the effective dates of the transactions.

As a result of these transactions, R356 million was released from non-controlling interests to equity attributable to the shareholders of the Group, to correctly reflect that there are no further non-controlling interests in the Ensham Business.

In the year ended 31 December 2024, LTIP shares reflective of 1.0% of the shares issued by Sungela Holdings vested. A share-based payment expense of R9 million was recognised based on the grant date fair value of the LTIP shares. As a result of the vesting, the non-controlling interest in the Ensham Business increased by R82 million to correctly reflect their share of the business from that date.

Acquisition and integration costs

Costs directly attributable to the acquisition of the additional interest in the Ensham Business, amounting to R93 million, have been expensed in the year ended 31 December 2025 (2024: Rnil).

9. FINANCIAL INSTRUMENTS

The Group is a party to a number of financial instruments, which have been disclosed throughout the summarised consolidated financial statements.

Accounting policy

For financial assets and liabilities that are traded on an active market, such as listed investments, fair value is determined by reference to the market price. For non-traded financial assets and liabilities, fair value is calculated using discounted cash flows, considered to be reasonable and consistent with those that would be used by a market participant and based on observable market data that is readily available (for example, forward exchange rates, interest rates or commodity price curves).

The financial instruments held by the Group can be analysed as follows:

						2025
		Financial assets		Financial liabilities		
Rand million	Note	At amortised cost[1]	At FVPL	At amortised cost	At FVPL	Total
Financial assets						
Environmental rehabilitation trusts	10	—	5,296	—	—	5,296
Financial asset investments		72	2,723	—	—	2,795
Investment in insurance structure		—	1,578	—	—	1,578
Derivative financial instruments		—	508	—	—	508
Trade and other receivables[2]		2,984	—	—	—	2,984
Cash and cash equivalents		6,071	—	—	—	6,071
Total financial assets		9,127	10,105	—	—	19,232
Financial liabilities						
Lease liabilities		—	—	(86)	—	(86)
Derivative financial instruments		—	—	—	(153)	(153)
Trade and other payables[3]		—	—	(4,789)	—	(4,789)
Total financial liabilities		—	—	(4,875)	(153)	(5,028)
Net financial assets		9,127	10,105	(4,875)	(153)	14,204

[1] The carrying amounts of the financial assets held at amortised cost are deemed to approximate their fair values.
[2] Trade and other receivables exclude prepayments, other tax receivables and employee benefits.
[3] Trade and other payables exclude other tax and employee related payables, and deferred income.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

9. FINANCIAL INSTRUMENTS CONTINUED

The financial instruments held by the Group can be analysed as follows continued:

		Financial assets		Financial liabilities		2024
Rand million	Note	At amortised cost[1]	At FVPL	At amortised cost	At FVPL	Total
Financial assets						
Environmental rehabilitation trusts	10	—	4,266	—	—	4,266
Financial asset investments		125	2,152	—	—	2,277
Investment in insurance structure		—	1,489	—	—	1,489
Trade and other receivables[2]		3,916	—	—	—	3,916
Cash and cash equivalents		10,103	—	—	—	10,103
Total financial assets		14,144	7,907	—	—	22,051
Financial liabilities						
Lease liabilities		—	—	(50)	—	(50)
Derivative financial instruments[3]		—	—	—	(462)	(462)
Trade and other payables[4]		—	—	(4,150)	—	(4,150)
Total financial liabilities		—	—	(4,200)	(462)	(4,662)
Net financial assets		14,144	7,907	(4,200)	(462)	17,389

1 The carrying amounts of the financial assets held at amortised cost are deemed to approximate their fair values.
2 Trade and other receivables exclude prepayments, other tax receivables and employee benefits.
3 Derivative financial instruments were incorrectly reflected within financial assets at FVPL rather than financial liabilities at FVPL in the year ended 31 December 2024. The comparative has been re-presented to correctly disclose the derivative financial instruments as financial liabilities at FVPL. This disclosure does not impact any other lines in the summarised consolidated financial statements.
4 Trade and other payables exclude other tax and employee related payables, and deferred income.

Fair value hierarchy

IFRS 13 defines a fair value hierarchy to be applied to financial instruments measured at fair value, based on the inputs used to measure their fair value.

The financial instruments carried at fair value can be analysed in terms of the fair value hierarchy as follows:

				2025
Rand million	Note	**Level 2**	**Level 3**	**Total**
Financial assets				
Environmental rehabilitation trusts	10	**5,296**	**—**	**5,296**
Financial asset investments at FVPL		**2,723**	**—**	**2,723**
Investment in insurance structure		**—**	**1,578**	**1,578**
Derivative financial instruments		**508**	**—**	**508**
Financial liabilities				
Derivative financial instruments		**—**	**(153)**	**(153)**
Net financial assets carried at fair value		**8,527**	**1,425**	**9,952**

Rand million	Note	Level 2	Level 3	2024 Total
Financial assets				
Environmental rehabilitation trusts	10	4,266	—	4,266
Financial asset investments at FVPL		2,152	—	2,152
Investment in insurance structure		—	1,489	1,489
Financial liabilities				
Derivative financial instruments		(462)	—	(462)
Net financial assets carried at fair value		5,956	1,489	7,445

There were no transfers of financial instruments between level 2 and level 3 in the years presented.

The fair value hierarchy as included in IFRS 13 is as follows:

Fair value hierarchy	Valuation technique
Level 1	The fair value is based on quoted prices in active markets for identical financial instruments
Level 2	The fair value is determined using directly observable inputs other than level 1 inputs
Level 3	The fair value is determined on inputs not based on observable market data

10. ENVIRONMENTAL AND OTHER PROVISIONS

The Group has raised several provisions in relation to our obligations at the reporting date. These comprise environmental provisions in relation to our obligation to perform rehabilitation and decommissioning activities, contributions to the Nkulo Community Partnership Trust, and various other provisions in relation to contractual obligations.

Accounting policy

Environmental provisions

An obligation to incur environmental restoration, rehabilitation and decommissioning costs arises when environmental disturbances are caused by the development or ongoing production of a mining asset. Costs for the restoration of site disturbances, rehabilitation, remediation and environmental monitoring activities, including water treatment costs where required, are estimated using the work of external consultants in conjunction with internal experts.

Such costs arising from the decommissioning of infrastructure and other site preparation work, discounted to their net present value, are provided for and capitalised at the start of each project, as soon as the obligation to incur these costs arises. These costs are recognised in the summarised statement of profit or loss and other comprehensive income over the life of the operation, through the depreciation of the asset and the unwinding of the discount on the provision. Costs for the restoration of subsequent site disturbances, which are created on an ongoing basis during production, are provided for at their net present values and recognised in the summarised statement of profit or loss and other comprehensive income as extraction progresses.

The amount recognised as a provision represents our best estimate of the costs required to complete the restoration and rehabilitation activities, the application of the relevant regulatory framework and the timing of expenditure. These estimates are inherently uncertain and could materially change over time. Changes in the measurement of the provisions relating to the decommissioning of infrastructure or other site preparation work are added to or deducted from the cost of the related asset in the current period. If a decrease in the provision exceeds the carrying amount of the asset, the excess is recognised immediately in the summarised statement of profit or loss and other comprehensive income.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

10. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Accounting policy continued

Environmental rehabilitation trusts

Contributions have historically been made to dedicated environmental rehabilitation trusts to fund the estimated cost of rehabilitation and restoration activities for premature closure and end of life closure of the relevant mines, and as required thereafter. The Group exercises full control of these trusts and therefore the trusts are consolidated. The trusts' assets are disclosed separately in the summarised statement of financial position as non-current assets.

The trusts' assets are held in unit trusts through a reputable investment manager and are classified as fair value through profit or loss (FVPL) financial assets. Fair value gains and losses are recognised as they are generated in net finance income.

Other environmental investments

The Group has agreements with financial institutions to provide financial guarantees or sureties related to funding the costs of rehabilitation and restoration activities. A portion of the premium contributions made under these agreements is invested and held as collateral against the financial guarantees. Contributions are invested in either money market funds or interest-linked corporate accounts, and are classified as FVPL financial assets.

The other environmental investments are recognised as financial asset investments, and fair value gains and losses are recognised as they are generated in net finance income.

Nkulo Community Partnership Trust

The Group founded the Nkulo Community Partnership Trust (also referred to as the trust) in June 2021, which subscribed for 5.0% of the ordinary shares, as well as a C preference share, issued by South Africa Coal Operations Proprietary Limited (SACO). The trust is managed by a board of trustees comprised of both Thungela and community representatives.

The C preference share entitled the trust to a preference dividend of a minimum of R6 million per annum up to 2024, subject to the availability of cash flows in SACO. The C preference share was redeemed in the year ended 31 December 2025 in line with the underlying contractual agreements with the trust. The trust is also entitled to 5.0% of the dividends declared by SACO on ordinary shares. The Group recognises a provision for the constructive obligation it has to the beneficiaries of the Nkulo Community Partnership Trust at the point that the dividends on ordinary shares are declared by SACO.

Other provisions

Other provisions related to contractual obligations are recognised when the Group has an obligation as a result of past events. Other provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the time value of money where relevant.

Environmental and other provisions can be analysed as follows:

	2025				
	Environmental provisions				
Rand million	Environmental rehabilitation	Decommissioning	Trust contributions[1]	Other[2]	Total
Balance at the start of the reporting period	11,416	534	756	213	12,919
Acquisition of the additional interest in the Ensham Business[3]	761	—	—	3	764
Amounts (credited)/charged[4]	(22)	(31)	101	315	363
Adjustments to decommissioning assets	(6)	21	—	—	15
Unwinding of discount	869	49	—	—	918
Amounts applied[5]	(511)	—	(19)	(311)	(841)
Reclassifications	—	—	—	(31)	(31)
Disposal of operation	(28)	(3)	—	—	(31)
Currency movements	(278)	—	—	(3)	(281)
Balance at the end of the reporting period	12,201	570	838	186	13,795
Classified as:					
Current	378	3	838	179	1,398
Non-current	11,823	567	—	7	12,397

1 Trust contributions reflect amounts contributed to the Nkulo Community Partnership Trust, but not yet distributed to beneficiaries.
2 Other provisions include amounts raised in relation to the ongoing restructuring process being undertaken by the Group.
3 Refer to note 8 for further detail related to the acquisition of the additional interest in the Ensham Business.
4 Amounts (credited)/charged to provisions relate to amounts recognised through the summarised statement of profit or loss and other comprehensive income in relation to changes in the provisions in the reporting period.
5 Amounts applied to provisions relate to cash paid to settle these obligations, which reduces the provision but is not charged through the summarised statement of profit or loss and other comprehensive income.

	2024				
	Environmental provisions				
Rand million	Environmental rehabilitation	Decommissioning	Trust contributions[1]	Other	Total
Balance at the start of the reporting period	11,134	562	668	719	13,083
Amounts charged/(credited)[2]	880	(54)	94	(407)	513
Adjustments to decommissioning assets	52	(15)	—	—	37
Unwinding of discount	955	56	—	3	1,014
Amounts applied[3]	(917)	—	(6)	(93)	(1,016)
Disposal of investment in subsidiary	(455)	(15)	—	—	(470)
Currency movements	(233)	—	—	(9)	(242)
Balance at the end of the reporting period	11,416	534	756	213	12,919
Classified as:					
Current	176	12	756	186	1,130
Non-current	11,240	522	—	27	11,789

1 Trust contributions reflect amounts contributed to the Nkulo Community Partnership Trust, but not yet distributed to beneficiaries.
2 Amounts charged/(credited) to provisions relate to amounts recognised through the summarised statement of profit or loss and other comprehensive income in relation to changes in the provisions in the reporting period.
3 Amounts applied to provisions relate to cash paid to settle these obligations, which reduces the provision but is not charged through the summarised statement of profit or loss and other comprehensive income.

10. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental provisions

Thungela is obliged to undertake decommissioning, rehabilitation, remediation, closure and ongoing post-closure monitoring activities when environmental impacts are caused by the development or ongoing production of a mining property, as well as the decommissioning of infrastructure established on our operating sites. A provision is recognised for the present value of such costs, based on the Group's best estimate of the obligations that exist at the reporting date. It is anticipated that most of these costs will be incurred over a period of up to 20 years post closure of the mines. In South Africa, water treatment costs may be incurred up to 50 years post closure of the mines. The environmental rehabilitation and decommissioning provisions are collectively referred to as the 'environmental provisions'. The environmental provisions are determined per operating site, with the assistance of specialist independent environmental consultants, and taking account of the current land disturbances and the expected costs of rehabilitation.

The disturbed areas and expected costs are reassessed each year and any required change in the environmental provisions is recognised on the completion of the assessment. A non-cash credit of R53 million (2024: R826 million charge) has been recognised in the summarised statement of profit or loss and other comprehensive income, and a debit to the decommissioning assets of R15 million (2024: R37 million) has been recognised related to the annual assessment performed by the independent consultants, and other factors influencing the provisions. Across our operations, increases in the disturbed areas have been partially offset by the rehabilitation work performed in the year. The environmental provisions are also impacted by the planned timing of rehabilitation activities, which factors into the net present value recognised.

South Africa

In South Africa, the environmental provisions have been determined based on the legal obligations under the existing Mineral and Petroleum Resources Development Regulations, 2004, published under the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA Regulations) as a base. This base is then adjusted for our interpretation of the likely increase in costs required to transition to the Financial Provisioning Regulations, 2015, published under the National Environmental Management Act 107 of 1998 (NEMA Financial Provisioning Regulations), for example, costs related to the ongoing pumping and treatment of polluted or extraneous water. The Group's environmental provisions are in line with currently enforceable laws and regulations. The NEMA Financial Provisioning Regulations, first published in 2015, have been subject to numerous amendments, with the latest draft thereof published in July 2022. In 2024, the Minister in the Department of Forestry, Fisheries and the Environment published a notice of intention to defer the transition date of these regulations, however a revised date was not published. We await the publication of the revised transition date.

The current draft of the NEMA Financial Provisioning Regulations intends to alter the way companies calculate the financial provisioning required for environmental obligations, and it is likely that compliance with these regulations will substantially increase the required quantum of financial provisioning to be made by mining right holders with existing operations. This likely increase is mainly attributable to the change that specifies that latent (or residual) environmental impacts that may become known in the future will include the pumping and treatment of polluted or extraneous water.

It is important to note that financial provisioning as specified in the NEMA Financial Provisioning Regulations, as well as the currently enforceable MPRDA Regulations, does not translate into the environmental provisions as recognised in the summarised statement of financial position, but rather the level of cash or other funding required to be made available to fund the closure of our operations should the Group not be able to do so. The financial provisioning as required by the current MPRDA Regulations amounts to R5,061 million (2024: R4,807 million), compared to the total environmental provisions recognised for our South African operations of R8,233 million (2024: R7,973 million). This difference is due to additional costs which we believe we are likely to incur through a combination of our interpretation of the NEMA Financial Provisioning Regulations, as well as actual costs to be incurred in the period up to, and post mine closure, most significantly in relation to water treatment costs.

We have provided for water treatment costs using a combination of active and passive water treatment methods, based on activities currently being performed at our operations. The NEMA Financial Provisioning Regulations require the treatment of water to be provided for using the costs of currently available technologies which the Department of Mineral and Petroleum Resources (DMPR) has approved, based on evidence that the technology is able to consistently achieve the discharge requirements.

Thungela continues actively working to prove the efficacy of passive water treatment technologies in collaboration with academia and the relevant government departments. A 50,000 litre per day passive treatment demonstration plant, commissioned in 2022, continues to yield positive results. We will continue to treat different water qualities to optimise process parameters and inform the design of a full-scale plant.

Our long-term post-closure water management strategy includes nature-based solutions such as phytoremediation, a biological process that uses trees to stabilise water levels by taking up mine-impacted water and reducing ingress. We are also creating artificial wetlands using Dongalock™ technology, to improve the quality of seepage from mineral residue facilities. This initiative has been rolled out in areas of the Goedehoop Colliery and the Kromdraai site at the Khwezela Colliery.

The NEMA Financial Provisioning Regulations, as well as the MPRDA Regulations, require the Group to make financial provisioning available, which is set aside purely to fund the rehabilitation and decommissioning activities required, to undertake the agreed work programmes, and rehabilitate the mining areas. This financial provisioning can be put aside through a number of vehicles and cannot be accessed for the general use of the Group. Thungela currently maintains the required financial provisioning through two mechanisms, being the environmental rehabilitation trusts and financial guarantees held with financial institutions for the benefit of the DMPR.

Environmental rehabilitation trusts

Investments held in the environmental rehabilitation trusts can be analysed as follows:

Rand million	**2025**	2024
Investments in unit trusts	**5,296**	4,266
Total environmental rehabilitation trusts	**5,296**	4,266
Balance at the start of the reporting period	**4,266**	3,740
Growth on assets	**1,030**	526
Balance at the end of the reporting period	**5,296**	4,266

The rehabilitation trusts aim to achieve their objectives by investing in a diversified portfolio of equity and debt securities of predominantly South African listed companies, as well as South African sovereign and corporate debt, through unit trust investments. Each mine's portfolio is managed separately according to each individual mine's risk and life-of-mine profile. The fair value of the environmental rehabilitation trusts is determined based on an externally provided investment statement, reflecting the market performance of the respective instruments in which the funds are invested.

Investments in the unit trusts are recognised as FVPL financial assets. The movement in the environmental rehabilitation trusts' assets includes fair value movements as well as dividend and interest income, where applicable.

These funds are not available for the general use of Thungela and can only be accessed to the extent of actual rehabilitation costs incurred, with approval from the DMPR. All income from these assets is reinvested to further increase the level of financial provisioning held as required by the MPRDA Regulations.

Other environmental investments

The Group also holds a significant value of guarantees to further contribute to the financial provisioning as required by the MPRDA Regulations. These guarantees are primarily held with two financial institutions, and a portion of the annual fee payable on these guarantees is invested into the green fund. The fair value of the other environmental investments is determined based on externally provided investment statements, reflecting the market performance of the underlying money market funds in which the funds are invested. These investments are included in financial asset investments in the summarised statement of financial position.

Other environmental investments in South Africa can be analysed as follows:

Rand million	**2025**	2024
Balance at the start of the reporting period	**1,209**	933
Contributions	**203**	209
Disposal of investment in subsidiary	**—**	(24)
Growth on assets	**121**	91
Balance at the end of the reporting period	**1,533**	1,209

10. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental provisions continued

South Africa continued

Other environmental investments continued

The Group has invested an additional R203 million (2024: R204 million) to the long-term investments, referred to as the green fund, with two financial institutions to secure the guarantees required to further fund the financial provisioning as required by the MPRDA Regulations. These investments are held as collateral in favour of the financial institutions for the guarantees provided to the Group. The green fund requires an investment of 5.6% and 6.7% of the guarantee amounts annually into the respective funds to reduce the value of the unfunded guarantees over the life of mine. Of the annual investment amount required, 0.6% and 0.8%, respectively, is related to fees, which are not considered part of the investment.

The annual requirement for funding is expected to decrease as the investment value increases, however, the Group is able to contribute to these funds in excess of the required annual investment amount in order to increase our financial provisioning held, and to maximise our return on these investments.

These funds are not available for the general use of Thungela and can only be accessed to fulfil mine closure obligations, or to the extent that the growth on these funds has exceeded the required annual investment amount. The growth on the funds is reinvested to further increase the level of financial provisioning held as required by the MPRDA Regulations.

Thungela's exposure to our environmental obligations in South Africa can be analysed as follows:

Rand million	**2025**	2024
Environmental provisions	**(8,233)**	(7,973)
Environmental rehabilitation trusts	**5,296**	4,266
Other environmental investments	**1,533**	1,209
Guarantees	**3,223**	3,221
Total financial provisioning available	**10,052**	8,696
Real pre-tax discount rate (%)	**4.0 – 4.3**	4.3 – 5.0

The guarantees of R3,223 million (2024: R3,221 million) are primarily in place to meet any immediate closure obligations under the existing MPRDA Regulations, and are issued in favour of the DMPR. Once Thungela has to comply with the NEMA Financial Provisioning Regulations, it is expected that the level of guarantees required to be held as financial provisioning will increase, which, if required, may be sourced from the existing providers on the market at similar terms to our current guarantees.

Australia

Mining companies in Queensland are required to rehabilitate land disturbed by mining to a safe, structurally stable, non-polluting condition, which is able to sustain a post-mining land use. This rehabilitation must occur progressively throughout the life of the mine.

Regulatory environment

Coal mining is considered an 'environmentally relevant activity' for the purposes of the Environmental Protection Act 1994 (Qld) (EPA). Accordingly, before a mining lease may be issued under the Mineral Resources Act 1989 (Qld) for the purposes of conducting coal mining, the leaseholder must, among other things, obtain an environmental authority issued under the EPA.

One requirement for the issue of an environmental authority, in the case of large coal mines, is to submit a progressive rehabilitation and closure plan and schedule (together 'the PRCP') for approval. The PRCP must include milestones for carrying out environmentally relevant activities on the affected land in such a way that it maximises the progressive rehabilitation of the land to a stable condition.

The PRCP must be prepared in accordance with the requirements set out in the EPA, as well as a detailed statutory guideline issued by the Department of Environment, Science and Innovation (DESI), and may be amended, if required, based on changes in the life-of-mine plan of the operation.

Under the EPA, the DESI must determine the environmental rehabilitation costs for the mining activity being undertaken (environmental rehabilitation costs determination). The application must state the period to be covered in the determination (determination period), as well as the estimate of the total cost of rehabilitation for the period, calculated according to the methodology set out in the statutory guidelines.

The environmental rehabilitation costs determination will remain current for the determination period, unless an application for a new determination is made at least three months before the determination period ends, in which case the environmental rehabilitation costs determination will remain current until the new determination has been made.

The most recent environmental rehabilitation costs determination for Ensham, which was issued in May 2025 and is in force until August 2026, amounts to approximately R3,268 million (AUD297 million) (2024: R3,196 million or AUD274 million).

Holders of environmental authorities for resource activities must contribute to the 'Financial Provisioning Scheme' established under the Mineral and Energy Resources (Financial Provisioning) Act 2018 (Qld) and the Mineral and Energy Resources (Financial Provisioning) Regulation 2018. The nature and amount of the contribution to be made by a holder is determined by the scheme manager, and will be based on the scheme manager's assessment of the risk of the State of Queensland incurring costs and expenses because the holder has not rehabilitated or restored the environment after carrying out the resource activities. The scheme manager may determine that this contribution is to be made by way of a payment into a pooled fund (pool), or the provision of a financial surety, or both.

To the extent that the scheme manager determines the contribution is to be made by payment into the pool, an annual contribution into the pool of up to 2.8% of the environmental rehabilitation costs determination, depending on the risk category allocated to the holder of the environmental authority, is required. However, to the extent that the scheme manager determines that financial surety is required, the holder will be required to obtain this financial surety outside of the pool as a condition of holding the relevant mining lease. The scheme manager may be approached to reassess the required contribution at any time.

Environmental provisions at Ensham

An assessment of the environmental liability for the rehabilitation of the Ensham Mine was prepared by an independent third-party consultant. This assessment was done from first principles in the year ended 31 December 2024 based on an understanding of various inputs, including the volume of material to be moved, the distance to be moved and the method by which the rehabilitation would be completed, as well as the related costs. The costs to be incurred for rehabilitation will be spent over the course of the PRCP as agreed with the DESI, which impacts the net present value of the liability recognised in the summarised statement of financial position. Based on the assessment performed, the environmental provisions recognised for Ensham amount to R4,538 million (2024: R3,977 million on an 85% basis).

Sungela and Thungela Resources Australia, as the owners of the mining leases related to the Ensham Mine, have not yet been accepted into the Queensland pool, however, this acceptance continues to be pursued. On this basis, we are required to maintain financial surety for the current environmental rehabilitation costs determination of R3,268 million or AUD297 million (2024: R3,196 million or AUD274 million).

Other environmental investments

The Group has contributed a further R275 million (2024: R970 million) to the long-term investments held through three financial institutions to secure the required financial surety, issued in favour of the State of Queensland. These investments are held in the name of the financial institutions to build up the required cash collateral for the rehabilitation liability over the remaining life of mine.

The fair value of the other environmental investments is determined based on externally provided investment statements, reflecting the net returns earned on the underlying contributions to the account in which the funds are invested. These investments are included in financial asset investments in the summarised statement of financial position.

10. ENVIRONMENTAL AND OTHER PROVISIONS CONTINUED

Environmental provisions continued

Australia continued

Other environmental investments continued

Other environmental investments in Australia can be analysed as follows:

Rand million	2025	2024
Balance at the start of the reporting period	943	—
Contributions	275	970
Growth on assets	32	12
Currency movements	(60)	(39)
Balance at the end of the reporting period	**1,190**	943

The surety agreements require an annual investment of between AUD10 million and AUD45 million over the next five years, as well as an annual fee equivalent to 2.0% of the surety amount payable to the financial institutions, which is not considered part of the investment. Should our application into the Queensland pool be successful, the annual investment amounts may become discretionary, based on our assessment of the required funding.

These funds are not available for the general use of Thungela and can only be accessed to fulfil mine closure obligations, or to the extent that the investment value has exceeded the environmental rehabilitation costs determination.

Thungela's exposure to our environmental obligations in Australia can be analysed as follows:

Rand million	2025	2024
Environmental provisions	(4,538)	(3,977)
Other environmental investments	1,190	943
Financial surety	3,268	3,196
Total financial provisioning available	**4,458**	4,139
Real pre-tax discount rate (%)	2.0	2.4

Thungela will continue to assess the required rehabilitation activities at the Ensham Mine, and ensure rehabilitation costs and methods are optimised in line with our existing methods where possible.

Sensitivity analysis

The Group has determined that the expected cash flows and the discount rates used to value the environmental provisions have a significant impact on the amounts recognised in the summarised statement of financial position.

The impact that reasonably possible changes in these inputs, keeping all other inputs constant, would have on the environmental provisions can be analysed as follows:

Rand million	2025	2024
5.0% increase in expected cash flows	651	666
0.5% increase in discount rate	(536)	(436)

Contingent liabilities

Thungela is subject to various claims that arise in the ordinary course of business. Additionally, Thungela has provided indemnities against certain liabilities as part of agreements relating to sales or other disposals of business operations in the past. Having taken appropriate legal advice, the Group believes that any material liability arising from the indemnities provided is remote.

Total financial guarantees amounting to R3,297 million (2024: R3,295 million) have been issued in South Africa in favour of the DMPR and other counterparties, where relevant, including the amount identified for rehabilitation purposes noted above. No financial guarantees are in place in Australia, other than the financial surety related to the rehabilitation costs described above.

In 2023, Thungela was formally served with an application for certification for a class action in relation to coal workers' pneumoconiosis. The class action has not yet been certified and no provision has been raised in the summarised consolidated financial statements related to this matter.

No contingent liabilities were secured against the assets of Thungela for any of the years presented.

11. STATED CAPITAL

Thungela has one class of authorised and issued shares, being ordinary shares. Thungela's ordinary shares began trading on the JSE and LSE from 7 June 2021. Thungela has 140,492,585 shares in issue, and has not issued additional shares in the years presented.

Accounting policy

Ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any group entity purchases Thungela's issued shares, reflected as treasury shares for the Group, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the shareholders of the Group until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the shareholders of the Group.

The shares issued by Thungela, and the resultant stated capital, can be analysed as follows:

Number of shares	**2025**	2024
Authorised		
Ordinary no par value shares	**10,000,000,000**	10,000,000,000
Issued		
Ordinary no par value shares	**140,492,585**	140,492,585
Reconciliation of shares in issue		
Shares in issue at the start of the reporting period	**140,492,585**	140,492,585
Shares in issue at the end of the reporting period	**140,492,585**	140,492,585
Adjusted for:		
Treasury shares held by Group companies[1]	**(13,708,399)**	(6,925,889)
Net shares in issue at the end of the reporting period	**126,784,186**	133,566,696
Rand million		
Balance at the start of the reporting period	**11,323**	11,323
Balance at the end of the reporting period	**11,323**	11,323
Adjusted for:		
Treasury shares held by Group companies	**(1,539)**	(980)
Net balance at the end of the reporting period	**9,784**	10,343

[1] Treasury shares held by Group companies include 11,700,761 (2024: 5,686,373) shares held directly by subsidiaries, and 2,007,638 (2024: 1,239,516) shares held in separate broker accounts for employees. The shares held in employee broker accounts relate to share awards granted in terms of the Thungela share plan, or sign-on shares, which have not yet vested. These shares are considered treasury shares for accounting purposes until the awards have vested, in line with the rules of the Thungela share plan.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

11. STATED CAPITAL CONTINUED

Subsidiaries of the Group have purchased 3,307,455 (2024: 919,731) Thungela shares at an average price of R94.00 per share (2024: R134.85 per share) in the year in relation to share awards granted under the Thungela share plan. The purchases were made in terms of Thungela's memorandum of incorporation (MOI) and the shares are held in separate broker accounts for employees, or in the broker accounts of the subsidiary holding the shares, in terms of the rules of the Thungela share plan, until the vesting date. The number of treasury shares held in relation to the Thungela share plan was reduced in the year by the vesting of awards.

The Group also undertook share buybacks on the JSE in the year as a method of returning value to our shareholders. The buybacks were done in terms of the Thungela MOI, and in line with the approval granted by shareholders through a special resolution passed at the annual general meeting. The shares, which are considered treasury shares, were purchased by Thungela Operations Proprietary Limited (TOPL) and are currently held in a separate broker account. A total of 4,858,231 (2024: 4,510,667) shares were purchased in relation to the share buybacks at an average price of R96.45 (2024: R132.95) per share, reflecting a total value of R469 million (2024: R601 million).

Of the treasury shares held by Group companies, 11,700,761 (2024: 5,686,373) shares are held directly by subsidiaries and so do not carry voting rights.

The total number of ordinary shares in issue which carry voting rights at the reporting date is 128,791,824 (2024: 134,806,212).

The resolution to place the unissued shares of Thungela, limited to 5.0% of the shares in issue, under the control of the directors was approved by the requisite majority of votes at the annual general meeting held on 5 June 2025, and so the directors have the authority to issue these shares at their discretion.

12. DIVIDENDS

Thungela has declared and paid ordinary dividends to shareholders from retained earnings.

Accounting policy

Dividends are recognised in the year in which the dividends are declared directly in the summarised statement of changes in equity. Dividends proposed or declared subsequent to the reporting date are not recognised as dividends declared in the year.

Treasury shares are held by subsidiaries in respect of awards granted in terms of the Thungela share plan. Dividends declared on shares held in relation to the forfeitable share awards are paid to the employees on the dividend payment dates. Dividends declared on shares held in relation to the conditional share awards will be paid to the subsidiary holding the share, in line with the rules of the Thungela share plan.

Treasury shares are also held by a subsidiary in relation to the share buybacks undertaken by Thungela. Dividends declared on these shares are paid to the subsidiary on the dividend payment dates.

Dividend policy

Any dividend proposed by the board in respect of a financial period will be dependent on and influenced by, among other considerations, the Group's operating results, financial condition, investment strategy, capital requirements and strategic initiatives. The Group will seek to ensure that there is sufficient cash available in order to fund sustaining capital expenditure△ and life extension opportunities without resorting to excessive leverage, recognising the nature of the Group's assets and single commodity price exposure.

Thungela's dividend policy is to target a dividend payout of a minimum of 30% of adjusted operating free cash flow△. The board is committed to delivering attractive shareholder returns, while maintaining disciplined capital allocation. Therefore, in any given financial year, we might declare dividends above the targeted minimum 30% payout ratio, subject to the board being satisfied that subsequent to the dividend declaration, we have adequate balance sheet flexibility and sufficient funding available to withstand market and coal price volatility, as well as infrastructure constraints.

Dividends paid

Dividends paid in the year can be analysed as follows:

Rand million	2025	2024
Dividends declared to the shareholders of the Group	1,722	1,630
Dividend declared on 18 August 2025 of R2 per ordinary share	260	—
Dividend declared on 17 March 2025 of R11 per ordinary share	1,462	—
Dividend declared on 19 August 2024 of R2 per ordinary share	—	268
Dividend declared on 18 March 2024 of R10 per ordinary share	—	1,362
Dividends declared to non-controlling interests	—	44
Total dividends declared	**1,722**	1,674
Dividends not yet paid to shareholders	(52)	—
Total dividends paid	**1,670**	1,674

Dividend declaration

A final ordinary cash dividend relating to the year ended 31 December 2025 of R2 per share (2024: R11 per share) was declared by the board on 23 March 2026. The dividend, amounting to a return of R281 million to shareholders, has not been recognised as a liability in these summarised consolidated financial statements. The final dividend was declared from retained earnings and will be paid in April 2026 to shareholders on the South African register and in May 2026 to shareholders on the UK register. Together with the interim dividend of R2 per share, this equates to a total dividend of R4 per share for the year ended 31 December 2025.

13. RELATED PARTY TRANSACTIONS

Thungela has a number of related party relationships with other companies and individuals. The related parties comprise the entities in which the Group has an investment, as disclosed in note 14, as well as the directors and prescribed officers noted below. Transactions with these related parties are assessed on a consistent basis as those involving other parties.

Directors

Sango Ntsaluba (chairman)#
Moses Madondo (chief executive officer) (appointed as executive director 1 November 2025)
July Ndlovu (chief executive officer) (resigned as executive director 31 October 2025)
Deon Smith (chief financial officer)
Ben Kodisang#
Kholeka Mzondeki#
Seamus French#
Yoza Jekwa#
Tommy McKeith#

Independent non-executive

Prescribed officers

Johan van Schalkwyk
Carina Venter (resigned 29 August 2025)
Lesego Mataboge
Leslie Martin
Mpumi Sithole
Bernard Dalton
Dan Reynolds (appointed as prescribed officer 1 January 2025)

The Group enters into various sale and purchase transactions with related parties in the ordinary course of business. These transactions are subject to terms that are no less nor more favourable than those arranged with independent third parties.

13. RELATED PARTY TRANSACTIONS CONTINUED

Transactions and balances with related parties

The transactions undertaken with related parties in the year, and outstanding balances at the reporting date, can be analysed as follows:

Rand million	2025	2024
Loans to related parties		
RBCT[1]	168	180
Transactions recognised in the summarised statement of profit or loss and other comprehensive income		
RBCT		
Expenses for services provided	(353)	(362)

[1] The loan to RBCT is deemed part of the equity investment in RBCT.

No transactions have been entered into with key management in the year other than their fixed and variable remuneration.

14. INVESTMENTS IN OTHER ENTITIES

The Group holds a number of investments in other entities, which result in us obtaining control, joint control or significant influence over the entities.

Accounting policy

Investments in subsidiaries

The results of subsidiaries are consolidated for the duration of the period in which the Group exercises control over the subsidiary. All intra-group transactions and resultant profits or losses between group companies are eliminated on consolidation.

Investments in joint operations

Joint arrangements are arrangements in which the Group shares joint control with one or more parties. Joint control is the contractually agreed sharing of control of an arrangement and exists only when decisions about the activities that significantly affect the arrangement's returns require the unanimous consent of the parties sharing control. Joint arrangements are classified as either joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangement. In joint operations, the parties have rights to the assets and obligations for the liabilities relating to the arrangement, whereas in joint ventures, the parties have rights to the net assets of the arrangement.

Joint arrangements that are not structured through a separate vehicle are always joint operations. Joint arrangements that are structured through a separate vehicle may be either joint operations or joint ventures, depending on the specific facts and circumstances of the arrangement. In these cases, consideration is given to the legal form of the separate vehicle, the terms of the contractual arrangement and, when relevant, other facts and circumstances. When the activities of an arrangement are primarily designed for the provision of output to the parties, and the parties are substantially the only source of cash flows contributing to the continuity of the operations of the arrangement, this indicates that the parties to the arrangement have rights to the assets and obligations for the liabilities.

The joint arrangements within the Group, being Mafube Coal Mining Proprietary Limited, Phola Coal Processing Plant Proprietary Limited and Pamish Investments No. 66 Proprietary Limited (Pamish), are accounted for as joint operations. These arrangements are primarily designed for the provision of output to the parties sharing joint control, indicating that the parties have rights to substantially all of the economic benefits of the assets. The liabilities of the arrangements are in substance satisfied by cash flows received from the parties; this dependence indicates that the parties effectively have obligations for the liabilities. It is primarily these facts and circumstances that give rise to the classification as joint operations.

The Group accounts for joint operations by recognising our share of the assets, liabilities, revenue and expenses of the joint operation, including our share of such items held or incurred jointly.

The investments in other entities held by the Group can be analysed as follows:

Legal entity name	Nature of business	Operation	Shareholding %
Direct subsidiaries			
South Africa Coal Operations Proprietary Limited[1]	Investment holding company		100
Thungela Resources Holdings Proprietary Limited	Investment holding company		100
Thungela Treasury Proprietary Limited	Investment holding company		100
Thungela International Proprietary Limited	Investment holding company		100
Indirect subsidiaries			
Thungela Operations Proprietary Limited	Mining company		100
	Mining operation	Isibonelo	
	Mining operation	Goedehoop	
	Mining operation	Greenside	
	Mining operation	Khwezela	
Anglo American Inyosi Coal Proprietary Limited	Mining company		100
	Mining operation	Zibulo	
	Mining operation	Annea	
Butsanani Energy Investment Holdings Proprietary Limited	Investment holding company		67
Thungela Inyosi Coal Sercurityco Proprietary Limited[2]	Dormant		100
Newshelf 1316 Proprietary Limited	Dormant		100
Blue Steam Investments Proprietary Limited	Dormant		100
Main Street 1756 (RF) Proprietary Limited	Investment holding company		100
Thungela Resources Australia Pty Limited[3]	Investment holding company		100
Sungela Holdings Pty Ltd[3,4]	Investment holding company		100
Sungela Pty Ltd[3,5]	Investment holding company		100
Ensham Resources Pty Limited[3,5]	Mining company		100
	Mining operation	Ensham Mine	
Ensham Coal Sales Pty. Ltd.[3,5]	Marketing company		100
Nogoa Pastoral Pty. Ltd.[3,5]	Agricultural company		100
	Agricultural operation	Nogoa Pastoral	
Thungela Marketing International Holdings Limited[6]	Investment holding company		100
Thungela Marketing International FZCO[6,7]	Marketing company		100

1 Thungela holds 90% of the shares in SACO. The Sisonke Employee Empowerment Scheme Trust and the Nkulo Community Partnership Trust, which are controlled by the Group, hold 10% collectively of the shares in SACO. Effectively, Thungela owns 100% of SACO.
2 The Group's application to deregister Thungela Inyosi Coal Securityco Proprietary Limited was submitted on 8 July 2024, and confirmation of deregistration was received on 2 January 2025.
3 The place of business and incorporation of this entity is Australia.
4 Thungela Resources Australia holds 100% of the shares in Sungela Holdings from 29 September 2025. Refer to note 2 for detail related to our shareholding in the Ensham Business.
5 The shareholding in this entity is held through Thungela Resources Australia and Sungela Holdings as part of the Ensham Business. Refer to note 2 for detail related to our shareholding in the Ensham Business.
6 The place of business and incorporation of this entity is Dubai.
7 Thungela Marketing International changed its company suffix from DMCC to FZCO on 9 January 2026.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

For the year ended 31 December 2025

14. INVESTMENTS IN OTHER ENTITIES CONTINUED

The investments in other entities held by the Group can be analysed as follows continued:

Legal entity name	Nature of business	Operation	Shareholding %
Indirect joint operations			
Mafube Coal Mining Proprietary Limited	Mining company		50
	Mining operation	Mafube	
Phola Coal Processing Plant Proprietary Limited	Mining company		50
	Processing operation	Phola Coal Processing Plant	
Pamish Investments No. 66 Proprietary Limited[1]	Mining company		49
	Processing operation	Pamish plant	
Indirect associates			
Richards Bay Coal Terminal Proprietary Limited	Port logistics	Richards Bay Coal Terminal	23
Colliery Training College Proprietary Limited[2]	Training provider for companies in the mining industry		23
Indirect trusts			
Nkulo Community Partnership Trust	Community trust		100
Sisonke Employee Empowerment Scheme Trust	Employee trust		100
Anglo American Thermal Coal Environmental Rehabilitation Trust	Rehabilitation trust		100
Mafube Rehabilitation Trust	Rehabilitation trust		50

1 The interest in Pamish is held through TOPL. Although TOPL legally owns 49% of Pamish, the contractual agreements result in TOPL obtaining 100% of the benefits related to the operations of Pamish.

2 The investment in Colliery Training College Proprietary Limited is considered immaterial to the Group and has not been equity accounted.

The place of business and incorporation of all subsidiaries, joint operations, associates and trusts is South Africa, except where specifically noted otherwise.

15. EVENTS AFTER THE REPORTING PERIOD

The Group monitors activity between the reporting date and the date of the approval of the Annual Financial Statements to ensure that any events that may impact the Group are considered.

Accounting policy

The Group assesses relevant events that occur between the reporting date and the date that the Annual Financial Statements are authorised for issue. An assessment will be performed to determine if the event is an adjusting or non-adjusting event, and adjustments or disclosure may be made if required.

Escalating tensions in the Middle East

The ongoing conflict in the Middle East following the recent US-Israeli actions involving Iran in early 2026 has raised new levels of uncertainty and has understandably caused concern. The uncertainty brought about by the conflict has, once again, increased volatility in the energy market, impacting on the price of oil, gas and coal. We will continue to closely monitor the situation and the impact on our employees and operating environment.

Declaration of dividend

On 23 March 2026, the board declared a final ordinary cash dividend of R2 per share, or R281 million, from retained earnings. Combined with the interim dividend for 2025, this represents a total dividend payment of R562 million to shareholders related to 2025. The dividend will be paid in April 2026 to shareholders on the South African register, and in May 2026 to shareholders on the UK register.

The ordinary cash dividend and interim share buyback in total amount to returns to shareholders of R701 million, reflecting 177% of the adjusted operating free cash flow[△] generated in the year ended 31 December 2025.

ANNEXURES 2 – 5

ANNEXURE 2

AUDIT COMMITTEE AND SOCIAL, ETHICS AND TRANSFORMATION MEMBERS UP FOR RE-ELECTION

Kholeka Winifred Mzondeki
Independent non-executive director

BCom, FCCA (UK)

C

Age: 58
Nationality: South African

Appointed: 12 February 2021

Kholeka has over 20 years' experience in governance and senior financial management. She has served as financial director and chief financial officer in several organisations, including the Fortune 500 company, 3M. In addition, she has served and is serving on several boards and was chairman of Trudon Proprietary Limited (Yellow Pages), a subsidiary of Telkom SA SOC Limited. Kholeka was part of the team that pioneered Trudon's digital journey. She has been a finalist in the Nedbank/BWA Businesswoman of the Year Award and has also served as an audit member at the United Nations World Food Programme on a pro bono basis.

Skills and experience
Management, risk management, retail, consumer, sustainability, IT, digital technology, governance, finance, accounting, strategy, board experience, leadership

Thomas (Tommy) David McKeith
Independent non-executive director

BSc, (Hons), GDE (Mining and Mineral Engineering), MBA

C

Age: 62
Nationality: Australian

Appointed: 1 October 2024

Tommy is an experienced chairman, non-executive director and chair/member of board committees, with over 35 years of mining company leadership, corporate development, project development and exploration experience. Having worked in bulk, base and precious metals across numerous jurisdictions, Tommy brings deep and strategic insights to the boards on which he serves, with a strong focus on value creation.

Skills and experience
Executive management and leadership, mining, project development, exploration, corporate development, entrepreneurship, board experience

Benjamin Monaheng (Ben) Kodisang
Independent non-executive director

BCom, BCompt (Hons), CA(SA)

C

Age: 55
Nationality: South African

Appointed: 16 March 2021

Ben is the founder and chief executive officer of ALT Capital Partners and has over 25 years of investment and business experience across asset classes throughout the African continent. He serves on several boards including, Absa Bank Botswana Limited, Vukile Property Fund Limited and Sphere Private Equity Proprietary Limited. Prior to this, he was chairman of the South African Property Owners Association and Wesgro. In addition, Ben was chief executive officer of Sanlam Alternatives, and a managing director of STANLIB Asset Management Limited and Old Mutual Property Proprietary Limited.

Skills and experience
Operations, finance, business development, risk management, investment banking, fund management, sustainability, asset and investment property management, governance

Chairperson	Committee					
C	Audit	Health, safety, environment and risk	Social, ethics and transformation	Remuneration and human resources	Nomination and governance	Investment

Yoza Noluyolo Jekwa
Independent non-executive director

MBChB, MBA

C

Age: 50
Nationality: South African

Appointed: 12 August 2022

Yoza is the chief executive officer and founder of Thrive Capital Partners. Prior to this, she was the chief executive officer of Mergence Investment Managers Proprietary Limited. She has extensive investment banking experience, having worked at Rand Merchant Bank and Nedbank Limited. She currently serves as an independent non-executive director on the boards of Brait plc, Broll Property Group and Northam Platinum Limited.

Skills and experience
Corporate finance, risk management, investment banking, fund management, sustainability, infrastructure, executive management, leadership, board experience

Moses Madondo
Chief executive officer, executive director

BSc (Engineering), MBA, Advanced Management Program (Harvard Business School)

Age: 51
Nationality: South African

Appointed: 1 November 2025

Moses has more than 25 years of operational and strategic experience across Africa and North America. He served as chief executive officer of the De Beers Group's managed operations, overseeing activities in South Africa, Canada and Angola.

Skills and experience
Mining operations, executive management, strategy, performance turnaround programmes

Chairperson	Committee					
C	Audit	Health, safety, environment and risk	Social, ethics and transformation	Remuneration and human resources	Nomination and governance	Investment

ANNEXURE 3

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT

The committee is constituted as a statutory committee in respect of those functions assigned to it in terms of the Companies Act, 71 of 2008, as amended (the Companies Act), Regulation 43 of the Companies Act and all other functions assigned to it by the board. For the financial period under review, the committee was guided by, among others, the principles contained in the King IV™ Report on Corporate Governance (King IV).

COMMITTEE

Tommy McKeith (chairperson)
Yoza Jekwa
July Ndlovu[1]
Moses Madondo[2]

[1] Resigned 31 October 2025.
[2] Appointed 1 November 2025.

The board chairman has a standing invitation to attend all committee meetings, while Group executive committee members and heads of department participate when required. The committee meets at least twice a year prior to scheduled board meetings. Attendance at meetings is set out on page 91 Thungela Integrated Annual Report 2025.

ROLES AND RESPONSIBILITIES

The committee has various roles and responsibilities as set out in its terms of reference and detailed below:

- Stakeholder engagement;
- Good corporate citizenship and community;
- Ethics and responsible business practice management;
- Labour and employment; and
- B-BBEE management.

Stakeholder engagement

- Provides oversight and reporting on ethics and stakeholder relations and responsible corporate citizenship; and
- Reviews and provides the board with assurance on the integrity of sustainability-related information contained in our Integrated Annual Report and Environmental, Social and Governance (ESG) report.

Good corporate citizenship and community development

The Company recognises that it is an integral part of the communities in which it operates, encompassing not only society, but also the economy and environment. As a corporate citizen, the Company has rights, but it also has responsibilities and obligations towards society and the environment, as neither operates in isolation.

The committee is accordingly responsible for the oversight of and reporting on the outcomes of the Company's activities regarding responsible corporate citizenship. This includes:

- Monitoring policies and activities regarding the promotion of equality, prevention of unfair discrimination and the reduction of corruption;
- Monitoring the Group's activities that have an impact on the Group's licence to operate within the communities where it conducts business;
- Monitoring the Group's policies regarding the management of social risks and impacts, including those associated with human rights violations, life-extension projects and mine closure;
- Reviewing and approving the Company's approach to socio-economic development, key performance indicators and objectives;
- Approving the annual community investment budget;
- Considering and making recommendations to the board on the Company's impact on the host communities in which it operates, including their sustainability;
- Annually reviewing all community investment strategy sponsorships, donations and charitable contributions; and
- Overseeing that the Company meets its commitments in terms of the Mineral and Petroleum Resources Development Act, 2002 (MPRDA).

Ethics and responsible business management

The committee is responsible for reviewing and monitoring the Company's policies and practices regarding the United Nations Global Compact (UNGC), including Principle 10, namely that businesses should work against corruption in all its forms, including extortion and bribery. This includes:

- Ensuring that values and ethics have been fully considered in significant business decisions;
- Reviewing of policies and processes relating to ethics and their effectiveness; and
- Providing oversight and guidance in respect to the development of the Company's responsible business practices and policies, including:
  - ensuring that focus areas are aligned with the Company's purpose, objectives and shared value outcomes;
  - ensuring that appropriate governance systems, performance metrics, internal and external assurances and reporting are in place to ensure effective delivery and accountability; and
  - providing guidance and feedback on the Group's risk management framework, ensuring that appropriate ESG-related risks are considered and reviewed as part of the annual materiality assessment for integrated reporting.

LABOUR AND EMPLOYMENT

The committee is responsible for:

- Monitoring the Company's standing in terms of the 10 principles set out in the UNGC;
- Reviewing progress on transformation and employee relations;
- Reviewing the Company's policies and practices regarding human resource development, diversity and retention; and
- Monitoring the Company's policies and activities in compliance with the requirements of the Employment Equity Act.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

The committee oversees compliance with both the MPRDA and the UNGC and:

- Reviews the Company's B-BBEE status;
- The publication of the Company's annual B-BBEE verification certificate and the submission of the Company's compliance report to the B-BBEE Commission;
- Oversees that a balance between transformation activities, including investment in skills that facilitate enterprise and supplier development, socio-economic development, and the fulfilment of Company objectives is maintained;
- Considers material external developments in the field of transformation and sustainable development, and has these assessed where necessary and provides appropriate strategic guidance to the board; and
- Makes recommendations to the board on participation, co-operation and consultation on transformation, and community and social development related matters with government, non-governmental and employee organisations.

KEY FOCUS AREAS IN 2025

The committee's key focus areas and accomplishments in 2025 included:

Socio-economic development

- Thungela Education Initiative: Successfully implemented all planned activities for 2025.
- Leadership development: All six modules targeting school principals, deputy principals and heads of department were successfully delivered across 45 schools.
- Psycho-social support: Thungela conducted training on the screening, identification, assessment and support framework for school-based support teams across 10 pilot schools.
- Educator development: Seven Grade R educators were successfully enrolled to obtain NQF level 6 qualifications as required by the Department of Education.
- Direct learner support: Grade 3 learner camps were held with the primary objective of equipping learners with tools to manage their transition to Grade 4. A total of 21 camps were held reaching over 4,500 learners from 44 schools.
- Project-based learning educator support: Project-based learning was introduced at a pilot school, Vukuzithathe Primary School.

Enterprise and supplier development

- In 2025, a total of 52 Thuthukani enterprise development beneficiaries were equipped with technical support, enabling them to access opportunities within the Group's value chain and deliver high-quality services. Eight beneficiaries graduated and were registered as suppliers to the Group.
- Thuthukani provided loan funding to eligible and qualifying suppliers resulting in the creation of employment for 187 people in 2025.

Host community spend for 2025:

The Company achieved its overall 20% host community spend target for the financial year under review.

Social and labour plans:

A total of 10 social and labour plans (SLP) projects were delivered across the Group in 2025. Goedehoop and Isibonelo submitted their SLP close-out reports for the 2020 to 2024 cycle to the South African Department of Mineral and Petroleum Resources (DMPR). However, due to ongoing obligations with regard to mining rights, both operations were required to prepare and submit new SLPs for the 2025–2029 cycle. In August 2025, the DMPR conducted an inspection at Goedehoop, resulting in directives for the operation to submit improvement plans addressing identified gaps, particularly within the human resource development section of the SLP. The Group continues to engage with the DMPR with regard to Goedehoop and Isibonelo.

Compliance

- Mine community development: A majority of the sites have implemented mine community development projects according to plans committed on SLPs. Where delays were experienced, the DMPR was informed.
- Housing: Thungela has made notable progress in advancing home-ownership opportunities for its employees. Employees are, in addition, now receiving a housing allowance.
- Employment equity: All operations achieved an average performance level exceeding 80% against established targets.
- Procurement of goods, consumables and services from B-BBEE entities: 40% of total spend on goods, consumables and services was sourced from qualifying B-BBEE entities.

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE REPORT CONTINUED

- Human resources development: On average, sites achieved 91% of their targets, with the exception of Annea, which achieved less than 50% due to its transition from a project to a fully operational site.

Goods, services, membership and awards

Black-women-owned and youth-owned spend for 2025

The target spend for goods on black-women-owned and youth businesses was 7%. In 2025 all sites were performing above target.

Services spend

- Thungela set a 15% procurement spend target for women-owned service providers. In 2025, overall performance surpassed this target, with women-owned businesses achieving 29% of service spend.
- Thungela set a 5% procurement spend target for youth-owned service providers. For the year under review, overall performance exceeded this target, with youth-owned businesses achieving 10% of total service spend.

Membership and awards

Top Employer industry leader

In 2025, Thungela was recognised as a Top Employer industry leader in the mining sector.

United Nations Global Compact

Thungela was accepted as a member of the UNGC in May 2025.

Current indications are that the Company will achieve a level 5 B-BBEE rating. The Company has submitted its compliance report to the B-BBEE Commission, and this has been uploaded onto the Company's website at www.thungela.com.

KEY FOCUS AREAS FOR 2026

- The implementation of three projects for the Nkulo Community Partnership Trust in respect of the Mphephethe Primary School, the KwaGuqa water pipeline project and the construction of the Bonginhlanhla Stimulation Centre;
- The finalisation of Zibulo's SLP for the 2026 to 2031 cycle;
- The development of Annea's SLP for 2027 to 2031;
- Allocating Nkulo Community Partnership Trust funding to successful project funding applicants following receipt of over 200 project funding application proposals from community members across all three municipalities where Thungela operates;
- The continued measurement of progress against employment equity sectoral targets;
- Revisiting the gap analysis conducted as part of the Company's acceptance as an UNGC participant, so as to identify the key priority areas, develop a clear implementation roadmap and engage subject matter experts across the Group;
- To address the strategic intervention areas identified in the psycho-socio support for educators and learners;
- Continuing the alignment of the Group's sustainability reporting to the International Sustainability Standards Board IFRS S1 and S2 global disclosure standards;
- The advancement of responsible mine closure;
- Reviewing the Group's codes of conduct and policies including its whistleblowing policies for alignment in terms of legal, regulatory and recommended best practice, including Australia and the UAE; and
- The incorporation of the best practice recommendations contained in the King V™[1] into the committee's terms of reference and workplan.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period. The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Tommy McKeith

Tommy McKeith
Social, ethics and transformation committee chairperson

22 April 2026

[1] King V™ Report on Corporate Governance for South Africa 2025, copyright and trademarks of which are owned by the Institute of Directors in South Africa NPC, accessible via https://www.iodsa.co.za/


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ANNEXURE 4

REMUNERATION REPORT

The purpose of Thungela's remuneration and human resources committee (the committee) is to assist the board in fulfilling its oversight responsibilities in relation to remuneration and broader human resources matters. The committee regularly reviews and refines the Group's remuneration and human resources practices to ensure continued alignment with the delivery of the Group's strategy in a fair, responsible and sustainable manner.

Through its oversight role, the committee promotes transparency in the Group's remuneration and human resources disclosures, enabling stakeholders to assess the effectiveness of remuneration governance and related practices.

Composition
Ben Kodisang (chairperson)
Seamus French
Yoza Jekwa

The committee confirms that it has complied with its mandate as outlined in the terms of reference on our website, www.thungela.com. Additionally, it has followed the provisions and guidance outlined in King IV™ concerning remuneration governance and aligned with the applicable JSE Listings Requirements.

The members of the committee are all independent non-executive directors, in accordance with the recommendations of King IV™. The committee meets at least three times a year prior to scheduled meetings of the board. Attendance at meetings is set out on page 91 of the Thungela Integrated Annual Report 2025.

1. **Section 1: Chairperson's background statement**
Provides context on the Group's performance and its impact on remuneration, together with an overview of the committee's key activities and decisions during the year.

2. **Section 2: Remuneration policy**
Sets out the Group's remuneration policy as it applies to executive directors, prescribed officers and non-executive directors.

3. **Section 3: Implementation report**
Details the implementation of the remuneration policy, including the required disclosures on executive director, prescribed officer and non-executive director remuneration.

Our remuneration strategy is a key enabler of a strong employee value proposition and a high-performance culture, directly supporting the achievement of Thungela's strategic priorities and purpose.

BEN KODISANG
CHAIRPERSON

SECTION 1 CHAIRPERSON'S BACKGROUND STATEMENT

Dear shareholders

On behalf of the committee, I am pleased to present Thungela's 2025 remuneration report. This report sets out our remuneration policy and our remuneration implementation outcomes for 2025, with specific focus on executive directors and prescribed officers.

In 2025, the committee continued to strengthen alignment between remuneration decisions, the Group's purpose and its strategic priorities. Through ongoing oversight and regular review of remuneration and human resources policies, the committee sought to ensure that remuneration outcomes support sustainable, long-term value creation.

The 2025 shareholder vote on remuneration, together with engagements with shareholders during the year, provided valuable insights that informed the committee's deliberations. The committee acknowledges shareholder feedback, particularly regarding the balance of performance measures across the short- and long-term incentive (LTI) scorecards and perceptions relating to the retirement age of executives. These concerns are addressed in the overview of the remuneration developments and activities in 2025.

Incorporating governance considerations, stakeholder feedback and a continued focus on the Group's purpose, the committee is refining the remuneration strategy to support long-term value creation for all stakeholders.

FACTORS INFLUENCING REMUNERATION DECISIONS

Thungela's performance during the year remained focused on managing factors within the Group's control. The Group delivered a solid operational outcome, exceeding the production guidance in South Africa while meeting the upper end of the production guidance for Ensham. The FOB cost per export tonne was below the guidance for both regions.

During the year, the portfolio entered a period of transition as two operations in South Africa, Goedehoop North and Isibonelo, reached the end of their economic life at the end of 2025. Notwithstanding this transition, the Group remained focused on delivering its strategic priorities, completing two life-extension projects, the Annea Colliery (previously known as the Elders project) and the Zibulo North Shaft project, thereby repositioning the portfolio toward longer-life and more competitive assets.

The Group has operated for three years fatality free, however; there was an increase in the Group's total recordable case frequency rate (TRCFR) to 2.18 (2024: 1.93), primarily due to the challenging operating environment during the production footprint transition. In response, targeted and intentional interventions were implemented to strengthen safety outcomes and reinforce the Group's commitment to maintaining a fatality-free workplace.

REMUNERATION REPORT CONTINUED

In exercising its oversight responsibilities, the committee considered the Group's performance for the year, including strong production and cost efficiency achieved despite ongoing external market pressures, when determining remuneration outcomes for the 2025 financial year.

Key performance indicators

Financial	Adjusted EBITDA△ **R1.2 billion** (2024: R6.3 billion)	Adjusted operating free cash flow△ **R396 million** (2024: R3.6 billion)	
Production	FOB cost per export tonne excluding royalties△ – South Africa **R1,170** (2024: R1,130)	FOB cost per export tonne excluding royalties△ – Ensham **R1,435** (2024: R1,433)	Export saleable production **17.8Mt** (2024: 17.7Mt)
Safety	TRCFR – South Africa **1.80** (2024: 1.07)	TRCFR – Australia **15.72** (2024: 13.21)	Fatalities **None** (2024: None)
Environment, social and governance (ESG)	Representation of historically disadvantaged persons (HDP) in management – South Africa **76%** (2024: 74%)	Improvement in energy intensity **(17%)** (2024: 4.39%)	Water abstraction – South Africa **361ML** (2024: 373ML)

REMUNERATION DEVELOPMENTS AND ACTIVITIES

The following is a review of the key remuneration developments and activities of the committee during 2025.

Terms of the outgoing and incoming chief executive officer

During the early part of 2025, the committee, together with the board, approved the remuneration-related arrangements for the outgoing and incoming chief executive officers. These arrangements were agreed in line with the Group's remuneration policy.

July Ndlovu, the outgoing chief executive officer, retired on 31 December 2025, having stepped down as an executive director on 31 October 2025. On retirement, he received a payment in respect of accrued leave, as well as a cash retirement award. He remains eligible to receive the full short-term incentive (STI) cash award attributable to the 2025 performance year; however, he does not qualify for the deferred STI component. As his exit occurred at his normal retirement age, he was classified as a no fault/good leaver in terms of the remuneration policy and the Thungela share plan. Accordingly, all outstanding forfeitable and conditional share awards were accelerated to 31 December 2025 and will be settled in 2026.

Conditional share awards will vest based on the committee's assessment of performance and will be time-apportioned for the completed months of the applicable employment period, with the two-year post-vesting holding period applicable from 1 January 2026. Forfeitable share awards will vest on a time-apportioned basis for completed months of service from the relevant grant date with the remainder settled in cash based on the sale price for this portion.

Moses Madondo was appointed as chief executive officer designate with effect from 1 August 2025 and assumed the role of chief executive officer and executive director on 1 November 2025. His remuneration package was informed by market benchmarking and with reference to the remuneration of the outgoing chief executive officer. On appointment, the sign-on arrangements to compensate for remuneration forfeited on his resignation from his previous employer were implemented. The award structure contained both cash and forfeitable share components, as follows:

- Cash sign-on award of R18.6 million, representing the value of short-term and LTIs that would have vested within 12 months of joining the Group. Should he exit the Group as a fault/bad leaver within 24 months of his appointment, the cash award will be repayable on a time-apportioned basis for the number of completed months served.

- A share-based sign-on award with a value of R16.7 million was granted in respect of incentives forfeited that would have vested beyond 12 months. These awards were delivered in the form of forfeitable shares in Thungela, vesting in equal tranches over three years, commencing on the first anniversary of his appointment. The share awards carry dividend and voting rights over the vesting period, with any unvested awards forfeited in the event of a fault/bad leaver termination.

The committee further approved that he would be eligible to participate in the conditional share award for 2025 and this was granted on his appointment.

The incoming chief executive officer's notice period (six months), STI and deferred STI limits (95% and 48% of annual basic salary, respectively), LTI award opportunity (200% of annual basic salary), minimum shareholding requirement (200% of annual total guaranteed package (TGP)) and restraint-of-trade provisions (six months) are aligned with the approved remuneration policy.

Other changes to executive leadership

- The executive head of Thungela Resources Australia, Dan Reynolds, was officially appointed to the Group executive committee and as a prescribed officer on 1 January 2025. The details of his remuneration package are disclosed in section 3 of this report.
- The executive head of health, safety and environment, Carina Venter, resigned with effect from 31 August 2025. No variable pay awards were made to her in respect of the 2025 financial year and she forfeited all unvested forfeitable and conditional share awards upon her exit.

Retirement age extension for South African executives

Following the announcement of the outgoing chief executive officer's planned retirement at the end of 2025, the committee received feedback from shareholders questioning the appropriateness of maintaining a retirement age of 60 for executive directors and prescribed officers. The committee noted that these concerns reflect broader industry developments, influenced by evolving market practices, increased life expectancy and stakeholder expectations for greater leadership continuity.

Across the South African mining industry, there is a growing trend to reassess retirement policies to support leadership stability, talent retention and competitiveness. To inform its deliberations, the committee undertook a comprehensive benchmarking review of retirement age practices within the mining sector in South Africa, including associated governance considerations for the retention of critical skills. This review indicated that several peer companies have increased retirement ages from 60 to between 63 and 65, depending on role and responsibility.

This shift is underpinned by demographic and economic factors, including longer working lives and increased financial pressures affecting retirement outcomes. Extending the normal retirement age enables employees to contribute for longer during peak earning years, benefit from extended investment growth and reduce the period over which retirement savings are drawn down.

Based on this analysis and the committee's deliberations, it was resolved that the normal retirement age for executive directors and prescribed officers in South Africa would be increased to 65 years, with the retirement age for the remainder of the South African workforce set at 63 years, effective 1 January 2026. This change does not apply to employees in Australia, where the legislated retirement age of 67 years remains, nor to expatriates employed in the United Arab Emirates (UAE), where no mandatory retirement age applies.

Structure of the short-term and long-term incentive performance scorecards

Certain shareholders raised concerns regarding the balance between financial and non-financial measures within Thungela's STI and LTI performance scorecards, indicating that it was not considered typical for the mining industry. In addition, questions were raised about the absence of performance modifiers within the STI scorecard, particularly in relation to safety and environmental outcomes.

Within the variable remuneration framework, STIs and LTIs are applied to reward distinct components of performance, as outlined below:

Based on this context, Thungela undertook a desktop review of the STI and LTI structures applied by its primary peer group, which aligns with the comparator group used for remuneration benchmarking (refer to page 94). The key observations from this review, which informed the committee's deliberations, included the following:

- STI: Peer companies generally place a strong emphasis on non-financial measures, particularly those linked to production, safety and broader ESG measures.
- STI: The use of safety modifiers was evident among a minority of peers, while environmental modifiers were not applied by any of the companies reviewed.
- LTI: A greater proportional weighting was typically allocated to financial and shareholder-aligned measures.

Taking these findings into account, and following careful consideration by the committee, it was resolved that the relative weightings of the various performance categories within the STI and LTI scorecards be revised. The approved changes will be implemented with effect from 2026.

Short-term incentive

Performance category	2026 Weighting		2025 Weighting
Safety and health	10%	–	10%
ESG	10%	–	10%
Production	20%	↓	30%
Finance	30%	↑	20%

- The weighting of the production performance category was reduced by 10%, with the corresponding weighting reallocated to the financial performance category.
- Additional financial measures applicable to executive directors and prescribed officers are incorporated within the individual performance component of the STI framework.
- No performance modifiers will be included in the STI structure. In line with a deliberate decision taken in 2022, the safety modifier was removed, with safety performance instead addressed through the committee's discretionary authority and, where appropriate, the application of malus provisions, for which safety outcomes constitute a trigger event.

Long-term incentive

Performance category	2026 Weighting		2025 Weighting
Shareholders	30%	↑	25%
Financial	25%	↑	20%
Production sustainability	20%	↓	25%
ESG	25%	↓	30%

- The weighting of the production sustainability and ESG performance measures were reduced by 5% each, with the reallocation applied to the shareholder and financial performance categories.
- As a result, the LTI scorecard now reflects a revised weighting of 55% financial and 45% non-financial measures.

Total remuneration benchmarking

The Group's remuneration philosophy is aimed at remunerating our employees in line with the market median, except where there are valid reasons for differentiation. For 2025, the executive director's remuneration benchmarks against the previously approved comparator group (see page 94), as well as the prescribed officer's benchmarks against external salary survey data were conducted by Bowmans, an independent law firm in South Africa. The benchmarks were referenced for the remuneration review of the executive director and prescribed officers. The outcomes of these benchmarks and subsequent actions are outlined in more detail in section 3 (see page 99).

Driving fair and responsible remuneration

The Group is committed to fair, transparent and responsible remuneration practices that support sustainable long-term value creation. In line with global best practice, Thungela seeks to eliminate arbitrary factors in remuneration decision-making and takes deliberate action to address unjustified remuneration differentials, thereby contributing to a more equitable society.

The committee conducts an annual review of remuneration practices to assess internal fairness and equity across the Group, aligned with specific inclusion and diversity objectives. Where anomalies or inequities are identified, corrective measures are implemented. These may include out-of-cycle adjustments funded through a dedicated pay equity budget approved by the committee.

Minimum salary levels are reviewed regularly to ensure alignment with relevant market benchmarks, as well as prescribed and regulated norms in the jurisdictions in which the Group operates. A review conducted during 2025 confirmed that minimum salaries across Thungela continued to meet or exceed applicable regulatory and market requirements. In South Africa, the net fixed remuneration of the lowest paid permanent employees exceeds the R15,000 living wage benchmark determined by the Living Wage South Africa Network.

As part of its ongoing focus on pay equity, the committee continues to assess both vertical and horizontal pay gaps.

Vertical pay equity

Vertical pay equity is monitored using established measures, including the Palma ratio and the 5:5 ratio introduced under the Companies Amendment Act. Performance against these indicators further improved during 2025, reflecting continued progress in moderating remuneration differentials across organisational levels. The committee continues to monitor developments closely to ensure ongoing readiness and compliance and has resolved to formally disclose the relevant ratios once the applicable provisions of the Companies Amendment Act are enacted.

Horizontal pay equity

Our comprehensive horizontal pay gap analysis was repeated in 2025, applying a consistent methodology. The analysis compared the average TGP of employees in comparable roles, with peer groupings defined in accordance with the Employment Equity Act. The results confirmed the absence of systemic racial or gender-based pay discrimination within Thungela's South African operations.

The committee remains cognisant of the increasing global focus on remuneration transparency. In South Africa, the proposed Fair Pay Bill, introduced in June 2025, seeks to amend the Employment Equity Act by prohibiting the use of historical pay data during recruitment and requiring the disclosure of salary ranges in job advertisements. While still subject to parliamentary review, the Fair Pay Bill signals a broader shift toward enhanced transparency and equity in remuneration practices.

The Group continues to strengthen its approach to measuring and managing fair and responsible remuneration by monitoring income differentials, horizontal pay gaps and identified pay equity outliers. These insights inform the ongoing refinement of remuneration practices and support the integration of pay equity considerations into broader decision-making.

2025 South African wage negotiations

Despite a challenging negotiating context, Thungela concluded a three-year wage agreement with the National Union of Mineworkers (NUM) across its South African operations. The agreement was concluded without industrial action and within the wage mandate that was approved by the committee.

Talent management and succession planning

During 2025, the committee enhanced its governance oversight by introducing a third meeting to its annual calendar, dedicated exclusively to human resource practices across the Group. As part of this focused engagement, the committee reviewed the outcomes of Thungela's talent management and succession planning processes, with particular emphasis on executive leadership and other senior, critical roles. For more detail, refer to the People section on page 98 of the ESG report.

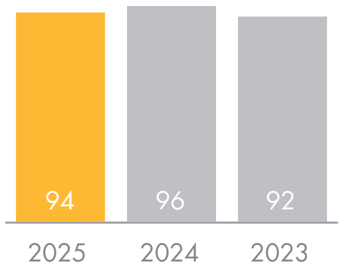
SHAREHOLDER ENGAGEMENT

Thungela places significant emphasis on constructive and ongoing engagement with its shareholders, particularly in relation to executive remuneration and governance matters.

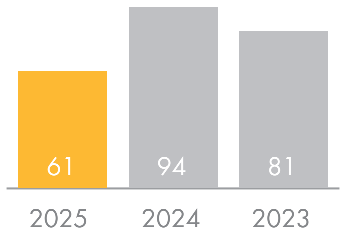
At the most recent AGM held on 5 June 2025, shareholders were invited to vote on the 2024 remuneration policy, the remuneration implementation report and a special resolution relating to non-executive directors' fees. The remuneration policy received strong support, with 94% of votes cast in favour. The remuneration implementation report, however, received 61% support. The voting outcomes for the relevant resolutions are illustrated in the graphs that follow.

REMUNERATION REPORT CONTINUED

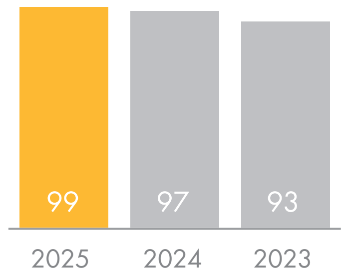
Remuneration policy (%)



Remuneration implementation report (%)



Non-executive directors' fees (%)



Shareholder feedback received during the year was carefully considered by the committee. The key concerns raised, together with the committee's responses and actions, are addressed in the preceding section of this report. Engagement with shareholders remains a priority and the Group continues to encourage open dialogue to better understand shareholder perspectives and expectations.

In line with best governance practice, the 2025 remuneration policy and the remuneration implementation report (set out in sections 2 and 3 of this report, respectively) will be presented for separate, non-binding advisory votes at the AGM scheduled on 5 June 2026.

Should 25% or more votes be cast against either or both resolutions, Thungela will acknowledge the outcome in the regulatory announcement of the AGM results and will issue a market regulatory announcement inviting dissenting shareholders to engage with the committee and the Group. Any material concerns raised through this process, together with the committee's response, will be disclosed in the remuneration report for the year ending 31 December 2026.

REMUNERATION GOVERNANCE

The committee continued to apply disciplined oversight to ensure that remuneration decisions were firmly aligned with Thungela's purpose and strategic priorities. The committee's work was guided by a strong commitment to fairness, transparency and sustainable value creation for stakeholders. The combination of independent advice, robust benchmarking and structured oversight enabled the committee to make well-informed remuneration decisions that balance executive reward with long-term shareholder interests.

Governance authority

Oversight and approval of material remuneration and conditions-of-service matters are allocated to the relevant decision-making bodies, as set out in the governance framework below:

	CEO or management	Remuneration and human resources committee	Board	Shareholders
Remuneration policy	Propose	Approve		
CEO remuneration		Recommend	Approve	
Executive director remuneration	Propose	Approve	Note	
Prescribed officer remuneration	Propose	Approve	Note	
STI and LTI performance target setting and assessment	Propose	Approve	Note	
Executive conditions of service	Propose	Recommend	Approve	
Remuneration report	Propose	Approve	Recommend	Endorse
Non-executive director fees	Propose	Note	Recommend	Approve

Invited attendees

The committee has the authority to invite the chief executive officer, chief financial officer, other members of senior management, assurance providers and the committee's independent reward advisor to attend meetings, as required. The chair of the board has a standing invitation to attend committee meetings.

Invitees may participate in discussions on specific agenda items relevant to their role and expertise, after which they are excused from the meeting. Such invitees are not considered members of the committee, do not form part of the quorum and do not vote on any decisions taken.

No individual is present during deliberations relating to their own remuneration or conditions of service.

Access to advisors and information

Committee members have ongoing access to independent advice and relevant information necessary to support objective and informed decision-making on remuneration and related human capital matters. In exercising its responsibilities, the committee regularly benchmarks the Group's remuneration policy against local and international market practices, considering regulatory developments, compliance requirements, stakeholder expectations and remuneration-related risks.

The committee was supported by independent external advisors during the year. Bowmans, the committee's independent reward advisor, provided specialist legal and governance advice and supported the continued refinement of the remuneration policy and governance framework. The committee is satisfied that the advice provided was independent and objective. Bowmans will continue in this role until 31 December 2026. This appointment is reviewed by the committee on an annual basis.

Deloitte provided independent assurance over key aspects of executive remuneration, including the processes applied in determining STI and LTI outcomes, while ShareForce acted as an independent expert in assessing shareholder performance outcomes under the conditional share awards. The Group's external auditor, PwC, did not provide any advice to the committee.

In addition, the committee utilised external benchmarking data and market insights from RemChannel, Mercer and WillisTowersWatson and is satisfied with the quality and integrity of the information received.

Committee discretion

In determining the remuneration outcomes for executive directors and prescribed officers, the committee retains the discretion to ensure that outcomes appropriately reflect performance and align with the interests of Thungela's shareholders and executive leadership. In exercising this discretion, the committee considers both quantitative and qualitative factors and engages, where appropriate, with relevant committee chairpersons and the executive directors.

For 2025, the committee was satisfied that remuneration outcomes were appropriately aligned with business and individual performance and, accordingly, no discretionary adjustments were applied.

Malus and clawback

The committee considered whether the application of malus and/or clawback provisions to unvested or vested variable remuneration awards was warranted, in line with the pre-defined trigger events. This assessment included consideration of significant losses, write-downs, misstatements and applicable risk events including safety, environmental, or community events during the year, where applicable, as well as confirmation that appropriate governance frameworks and processes had been adhered to.

No malus or clawback trigger events were identified during the year and, as a result, these provisions were not applied to the remuneration of executive directors or prescribed officers.

REMUNERATION REPORT CONTINUED

Mandated matters for 2025

- Review and approval of the remuneration policy and associated subsidiary policies for the Group, to ensure practices remain relevant, compliant and appropriate.
- Review and provide guidance on human resource matters and practices, with a specific focus on talent management and succession planning.
- Approval of annual target setting for STIs and LTIs for both financial and non-financial targets to ensure that they maintain the right balance between various stakeholder interests.
- Approval of the 2024 STI and 2022 LTI performance scorecard outcomes.
- Approval of annual salary increases for management employees in South Africa, Australia and the UAE, effective from 1 January 2026.
- Approval of remuneration for the executive directors and prescribed officers.
- Oversight of the benchmarking process for non-executive directors' fees.
- Approval of the remuneration report.
- Setting the remuneration for the incoming chief executive officer.

OUR FOCUS AREAS FOR 2026

During 2026, the committee will continue to prioritise the effective implementation of the remuneration policy and underlying principles. In parallel, the committee will continue to place greater emphasis on evaluating the effectiveness of the Group's talent management and broader human resources strategies to ensure they support sustainable value creation.

The committee's key focus areas for the year will include:
- Ensuring ongoing alignment with, and readiness for, the governance and disclosure requirements arising from the Companies Amendment Act of South Africa.
- Aligning remuneration practices with the simplified JSE Listings Requirements and the principles of the King V™ Report on Corporate Governance.
- Providing assurance that talent management, succession planning and other human resources practices are appropriately designed and deliver the intended strategic outcomes.
- Exercising oversight of the effectiveness of the performance management framework and its role in enabling a high-performance culture.
- Refining pay equity metrics to enable a more robust assessment of pay fairness and equality across the Group.
- Driving the consistent integration and alignment of remuneration and human resources practices across the Group.
- Monitoring remuneration and human resources market trends across the Group's areas of operation to identify opportunities to enhance the overall employee value proposition.

CONCLUSION

Thungela's 2025 results reflect its continued focus on operational excellence and the disciplined execution of its strategic priorities within challenging market conditions.

The committee is satisfied that the remuneration policy has operated as intended during the year and that the refinements approved for implementation will enhance its ongoing competitiveness, alignment with market practice and consistency with Thungela's strategy. Engagement with shareholders and other key stakeholders remains central to our approach, and their input continues to inform the evolution of our remuneration principles, ensuring an appropriate balance between performance outcomes, affordability and broader stakeholder interests.

In discharging its responsibilities, the committee has applied rigorous oversight and independent judgement, with a continued emphasis on fairness, transparency and responsible remuneration outcomes. The committee extends its appreciation to the board, management and external advisors for their constructive engagement and support throughout the year.

Ben Kodisang

Ben Kodisang
Remuneration and human resources committee chairperson

22 April 2026

SECTION 2 REMUNERATION POLICY

Thungela's **reward philosophy** underpins the effective execution of our strategy by cultivating a high-performance culture. This culture ensures that employees consistently embody our purpose and values through their performance.

Our remuneration philosophy is designed to attract, retain and incentivise individuals who are committed to advancing the Group's strategic objectives, thereby supporting the responsible creation of sustainable value for all stakeholders.

REMUNERATION PRINCIPLES

Our remuneration policy has been aligned with the recommendations of King IV™ and is built on seven core principles to deliver fair and responsible remuneration:

Alignment with Group strategy and culture

Our remuneration practices reinforce the delivery of Thungela's strategic priorities and strengthen where leadership behaviours and values are consistently demonstrated across the organisation.

Competitive pay level

Remuneration is benchmarked against appropriate peer groups to attract and retain high-calibre talent, ensuring that pay levels remain competitive while aligned with Thungela's size, complexity and operating footprint.

Internal equity

All pay decisions uphold fairness, consistency and equity across roles and levels. We proactively monitor and address internal relativities to promote responsible and non-discriminatory remuneration outcomes.

Link with shareholder interests

Variable remuneration is structured to drive behaviours and outcomes that advance the long-term interests of shareholders, ensuring value creation across multiple geographies.

Risk-based approach

Incentive structures are designed to balance performance ambitions with responsible risk-taking, ensuring that outcomes do not expose the Group or its stakeholders to undue or unintended risks.

Relevance

Performance measures, targets and incentive frameworks are continuously reviewed to ensure they remain fit-for-purpose, responsive to evolving business conditions and aligned with regulatory and market expectations.

Transparent communication

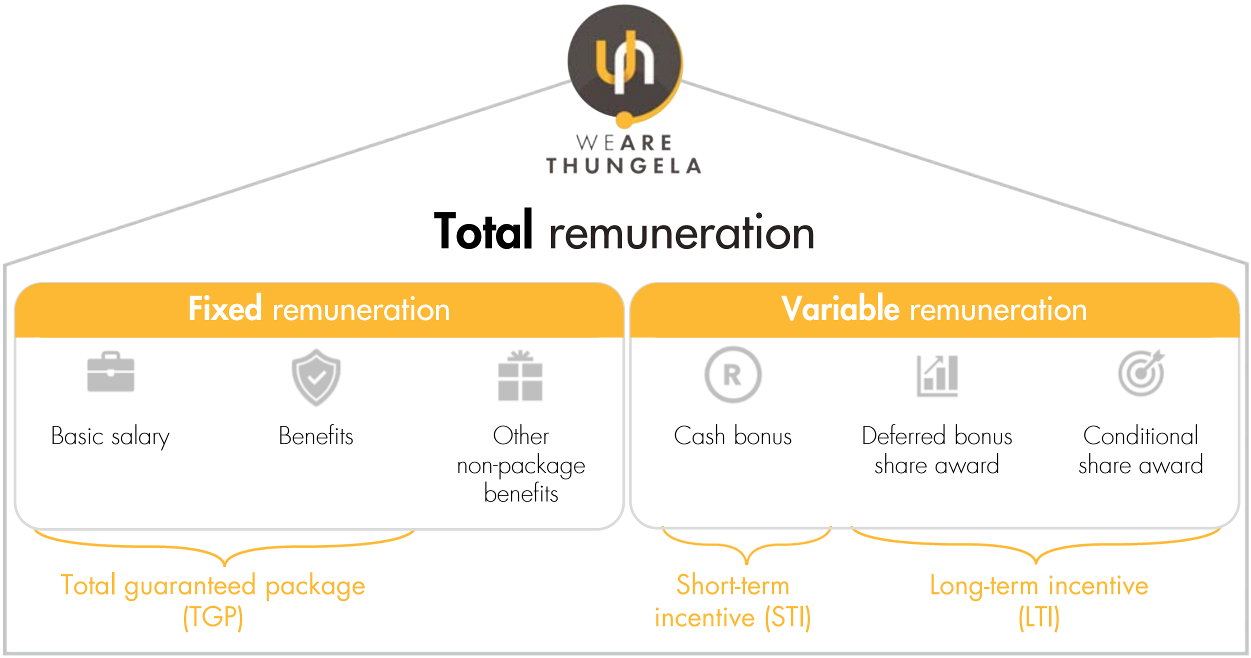
We disclose our remuneration philosophy, policies and outcomes in a clear and accessible manner, ensuring stakeholders understand how decisions are made and how they support long-term value creation.

APPLICATION OF THE REMUNERATION POLICY

Our remuneration policy applies to Thungela and its subsidiaries as a Group, unless otherwise agreed. In instances where Thungela does not have effective management control, this policy will apply as far as it has been agreed with the other shareholders.

COMPONENTS OF TOTAL REMUNERATION

Our approach to total remuneration is founded on our remuneration principles. It is comprised of fixed and variable remuneration. Our aim is to remain competitive relative to our peers regarding the fixed remuneration that we offer, while ensuring an appropriate balance with variable remuneration opportunities, which are aimed at motivating and rewarding the achievement of strategic objectives through discretionary effort.



Fixed remuneration

Fixed remuneration is determined with reference to the size and complexity of each role and is benchmarked against relevant local market conditions. It is further informed by the individual's experience, sustained performance and potential. The Group's fixed remuneration structure is based on a combination of basic salary and benefits, providing a stable and competitive foundation for total remuneration.

Composition of fixed remuneration

Basic salary
Basic salary is determined with reference to prevailing market conditions and is benchmarked annually to ensure continued alignment with the market. For executive directors and prescribed officers, the review of basic salary forms part of the annual total remuneration benchmarking process, considering role scope, experience and sustained performance.
Benefits
Benefits are structured to support employees in the effective fulfilment of their roles and are aligned with local market practice and legislative requirements. *Guaranteed benefits* include allowances such as travel, housing and position-related allowances, which vary by geography and role requirements. *Core benefits* are provided as a condition of service and include retirement funding[1], medical aid or insurance and death and disability cover. *Optional benefits* are offered on a country-specific basis, reflecting local market norms and employee needs.
Other non-package benefits
Other non-package benefits are generally non-recurring in nature and are paid in specific circumstances. These include items such as leave encashments, long-service awards and the reimbursement of approved travel or business-related expenses.

[1] In South Africa, retirement benefits are provided through defined contribution funds, with contribution levels aligned to market best practice and the rules of the applicable fund.

Annual increases

Annual adjustments to TGPs are determined at a country level, considering Group performance, affordability, prevailing inflation and relevant industry and sector trends. For unionised employees in South Africa and Australia, annual increases are implemented in accordance with applicable collective bargaining agreements. Increases are generally effective from 1 January each year, with adjustments for unionised employees in South Africa taking effect between June and July.

Where remuneration outcomes fall outside internal pay ranges or market benchmarks for a role, targeted market adjustments are considered. These adjustments are guided by the applicable tolerance ranges and comparative ratios for the relevant job family, role or grade, with remuneration positioned to align more closely with the market median where appropriate.

Variable remuneration

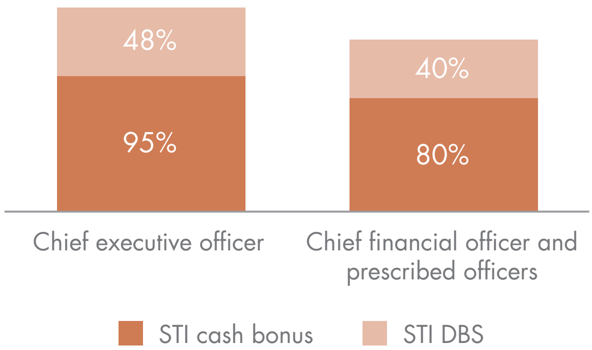
Short-term incentive

Thungela's annual STI is designed to encourage and reward employees who take accountability for Thungela's success by consistently achieving their individual objectives in alignment with Group priorities. These objectives must be delivered in a manner that reflects our values and supports the creation of stakeholder value. We continue to enhance our performance management framework to ensure that employees' discretionary effort is recognised and rewarded in a consistent and effective manner.

The calculation of the STI for executive directors and prescribed officers is outlined below:

Bonus rate

The individual STI is comprised of a cash bonus and a deferred bonus in the form of forfeitable shares. The maximum level of these bonuses is determined as a percentage of the employee's annual basic salary.



Business results *(70%)*

Business performance is assessed against an overall performance scorecard approved annually by the committee.

The committee applies oversight and discretion where necessary to ensure that remuneration outcomes appropriately reflect underlying performance, including the impact of material non-controllable factors not fully captured in the scorecard.

The performance scorecard is split into four performance categories that are weighted as follows:

Performance category	Weighting
Safety and health	10%
ESG	10%
Production	20%
Finance	30%

Individual results *(30%)*

The individual results are allocated on a simple five-tier scale, with each tier relating to a specific remuneration outcome. It is structured as follows:

Rating scale	Remuneration outcome
Leading	30%
Strong	24%
Solid	18%
Developing	12%
Unsatisfactory	0%

Where an employee is assessed as **developing**, 50% of the deferred portion of their STI is forfeited. An **unsatisfactory** rating results in the forfeiture of 100% of the deferred STI component.

Where the performance period under review is less than six months, a "too soon to rate" assessment applies, which is treated as equivalent to a solid performance outcome for remuneration purposes.

For executive directors, the committee approves a balanced scorecard annually. This includes key priorities which are linked to the Group's strategic pillars, representing individualised performance outcomes specific to each executive director and therefore constitute the individual results component of the assessment.

Executive directors' performance ratings are reviewed, discussed and formally approved by the committee on an annual basis.

In instances of exceptional performance, where an employee delivers corporate milestones that create significant value for the Group, discretionary cash bonuses of up to 25% of annual basic salary may be awarded. These awards do not apply to executive directors or prescribed officers. Discretionary awards are granted within the limits of the approved annual budget and are reported to the committee at the next scheduled meeting to ensure appropriate oversight and transparency.

Further detail on the composition of the STI performance scorecard for the 2026 performance year, together with the outcomes of the STI for the 2025 performance year as they relate to executive remuneration, is set out in the implementation report.

Long-term incentive

Thungela's LTI plans have a multi-year horizon and comprise forfeitable and conditional share awards. Awards are equity-settled for South African participants (Thungela share plan) and cash-settled for participants in Australia and the UAE (Thungela cash-settled share plan). Shares used for the allocation and settlement of these awards are either acquired in the market or sourced from shares held in treasury.

Forfeitable share awards

Forfeitable share awards are granted on an annual or ad hoc basis in the form of shares or share-linked units in Thungela. Vesting of these awards occurs in equal tranches over a three-year period and is subject to the participant meeting the applicable employment conditions. Where awards are settled in shares, the shares are held in escrow on behalf of the participant until the vesting date. During the vesting period, participants are entitled to voting and dividend rights, although the shares may not be traded until vesting has occurred. Where awards are settled in share-linked units, participants receive a cash payment equivalent to the value of any dividends declared on the underlying shares during the vesting period.

Thungela's remuneration policy provides for three categories of forfeitable share awards:

Deferred bonus shares (DBS)	These make up a portion of the employee's annual STI. *Governance: remuneration policy*
Sign-on shares	Used to compensate new employees for remuneration forfeited because of joining Thungela. *Governance: remuneration policy and sign-on award policy*
Retention shares	Used in limited instances to retain key talent below the Group executive committee level. *Governance: remuneration policy and retention award policy*

Conditional share awards

Each year, we award conditional equity-settled and cash-settled share awards to eligible participants, with the vesting contingent on continuous employment over a three-year period and the achievement of key performance conditions. These conditions are aimed at delivering value for all stakeholders.

Employees participating in the equity-settled conditional share awards are entitled to receive additional share awards in lieu of dividends declared on Thungela shares over the vesting period (the dividend equivalent shares), which are added to the total number of conditional shares awarded, and are subject to the same vesting conditions.

Employees participating in the cash-settled conditional share awards are also entitled to receive dividend equivalents in lieu of dividends declared on Thungela shares over the vesting period. Dividend equivalents are comprised of the aggregate value of all ordinary dividends that would have accrued on the same number of ordinary shares as the number of vested share-linked units.

The maximum value of conditional shares expressed as a percentage of the annual basic salary of the participant, are as follows:

Chief executive officer	Chief financial officer	Prescribed officers
200%	**140%**	**120%**

Conditional share awards are subject to a defined set of performance conditions structured across four performance categories. Following the peer review described in section 1 of this report, the committee approved changes to the weighting of these performance categories for the 2026 conditional share award. The revised weightings are set out below:

Performance category	Weighting
Shareholders	30%
Financial	25%
Production sustainability	20%
ESG	25%

Performance conditions are measured over the three-year performance period applicable to the specific conditional share award. At the conclusion of the performance period, the committee will determine the level of achievement related to each performance condition.

For each performance condition, the following vesting rules apply:

- 0% will vest for performance below threshold
- 30% will vest for performance at threshold
- 60% will vest for performance at target
- 100% will vest for performance at stretch

Linear interpolation applies between each level.

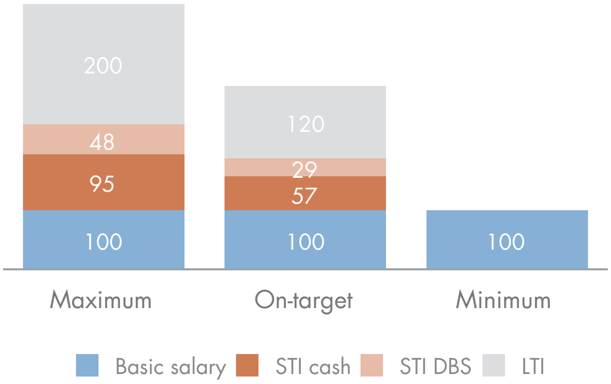
The weighted average of the outcomes for each of the performance conditions will determine the overall vesting percentage of the award. Any portion of the award that does not vest because of partial or non-fulfilment of the performance conditions will immediately lapse and the shares or share-linked units constituting that portion of the award will consequently be forfeited.

The implementation report contains more information on the performance outcomes achieved for the 2023 conditional share award and the composition of the performance conditions associated with the 2025 conditional share award.

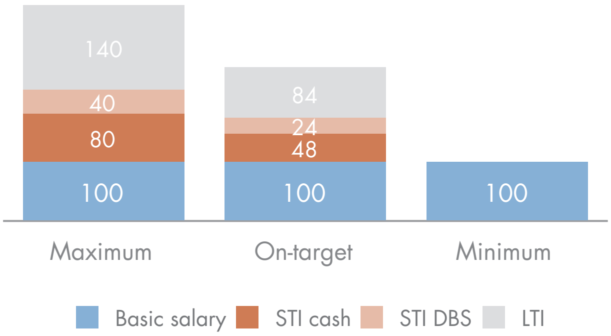
Remuneration mix scenarios

The graphs below illustrate the remuneration outcomes across different levels of performance. Each component is expressed as a percentage of annual basic salary. The maximum award opportunities for the annual cash and DBS portions of the STI award and the conditional share award are aligned with the policy limits outlined earlier.

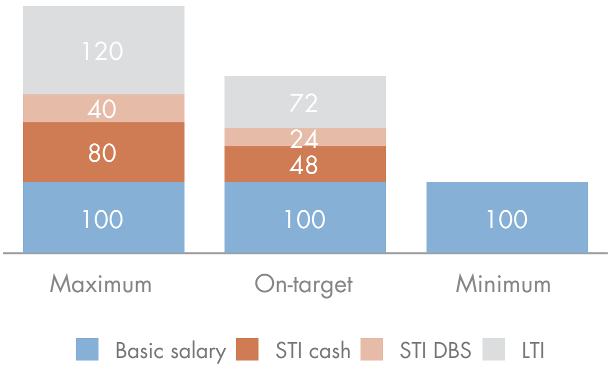
Chief executive officer (%)



Chief financial officer (%)



Prescribed officers (%)



The on-target remuneration outcomes are calculated at 60% of the maximum potential value for both STI and LTI awards. The LTI values exclude the impact of share price movements and are presented based on the award value for the year, adjusted for the applicable vesting percentage.

Total remuneration benchmarking

The committee, supported by management and independent advisors, undertakes an annual total remuneration benchmarking review to ensure that remuneration outcomes remain aligned with Thungela's strategy and support the delivery of long-term value. The review encompasses a comprehensive assessment of all elements of remuneration, including fixed remuneration, STIs and LTIs, for executive directors and prescribed officers. These elements are benchmarked against an appropriate comparator group and relevant external market data reflective of the Group's scale, complexity and operating environment.

Independent remuneration survey providers, including RemChannel and Mercer, are utilised to assess external competitiveness and support the evaluation of market positioning. In undertaking this analysis, the committee considers prevailing macroeconomic conditions, including movements in consumer price inflation, and applies appropriate adjustments to survey data to account for salary movements and the timing of the underlying surveys.

The benchmarking outcomes are considered alongside industry-specific mining benchmarks and are used to inform the development of remuneration structures, pay bands, incentive design and employee benefits. For executive directors and prescribed officers, remuneration is benchmarked against a selected peer group of JSE-listed mining companies with comparable operational characteristics and executive leadership profiles, ensuring consistency with market practice while maintaining alignment with the Group's strategic objectives.

External remuneration comparator group
African Rainbow Minerals Limited
DRD Gold Limited
Exxaro Resources Limited
Harmony Gold Mining Co Limited
Northam Platinum Limited
Pan African Resources plc
Royal Bafokeng Platinum Limited
Tharisa plc

CHANGE OF CONTROL PROVISIONS AND THEIR IMPACT ON SHARE PLANS

In the case of a change of control, a portion of all outstanding awards vests early, on a time-apportioned basis, and are adjusted to reflect the impact of applicable performance conditions. The remaining awards will continue in accordance with their original terms and conditions, unless continuation is not practical. In this case, they will be exchanged for replacement awards with similar conditions and a similar fair value on the transaction date.

In the case of changes in capital structure, including rights offers, distributions of capital, share splits and consolidations, all outstanding awards will be adjusted so that the participants are no worse off than before the transaction. The determination and verification that participants are no worse off will be performed by an independent expert.

MALUS AND CLAWBACK PROVISIONS

The malus and clawback provisions allow the board, following the recommendation of the committee, to apply its discretion to reduce or claw back any incentive award (in whole or in part) to ensure that the incentive outcomes are fair, appropriate and correctly reflect business performance. This discretion can be applied in the case where certain trigger events have occurred.

Malus is the ability of the Group to reduce unvested or unpaid awards before the end of the vesting period or prior to payment. It can be enacted for the following periods related to each type of award:

STI cash	STI DBS	LTI conditional share award
From the end of the performance period to the STI payment date.	During the period between the grant date and vesting date of the DBS awards.	During the performance period covered by the award (pre-vesting).

Clawback is the ability of the Group to recoup, in full or in part, the value of vested awards, whether share- or cash-settled, for the duration of the clawback period. It can be enacted for the following periods related to each type of award:

STI cash	STI DBS	LTI conditional share award
Three years from the STI payment date.	Three years from the vesting of each tranche of the DBS awards.	Three years from the vesting date.

The malus and clawback provisions may be implemented based on various trigger events, including:
- Any error that had a material impact on the calculation of the incentive award.
- Material misstatement of Group results and performance measures that result in incorrect or inappropriate determination of incentive award values.
- Gross misconduct or behaviour by the participant that brings the Group into disrepute.
- Material failing in risk management, especially in cases of events affecting the safety or health of employees, the environment, and/or communities.
- A participant deliberately misleading the Group, market or Group's shareholders regarding the financial performance or position of the Group.
- The participant's actions amount to poor performance.

REMUNERATION REPORT CONTINUED

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' TERMS OF EMPLOYMENT

Minimum shareholding requirements

Executive directors and prescribed officers are required to build and maintain a meaningful equity interest in Thungela to strengthen alignment with shareholder interests. This minimum shareholding requirement (MSR) is fulfilled through a combination of personal investment shares and committed shares arising from vested forfeitable and conditional share awards.

Until the applicable MSR threshold has been achieved, participants are required to retain an appropriate portion of vested share-based incentive awards. Compliance with the MSR is assessed by determining the market value of shares held, calculated using the 20-day volume-weighted average price (VWAP) immediately preceding the assessment date, and expressing this value as a percentage of the individual's annual TGP at the time of measurement.

MSR target holdings per executive director or prescribed officer:

- **200%** for the chief executive officer
- **150%** for the chief financial officer
- **100%** for prescribed officers

Executive directors and prescribed officers are expected to meet their MSR targets within five years of their appointment date. The initial assessment is conducted at the end of the financial year following the fifth anniversary of their appointment, after which the measurement period is reset on a rolling three-year basis.

Where an individual has not met the required MSR by the applicable measurement date, any LTIs vesting thereafter remain subject to disposal restrictions until the MSR is achieved.

Contractual commitments

All executive directors and prescribed officers have permanent employment contracts with Thungela or its subsidiaries. These contracts prescribe a notice period of six months for executive directors and three months for prescribed officers. Executive directors and prescribed officers are subject to a restraint-of-trade period of six months from the date of termination of their contract.

Retirement

The normal retirement age for executive directors and prescribed officers in South Africa was increased from 60 to 65 years with effect from 1 January 2026. This change does not apply to the prescribed officer based in Australia, where the minimum legislated retirement age remains 67 years.

External appointments

Executive directors and prescribed officers may not accept external directorships or offices without prior written approval. Approval for executive directors is granted by the committee, while approval for prescribed officers rests with the chief executive officer.

In accordance with the Group's policy on internal and external directorships:

- Executive directors or prescribed officers may only retain fees from one approved external directorship. Fees received in respect of internal directorships or offices may not be retained and are ceded to Thungela.
- Approved external appointments may not interfere with the executive director's or prescribed officer's responsibilities, duties or obligations to Thungela.

Sign-on awards

Sign-on awards may be granted to newly appointed executive directors or prescribed officers to compensate for remuneration forfeited on leaving a previous employer. These awards may be delivered in cash, shares, or a combination of both, having regard to the nature and vesting profile of the forfeited awards. Cash sign-on awards are subject to repayment on a pro-rated basis should the individual exit the Group as a fault/bad leaver within a defined period. Share-based sign-on awards are granted as forfeitable shares in Thungela and vest in equal tranches over a three-year period, commencing on the first anniversary of the executive director's or prescribed officer's appointment date.

Severance payments

There are no predetermined severance payment arrangements for any employee. Local legislation, market practice and, where applicable, agreements with recognised trade unions will determine whether severance payments are due and how the amount should be calculated.

Post-retirement medical aid benefits

The Group provides a post-termination medical aid subsidy to qualifying South African employees in which Thungela continues covering 50% of their contributions to the Witbank Coalfields Medical Aid Scheme (WCMAS) following their exit from the Group.

Eligibility for this subsidy is restricted to employees who were permanently employed by the Group and were active members of WCMAS prior to 1 January 2002, and who remain employed and active until their exit.

As at the reporting date, one prescribed officer, Leslie Martin, qualifies for this benefit.

Termination benefits

There are no contractual obligations to effect payment on termination, other than in respect of payments required under applicable local legislation or Group policy. The treatment of STIs and LTIs is determined by the nature of the termination and remains subject to the discretion of the committee. The committee also determines the treatment of any mutual separation agreements.

The below outlines the treatment for each type of award based on the nature of the termination.

Short-term incentives	
No fault/good leaver termination	**STI cash**
Death, retirement, disability, dismissal for operational reasons	STI cash payments are pro-rated for the period in service of the performance year and paid on termination.
Fault/bad leaver termination	
Resignation, dismissal	Not eligible for any STI cash for the period in service of the performance year.

Long-term incentives		
No fault/good leaver termination	**Deferred bonus shares**	**Conditional share awards**
Death, normal retirement and early retirement at Thungela's request, disability, dismissal for operational reasons	DBS awards will be accelerated to the termination date.	Awards will be accelerated to the termination date but will be time-apportioned for complete months of the applicable employment period and the committee's estimate of the level of achievement of performance conditions.
Fault/bad leaver termination		
Resignation, dismissal, early retirement at the employee's request	Any unvested DBS awards will immediately be forfeited.	The right to receive any share awards will immediately be forfeited.

NON-EXECUTIVE DIRECTORS

Principle

The remuneration of non-executive directors is designed to reflect the level of responsibility, experience, time commitment and risk associated with serving on the board and its committees within a multinational coal company. Fees are reviewed annually to ensure that they remain appropriate and aligned with market practice.

Basis of pay

Non-executive directors are remunerated through an annual retainer for their roles on the board and its committees. Fees are determined with reference to board and committee responsibilities and exclude ad hoc meeting fees, which are paid only where additional time and effort are required.

The fees payable to the board chairman and the lead independent director are determined on an all-inclusive basis, with no additional fees payable for committee membership.

Other non-executive directors receive fees for their board roles, together with additional fees for serving as chairpersons or members of board committees. Where there is a change in committee membership during the year, fees are adjusted on a pro-rated basis.

Non-executive directors do not participate in STI or LTI arrangements and do not receive remuneration linked to performance. They are reimbursed for reasonable travel and business-related expenses incurred in the execution of their duties.

Service contracts

Non-executive directors are not employed by the Group. They are required to disclose any actual or potential conflicts of interest prior to, and during, their tenure. Where a conflict is considered to impair independence, the affected director does not participate in related deliberations or decisions.

Benchmarking

Fees for non-executive directors are benchmarked annually against the same comparator group used for executive directors and prescribed officers to ensure alignment with market practice (see page 94).

Details of the current fee policy, fees paid to non-executive directors during 2025 and the fees proposed for the forthcoming year are disclosed in the implementation report. The proposed fees will be included in the Notice of the AGM for shareholder approval by special resolution.

NON-BINDING ADVISORY VOTE ON REMUNERATION POLICY

The remuneration policy in section 2 is subject to a non-binding advisory vote by shareholders at the AGM. Where 25% or more of votes cast are against the report, the committee will engage with dissenting shareholders to understand the underlying concerns. These insights will inform the committee's ongoing review of remuneration practices, and a summary of the concerns raised, together with the committee's responses, will be disclosed in the subsequent remuneration report.

SECTION 3 IMPLEMENTATION REPORT

The **committee is satisfied** that the remuneration policy has been implemented with due care and consideration, ensuring that remuneration outcomes for executive directors and prescribed officers are aligned with the delivery of Thungela's strategic objectives and the creation and preservation of sustainable value for stakeholders.

There were **no deviations** from the Thungela remuneration policy in 2025.

The implementation report provides insight into how the committee's decisions during 2025 have translated into remuneration outcomes for executive directors, prescribed officers and non-executive directors and how these outcomes reflect performance and value creation.

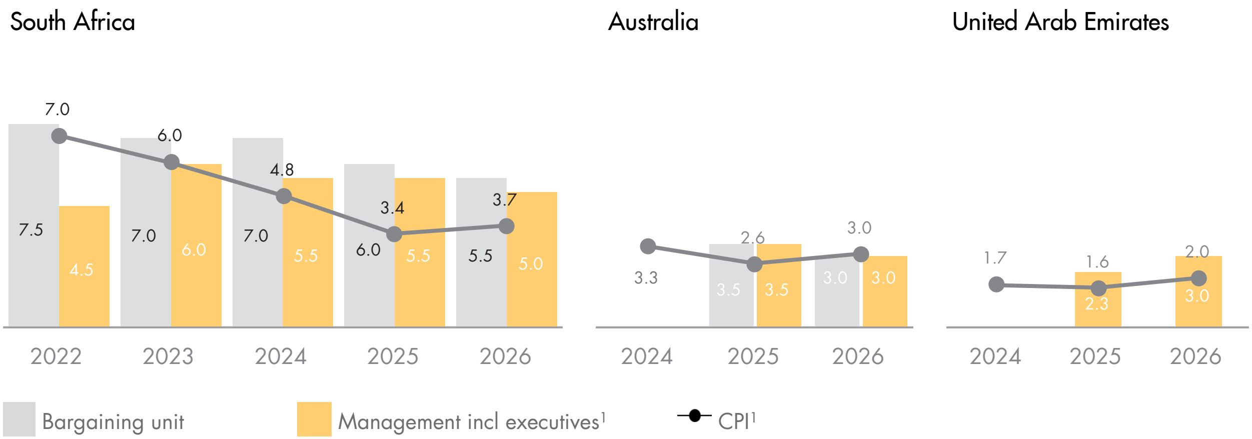
BASIC SALARY

Basic salary increases are informed by external market benchmarking and independent remuneration surveys, supported by an assessment of historical and projected inflation across the Group's operating jurisdictions. Based on the outcome of this analysis, the committee approved the following salary adjustments:

South Africa		Australia	United Arab Emirates
An increase of 4.5% was approved on TGPs for executive directors, prescribed officers, and management employees, translating into a 5% increase on basic salary effective from 1 January 2026.	Increases for bargaining unit employees are implemented in line with applicable collective bargaining agreements and will take effect during 2026.	Prescribed officers and management employees received a 3% increase on basic salary, effective from 1 January 2026.	An increase of 2% to total remuneration was approved for management employees, equating to a 3% increase on basic salary, effective from 1 January 2026.

The figure below provides a comparative view of increases between executive, management and bargaining unit employees against the consumer price index (CPI) for South Africa, Australia and the UAE.

Basic salary adjustments (%)



[1] For 2026, management and executive increases are as approved by the committee and the CPI forecast as per the International Monetary Fund.

As part of the Group's annual remuneration processes, an independent external reward advisor conducted a remuneration benchmarking review for the Group executive committee, with the outcomes for 2025 considered by the committee. The review identified that the TGP for the executive head of human resources and the executive head of corporate affairs was below the acceptable market tolerance range of between 80% to 120% of the peer group median. Accordingly, the committee approved an additional 5% increase to their TGPs, effective from 1 January 2026.

In addition, the second tranche of the previously approved adjustment for the chief financial officer, comprising a 6.5% increase to his TGP, was implemented with effect from 1 January 2026. This is the second and final phase of the process initiated in 2024 to align the chief financial officer's remuneration with the peer group market median.

No further adjustments were made to the basic salaries of executive directors or prescribed officers during the year under review.

SHORT-TERM INCENTIVES

Consistent with the remuneration policy described in section 2, the STI calculation framework was unchanged for the 2025 performance year.

2025 Short-term incentive outcomes

Business results

In assessing the STI outcomes for the 2025 performance year, the committee considered the impact of non-controllable external factors when determining the appropriateness of the results. A structured normalisation process was applied to account for these factors and was independently reviewed and approved by the committee to ensure that the resulting outcomes appropriately reflect Thungela's underlying performance.

The table below sets out the four performance categories that comprise the business results component of the STI, which carries a weighting of 70%. It also reflects the relative weighting of each measure and the corresponding performance outcomes achieved.

Business results performance

Performance category	Metric I Measure	Weighting (%)	Result	Points
Safety and health 10%	TRCFR – South Africa | 5% improvement on average for the previous 3 years	5.0		0.0
	TRCFR – Australia | 20% improvement year-on-year	2.5		0.0
	HIV and treatment | % of employees who know their status	2.5		2.2
ESG 10%	Level 4 – 5 environmental incidents | number of incidents	2.5		2.5
	Energy intensity | % of annual improvements	2.5		0.0
	Inclusive procurement | % of addressable spend	2.5		2.5
	Inclusion and diversity | % HDP in management	2.5		1.7
Production 30%	Export saleable production | number of export saleable tonnes	20.0		20.0
	FOB cost per export tonne | FOB cost per export saleable tonne excluding royalties	10.0		10.0
Finance 20%	Normalised adjusted EBITDA[1] | Rand million	10.0		10.0
	Normalised adjusted operating free cash flow[1] | Rand million	10.0		10.0
Total		**70.0**		**58.9**

[1] Normalised through adjusting for the budgeted price and foreign exchange rate.

Individual results for the executive directors

The remaining portion of the STI (30%) is determined by the achievement of individual performance objectives for each executive director and prescribed officer. For executive directors, the committee approves an annual balanced scorecard comprising key individual priorities that support the execution of Thungela's strategy. These priorities are aligned to Thungela's strategic pillars and reflect the specific accountabilities of each executive director.

The tables that follow outline the performance of each executive director during 2025 against their approved individual priorities, presented by strategic pillar.

Moses Madondo – incoming chief executive officer

Moses Madondo joined the Group on 1 August 2025. Given that the performance period under review was less than six months, a "too soon to rate" assessment applies, which is equivalent to a solid performance. This results in an 18% remuneration outcome for the individual performance component.

July Ndlovu – outgoing chief executive officer

Individual deliverable category	Weighting (%)	Performance description	Level of achievement
Safety is our first value	5	Under the leadership of the outgoing chief executive officer, the Group sustained three consecutive years without a loss of life, reinforcing safety as Thungela's first value. While the TRCFR increased year-on-year primarily due to the challenging operating environment during the production footprint transition, targeted interventions were implemented to address elevated risk areas.	
Maximise the full potential of existing assets	10	The CEO oversaw strong operational delivery, with export saleable production exceeding guidance in South Africa and delivered at the upper end of guidance at Ensham, while costs remained below guidance ranges, supported by productivity and cost-efficiency initiatives.	
Create future diversification options	5	Strategic execution under the CEO's leadership resulted in the completion of the Annea Colliery and Zibulo North Shaft projects on time and within budget, extending the life and competitiveness of the South African portfolio. Portfolio optimisation actions, including the sale of Goedehoop North and Kleinkopje and the acquisition of the remaining interest in Ensham, strengthened the Group's geographic diversification and long-term resilience.	
Optimise capital allocation	5	Capital allocation discipline continued to be a core component of the CEO's focus, with investments prioritised to ensure balance sheet resilience, delivery through the commodity cycle and sustainable shareholder returns.	
Drive our ESG aspirations	5	Progress continued against key ESG commitments, with the Group remaining on track to reduce scope 1 and 2 emissions by 30% by 2030. No level 3–5 environmental incidents were recorded during the year, and social investment programmes continued to deliver measurable benefits, particularly in relation to education and enterprise development.	
Overall performance	30		

This outcome is equivalent of a strong performance rating for the 2025 performance year which resulted in a 24% remuneration outcome for the individual performance component.

Above stretch target | Target exceeded | Target met | Target not met | Below minimum threshold

Deon Smith – chief financial officer

Individual deliverable category	Weighting (%)	Performance description	Level of achievement
Safety is our first value	2	Through robust financial governance, the CFO supported safety outcomes by ensuring appropriate resourcing of risk-mitigation initiatives and enabling targeted interventions in higher-risk areas without compromising operational integrity. This helped to reinforce safety as the Group's first value.	
Maximise the full potential of existing assets	8	Strong financial oversight contributed to cost performance remaining below guidance across operations, despite a volatile operating environment. Effective cost control, support for productivity initiatives and prudent liquidity management underpinned operational resilience and financial flexibility.	
Create future diversification options	8	As executive owner of this pillar, the CFO played a key role in the execution of strategic transactions, including portfolio optimisation actions such as the sale of Goedehoop North and Kleinkopje and the completion of the acquisition of the remaining interest in Ensham. These transactions were delivered within robust governance frameworks, ensuring disciplined valuation, risk management and funding structures that enhanced long-term value.	
Optimise capital allocation	10	Capital allocation discipline was a defining feature of the CFO's performance. Proactive management of currency volatility and financial risk delivered significant cash inflows, strengthening liquidity and resilience. The CFO drove the implementation of the capital allocation framework, balancing investment through the cycle with returns to shareholders.	
Drive our ESG aspirations	2	The CFO played a key role in embedding ESG considerations into financial decision-making and capital allocation. This included oversight of environmental provisioning, funding mechanisms and governance processes that support long-term rehabilitation and sustainability commitments. Financial transparency and discipline underpinned the Group's ability to meet ESG objectives responsibly and sustainably.	
Overall performance	30		

This outcome is equivalent of a strong performance rating for the 2025 performance year which resulted in a 24% remuneration outcome for the individual performance component.

Above stretch target | Target exceeded | Target met | Target not met | Below minimum threshold

REMUNERATION REPORT CONTINUED

2026 Short-term incentive performance scorecard

The STI performance scorecard for 2026 was proposed by the chief executive officer and approved by the committee. The details associated with the measures and targets for each of the four performance categories are outlined below:

Performance category	Performance area	Weighting (%)	Performance measure	Target
Safety and health 10%	TRCFR	5	5% improvement on average of previous three years	2.39
	HIV and treatment	2.5	% of employees who know their HIV status	95
ESG 10%	Level 4-5 environmental incidents	2.5	Number of incidents	0
	Energy management	2.5		
	Energy intensity – Australia	1	% annual improvement	2
	Renewable energy procurement – South Africa	1.5	Stage of the procurement process	Procurement approval received
	Inclusive procurement – South Africa	2	% of addressable spend	20
	Inclusion and diversity – South Africa	2	% HDP in management	75.80
Production 20	Export saleable production	20	Achieved export saleable production (Mt)	Market-sensitive information
Finance 30%	FOB cost per export tonne	10	FOB cost per export tonne (Rand/tonne)	Market-sensitive information
	Normalised adjusted EBITDA[1]	10	Normalised adjusted EBITDA (Rand million)	
	Normalised adjusted operating free cash flow[1]	10	Normalised adjusted operating free cash flow (Rand million)	

[1] Normalised through adjusting for the budgeted price and foreign exchange rate.

LONG-TERM INCENTIVES

2023 Conditional share award vesting

The vesting of the conditional share awards is subject to the achievement of predetermined performance conditions assessed over a three-year performance period, combined with continued service. The 2023 conditional share award, granted in April 2023, was measured over the period from 1 January 2023 to 31 December 2025. The committee assessed performance outcomes against the approved measures and applied its judgement to ensure that vesting outcomes appropriately reflect underlying business performance and value delivered over the period.

The award is scheduled to vest in April 2026, following the conclusion of the employment period. Executive directors remain subject to the applicable post-vesting two-year holding requirements to further reinforce long-term alignment with shareholders and the Group's strategic objectives.

Performance outcomes

Performance category	Performance area	Weighting (%)	Description	Weighted achievement (%)
Shareholders 25%	Relative TSR (local)	12.5	The threshold target for the relative TSR performance was not achieved	0.0
	Relative TSR (global)	12.5	The threshold target for the relative TSR performance was not achieved	0.0
Financial 20%	Cash margin per export saleable tonne	20	The stretch target for the cash margin improvement performance measure was achieved	20
Production sustainability 25%	Life of business	15	The threshold target for the resource to reserve conversion measure was not achieved	0.0
	Life capital intensity	10	The threshold target for the capex per attributable saleable tonne measure was not achieved	0.0
ESG 30%	Carbon intensity	10	The stretch target related to the reduction in carbon intensity was achieved	10
	Fresh water import	2.5	The stretch target related to the reduction in freshwater import measure was achieved	2.5
	Potable water usage	2.5	The stretch target related to the reduction in potable water usage measure was achieved	2.5
	Water treatment	2.5	The target for the water treatment measure was achieved, but not the stretch target	1.9
	Water reuse/recycle	2.5	The stretch target for the water reuse/recycle measure was achieved	2.5
	Inclusion and diversity	10	The stretch target for the HDP representation in middle management measure was achieved	10
Total		**100**		**49.4**

REMUNERATION REPORT CONTINUED

2025 Conditional share award allocation

The 2025 conditional share award was granted in April 2025 and is subject to performance measurement over the three-year period from 1 January 2025 to 31 December 2027. Executive directors are subject to an additional two-year post-vesting holding period.

During the year, the committee reviewed the design of the performance conditions of the conditional share award to ensure continued relevance, focus and alignment with evolving market practice in LTI design. Consistent with broader market trends, the number of performance measures was streamlined, resulting in the reduction of metrics in the production sustainability category from two measures to one measure and the consolidation of the four water-related measures into a single measure.

As previously reported, the committee approved the replacement of the local relative TSR measure with an absolute TSR measure. Following stakeholder engagements, weighted return on net assets (RONA) was selected as the most appropriate proxy for absolute TSR, reflecting how value is created at Thungela. Under this approach, the asset base is classified into productive and non-productive assets. Productive assets are expected to earn returns at Thungela's weighted average cost of capital (WACC), while non-productive assets are assumed to earn a return equal to average annual CPI plus 2%, as a proxy for expected overnight deposit rates. It will be calculated using the opening and closing balance sheets over the performance period.

Within the ESG category, the environmental metrics were aligned with the Group's pathway to net zero strategy, with a shift in focus to energy intensity and the water-related measure to water abstraction. In addition, the targets for the inclusion and diversity metrics were increased to reflect the Group's current performance trajectory.

Performance conditions

Performance category	Performance area	Weighting (%)	Performance measure	Threshold	Target	Stretch
Shareholders 25%	Relative TSR	12.5	Performance against index return of global competitors	Index return	Index return + 3% p.a.	Index return + 6% p.a.
	Absolute TSR	12.5	Actual weighted RONA against the expected weighted RONA	Expected weighted RONA + 0% p.a.	Expected weighted RONA + 3% p.a.	Expected weighted RONA +6% p.a.
Financial 20%	Cash margin per export saleable tonne	20	% change in cash margin from 2024 base (price and foreign exchange neutral)	(3)%	—%	3%
Production sustainability 25%	Life of business	25	% life extended because of resource to reserve conversion (additional LOM saleable tonnes/base LOM saleable tonnes) (adjusted for reserve depletion)	—%	10%	20%
ESG 30%	Energy intensity	10	% reduction in energy intensity on the 2024 baseline	—%	0.02	0.05
	Water abstraction	10	% reduction in water abstraction on the 2024 baseline	—%	0.05	10%
	Inclusion and diversity	5	% HDP representation in middle management and up against a 75% target (South Africa only)	(3)%	—%	5%
		5	% female representation in middle management up against a 35% target (global)	(3)%	—%	5%

The relative TSR performance measure is assessed against a peer group of global mining and energy companies, selected to reflect comparable operating characteristics and market exposure. The committee undertook a review of the peer group during the year and approved targeted updates to ensure it remains relevant and appropriately aligned with Thungela's operating profile, peer developments and shareholder market dynamics.

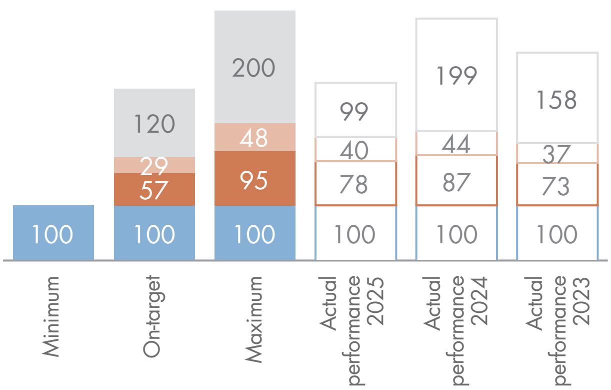
The updated peer group for the relative TSR metric is outlined below:

Relative TSR peer group
Alliance Resource Partners, L.P
Banpu Power Public Company Limited
Core Natural Resources, Inc
New Hope Corp Limited
Peabody Energy Corp
PT Bumi Resources Tbk
Whitehaven Coal Limited
Yancoal Australia Limited

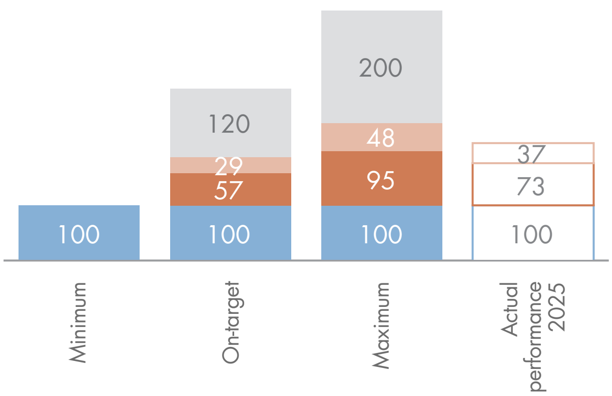
INCENTIVE OUTCOMES FOR THE EXECUTIVE DIRECTORS

The performance outcomes for the executive directors for the 2025 STI and the 2023 conditional share award, measured against minimum, on-target and stretch remuneration levels, are illustrated below. The analysis also provides a comparative view of performance outcomes achieved in the previous two years.

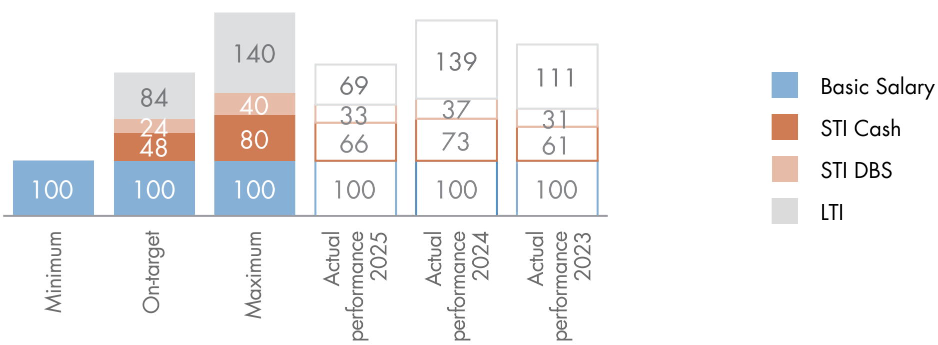
Outgoing chief executive officer (%)



Incoming chief executive officer (%)



Chief financial officer (%)



REMUNERATION OUTCOMES FOR OUR EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

The disclosures that follow set out the remuneration outcomes for the executive directors and prescribed officers of Thungela for the year ended 31 December 2025. These disclosures are intended to provide transparent insight into remuneration outcomes and their relationship to performance and value creation during the year.

The disclosures comprise three components:

1. **Total single figure of remuneration** — The schedules are aligned with the total single figure (TSF) remuneration disclosure requirements of King IV™ and set out the total remuneration for the years ended 31 December 2025 and 31 December 2024.
2. **Statement of unvested awards and cash flows** — The schedules of unvested awards and cash flows are aligned with King IV™ disclosure requirements, which state that the value of awards at year-end represents the fair value of shares. The value on settlement represents the cash value of all awards that were settled during 2025.
3. **Minimum shareholding requirements** — The MSR achievement tables outline the percentage fulfilment target MSR as at 31 December 2025.

In addition, details of remuneration outcomes arising from the termination of employment of executive directors or prescribed officers are disclosed where applicable. Accordingly, the remuneration implications relating to the retirement of the outgoing chief executive officer and the resignation of the executive head of safety, health and environment are set out in the relevant sections of this report.

Remuneration outcomes for Moses Madondo – incoming chief executive officer[1]

1 Schedule of total single figure of remuneration

Rand thousand	2025	2024
Basic salary	3,850	—
Retirement and benefits[2]	608	—
Other[3]	5	—
Fixed remuneration	**4,463**	—
STI cash[4,5]	2,829	—
STI DBS[6,7]	1,430	—
LTIP	—	—
Sign-on award[8]	35,356	
Variable remuneration	**39,615**	—
Total remuneration	**44,078**	—

1 Moses Madondo was appointed on 1 August 2025, and remuneration reflects earnings from that date.
2 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
3 Other payments include items such as unemployment insurance, leave encashments and long-service awards.
4 Cash component of the STI, which is attributable to the 2025 financial year, but to be paid in the 2026 financial year.
5 Cash component of the STI, which is attributable to the 2024 financial year, but to be paid in the 2025 financial year.
6 Deferred bonus component of the STI, which is attributable to the 2025 financial year but awarded in the 2026 financial year.
7 Deferred bonus component of the STI, which is attributable to the 2024 financial year but awarded in the 2025 financial year.
8 Sign-on award comprises a cash component and a share-based component. The value of the award was determined by an independent expert and reflects remuneration forfeited on leaving his previous employer.

2 Statement of unvested awards and cash flows for the 2025 financial year

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested	Closing	Cash value on settlement (Rand)	Year-end face value[3] (Rand)
Equity-settled conditional share awards[4]											
LTIP 2025	01-Aug-25	15-Apr-28	94.26	—	200,435	—	—	—	200,435	—	10,991,855
Equity-settled forfeitable share awards – sign-on shares (SOS)[5]											
SOS 2025 (1)	01-Aug-25	01-Aug-26	95.50	—	58,396	—	—	—	58,396	—	5,337,394
SOS 2025 (2)	01-Aug-25	01-Aug-27	95.50	—	58,397	—	—	—	58,397	—	5,337,486
SOS 2025 (3)	01-Aug-25	01-Aug-28	95.50	—	58,397	—	—	—	58,397	—	5,337,486
				—	**375,625**	**—**	**—**	**—**	**375,625**	**—**	**27,004,221**

1 The LTIP awards granted include a total of 4,381 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
4 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
5 Sign-on shares comprise the share-based component of the sign-on award.

3 Minimum shareholding requirements as at 31 December 2025

MSR fulfilment date[1]	2030
Number of MSR shares[2]	5,000
Value of MSR shares[3] (R'000)	475
Total annual fixed remuneration[4] (R'000)	10,691
MSR target holdings based on time elapsed (%)	—
Achieved MSR target holdings[5] (%)	4

1 The MSR fulfilment date is the financial year by which the executive is required to meet the MSR requirement.
2 The number of MSR shares comprises all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the value of the MSR shares on 31 December 2025 is R94.92 per share.
4 Total annual guaranteed package is comprised of the annualised basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual TGP as at 31 December 2025.

Remuneration outcomes for July Ndlovu – outgoing chief executive officer[1]

1 Schedule of total single figure of remuneration

Rand thousand	2025	2024
Basic salary	9,010	8,578
Retirement and benefits[2]	1,425	1,348
Other[3]	2,461	29
Fixed remuneration	12,896	9,955
STI cash[4,5]	7,095	7,456
STI DBS[6,7]	—	3,767
LTIP restricted[8,9]	12,024	38,607
Variable remuneration	19,119	49,830
Total remuneration	32,015	59,785

1 July Ndlovu retired from Thungela on 31 December 2025 and is therefore considered a no fault/good leaver.
2 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
3 Other payments include items such as unemployment insurance, leave encashments during the year and on exit, and a cash retirement award.
4 Cash component of the STI, which is attributable to the 2025 financial year, but to be paid in the 2026 financial year. He is eligible to receive this component of the STI.
5 Cash component of the STI, which is attributable to the 2024 financial year, but to be paid in the 2025 financial year.
6 Deferred bonus component of the STI, which is attributable to the 2025 financial year but awarded in the 2026 financial year. He is not eligible to receive this component of the STI after his retirement.
7 Deferred bonus component of the STI, which is attributable to the 2024 financial year but awarded in the 2025 financial year.
8 The 2022 LTIP awards were granted on 7 March 2022. The performance was measured on 7 March 2025 and the awards were therefore reflected in the year in which the performance was measured. This award is subject to a further two-year holding period before it may be disposed of.
9 The 2021 LTIP awards were granted on 16 November 2021. The performance was measured on 16 November 2024 and the awards were therefore reflected in the year in which the performance was measured. This award is subject to a further two-year holding period before it may be disposed of.

2 Statement of unvested awards and cash flows for the 2025 financial year

				Share movement							
Award type	Award date	Vesting date	Award price (Rand/ share)	Opening	Granted[1]	Forfeited	Committed[2,3]	Vested[3]	Closing[4]	Cash value on settlement (Rand)	Year-end face value[5] (Rand)
Equity-settled conditional share awards[6]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	107,192	—	(644)	(106,548)	—	—	—	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	58,212	8,625	—	—	—	66,837	—	3,665,341
LTIP 2024	24-May-24	24-May-27	120.63	72,435	10,733	—	—	—	83,168	—	4,560,933
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	195,436	—	—	—	195,436	—	10,717,710
Equity-settled forfeitable share awards – deferred bonus shares[7]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	5,307	—	—	—	(5,307)	—	577,561	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	4,663	—	—	—	(4,663)	—	496,236	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	4,663	—	—	—	—	4,663	—	426,198
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	8,561	—	—	—	(8,561)	—	916,027	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	8,561	—	—	—	—	8,561	—	782,475
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	8,562	—	—	—	—	8,562	—	782,567
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	11,020	—	—	—	11,020	—	1,007,228
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	11,020	—	—	—	11,020	—	1,007,228
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	11,020	—	—	—	11,020	—	1,007,228
				278,156	**247,854**	**(644)**	**(106,548)**	**(18,531)**	**400,287**	**1,989,824**	**23,956,908**
Vested Awards committed to MSR[2]											
Held 2021 LTIP Award				302,589	—	—	—	—	302,589	—	27,656,635
Held 2022 LTIP Award				—	—	—	106,548	—	106,548	—	9,738,487

1 The LTIP awards granted include a total of 23,629 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 All outstanding awards will be accelerated to 31 December 2025. Vesting of conditional share awards will be based on the committee's assessment of performance and time-apportioned for completed months of the applicable employment period. The two-year holding period will apply to the vested conditional shares. Forfeitable share awards will vest on a time-apportioned basis for completed months of the applicable employment period and the remainder will be settled in cash based on the sale price of the underlying shares.
5 The 30-day VWAP for determining the face value of face awards on 31 December 2025 is R91.40 per share.
6 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
7 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

3 Minimum shareholding requirements as at 31 December 2025

MSR fulfilment date[1]	2026
Number of MSR shares[2]	672,971
Value of MSR shares[3] (R'000)	63,878
Total annual fixed remuneration[4] (R'000)	10,435
MSR target holdings based on time elapsed (%)	160
Achieved MSR target holdings[5] (%)	**612**

1 The MSR fulfilment date is the financial year by which the executive is required to meet the MSR requirement.
2 The number of MSR shares comprises all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the value of the MSR shares on 31 December 2025 is R94.92 per share.
4 Total annual guaranteed package is comprised of the annualised basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual TGP as at 31 December 2025.

Remuneration outcomes for Deon Smith – chief financial officer

1 Schedule of total single figure of remuneration

Rand thousand	2025	2024
Basic salary	6,183	5,539
Retirement and benefits[1]	1,002	896
Other[2]	1,428	25
Fixed remuneration	**8,613**	6,460
STI cash[3,4]	4,100	4,055
STI DBS[5,6]	2,050	2,027
LTIP[7,8]	6,212	16,185
Variable remuneration	**12,362**	22,267
Total remuneration	**20,975**	28,727

1 Retirement and benefits include pension fund contributions, medical aid contributions and recurring cash allowances.
2 Other payments include items such as unemployment insurance, leave encashments and long-service awards.
3 Cash component of the STI, which is attributable to the 2025 financial year, but to be paid in the 2026 financial year.
4 Cash component of the STI, which is attributable to the 2024 financial year, but to be paid in the 2025 financial year.
5 Deferred bonus component of the STI, which is attributable to the 2025 financial year but awarded in the 2026 financial year.
6 Deferred bonus component of the STI, which is attributable to the 2024 financial year but awarded in the 2025 financial year.
7 The 2022 LTIP awards were granted on 7 March 2022. The performance was measured on 7 March 2025 and the awards were therefore reflected in the year in which the performance was measured. This award is subject to a further two-year holding period before it may be disposed of.
8 The 2021 LTIP awards were granted on 16 November 2021. The performance was measured on 16 November 2024 and the awards were therefore reflected in the year in which the performance was measured. This award is subject to a further two-year holding period before it may be disposed of.

2 Statement of unvested awards and cash flows for the 2025 financial year

				Share movement							
Award type	Award date	Vesting date	Award price (Rand/share)	Opening	Granted[1]	Forfeited	Committed[2,3]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	55,377	—	(332)	(55,045)	—	—	—	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	30,073	4,455	—	—	—	34,528	—	1,893,516
LTIP 2024	24-May-24	24-May-27	120.63	37,420	5,545	—	—	—	42,965	—	2,356,201
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	93,886	—	—	—	93,886	—	5,148,708
Forfeitable shares – Deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	2,647	—	—	—	(2,647)	—	288,073	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	2,712	—	—	—	(2,712)	—	288,611	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	2,712	—	—	—	—	2,712	—	247,877
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	4,607	—	—	—	(4,607)	—	492,949	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	4,607	—	—	—	—	4,607	—	421,080
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	4,608	—	—	—	—	4,608	—	421,171
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	5,930	—	—	—	5,930	—	542,002
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	5,930	—	—	—	5,930	—	542,002
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	5,930	—	—	—	5,930	—	542,002
				144,763	**121,676**	**(332)**	**(55,045)**	**(9,966)**	**201,096**	**1,069,633**	**12,114,559**
Vested awards committed to MSR[2]											
Held 2021 LTIP award				126,853	—	—	—	—	126,853	—	11,594,364
Held 2022 LTIP award				—	—	—	55,045	—	55,045	—	5,031,113

1 The LTIP awards granted include a total of 12,052 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

REMUNERATION REPORT CONTINUED

3 Minimum shareholding requirements as at 31 December 2025

MSR fulfilment date[1]	2026
Number of MSR shares[2]	182,761
Value of MSR shares[3] (R'000)	17,348
Total annual guaranteed package[4] (R'000)	7,185
MSR target holdings based on time elapsed (%)	120
Achieved MSR target holdings[5] (%)	**241**

1 The MSR fulfilment date is the financial year by which the executive is required to meet the MSR requirement.
2 The number of MSR shares comprises all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the value of the MSR shares on 31 December 2025 is R94.92 per share.
4 Total annual guaranteed package is comprised of the annualised basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual TGP as at 31 December 2025.

Remuneration outcomes for prescribed officers

1 Schedule of total single figure of remuneration

	Johan van Schalkwyk		Leslie Martin		Lesego Mataboge		Mpumi Sithole		Carina Venter[1]		Bernard Dalton		Dan Reynolds[2]	
Rand thousand	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Basic salary	**4,538**	4,319	**3,942**	3,751	**2,997**	2,758	**2,994**	2,758	**1,995**	2,758	**3,656**	3,274	**7,063**	–
Retirement and benefits[3]	**745**	704	**664**	627	**516**	474	**482**	443	**302**	414	**612**	547	**347**	–
Other[4]	**183**	25	**1,174**	39	**17**	125	**17**	129	**1,606**	150	**164**	31	**—**	–
Fixed remuneration	**5,466**	5,048	**5,780**	4,417	**3,530**	3,357	**3,493**	3,330	**3,903**	3,322	**4,432**	3,852	**7,410**	–
STI cash[5,6]	**2,792**	3,162	**2,614**	2,746	**1,987**	2,019	**1,842**	2,019	**—**	2,019	**2,249**	2,397	**4,217**	–
STI DBS[7,8]	**1,396**	1,581	**1,307**	1,373	**994**	1,009	**921**	1,009	**—**	1,009	**1,125**	1,198	**2,108**	–
LTIP[9,10]	**4,844**	13,766	**4,207**	12,877	**2,988**	9,662	**2,988**	9,543	**2,988**	9,184	**3,582**	12,249	**—**	–
Variable remuneration	**9,032**	18,509	**8,128**	16,996	**5,969**	12,690	**5,751**	12,571	**2,988**	12,212	**6,956**	15,844	**6,325**	–
Total remuneration	**14,498**	23,557	**13,908**	21,413	**9,499**	16,047	**9,244**	15,901	**6,891**	15,534	**11,388**	19,696	**13,735**	–

1 Following her resignation, Carina Venter is not eligible to be paid an STI for the 2025 performance year and was not paid any separation payments. As she exited Thungela as a fault/bad leaver, all her unvested share awards were forfeited in line with the remuneration policy and rules of the Thungela share plan.
2 Dan Reynolds was appointed as a prescribed officer from 1 January 2025. His salary is paid in Australian dollars and was converted at the average monthly exchange rates and reported in South African rand for disclosure purposes only.
3 Retirement and benefits include pension fund or superannuation contributions, medical aid contributions and recurring cash allowances.
4 Other payments include items such as unemployment insurance, leave encashments and long-service awards.
5 Cash component of the STI, which is attributable to the 2025 financial year, but to be paid in the 2026 financial year.
6 Cash component of the STI, which is attributable to the 2024 financial year, but to be paid in the 2025 financial year.
7 Deferred bonus component of the STI, which is attributable to the 2025 financial year but awarded in the 2026 financial year.
8 Deferred bonus component of the STI, which is attributable to the 2024 financial year but awarded in the 2025 financial year.
9 The 2022 LTIP awards were granted to prescribed officers on 7 March 2022, which vested on 7 March 2025 based on the achievement percentage of the performance conditions.
10 The 2021 LTIP awards were granted on 16 November 2021, which vested on 16 November 2024 based on the achievement percentage of the performance conditions.

2 Statement of unvested awards and cash flows for the 2025 financial year

Johan van Schalkwyk – chief operations officer

Award type	Award date	Vesting date	Award price (Rand/share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	43,180	—	(259)	—	(42,921)	—	4,843,635	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	23,449	3,474	—	—	—	26,923	—	1,476,457
LTIP 2024	24-May-24	24-May-27	120.63	29,179	4,323	—	—	—	33,502	—	1,837,250
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	59,061	—	—	—	59,061	—	3,238,905
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	2,083	—	—	—	(2,083)	—	226,693	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,799	—	—	—	(1,799)	—	191,450	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,799	—	—	—	—	1,799	—	164,429
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	3,592	—	—	—	(3,592)	—	384,344	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	3,592	—	—	—	—	3,592	—	328,309
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	3,593	—	—	—	—	3,593	—	328,400
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	4,624	—	—	—	4,624	—	422,634
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	4,624	—	—	—	4,624	—	422,634
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	4,624	—	—	—	4,624	—	422,634
				112,266	**80,730**	**(259)**	**—**	**(50,395)**	**142,342**	**5,646,122**	**8,641,652**

1 The LTIP awards granted include a total of 9,088 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Leslie Martin – executive head of technical

Award type	Award date	Vesting date	Award price (Rand/share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	37,503	—	(227)	—	(37,276)	—	4,206,597	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	20,367	3,016	—	—	—	23,383	—	1,282,324
LTIP 2024	24-May-24	24-May-27	120.63	25,342	3,756	—	—	—	29,098	—	1,595,734
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	51,302	—	—	—	51,302	—	2,813,402
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,860	—	—	—	(1,860)	—	202,424	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,562	—	—	—	(1,562)	—	166,228	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,563	—	—	—	—	1,563	—	142,858
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	3,120	—	—	—	(3,120)	—	333,840	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	3,120	—	—	—	—	3,120	—	285,168
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	3,120	—	—	—	—	3,120	—	285,168
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	4,016	—	—	—	4,016	—	367,062
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	4,016	—	—	—	4,016	—	367,062
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	4,016	—	—	—	4,016	—	367,062
				97,557	**70,122**	**(227)**	**—**	**(43,818)**	**123,634**	**4,909,089**	**7,505,840**

1 The LTIP awards granted include a total of 7,893 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Lesego Mataboge – executive head of human resources

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	26,637	—	(159)	—	(26,478)	—	2,988,042	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	14,467	2,142	—	—	—	16,609	—	910,838
LTIP 2024	24-May-24	24-May-27	120.63	18,630	2,760	—	—	—	21,390	—	1,173,028
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	39,003	—	—	—	39,003	—	2,138,925
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,350	—	—	—	(1,350)	—	146,921	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,207	—	—	—	(1,207)	—	128,449	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,207	—	—	—	—	1,207	—	110,320
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	2,043	—	—	—	(2,043)	—	218,601	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	2,043	—	—	—	—	2,043	—	186,730
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	2,043	—	—	—	—	2,043	—	186,730
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	2,952	—	—	—	2,952	—	269,813
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	2,952	—	—	—	2,952	—	269,813
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	2,953	—	—	—	2,953	—	269,904
				69,627	**52,762**	**(159)**	**—**	**(31,078)**	**91,152**	**3,482,013**	**5,516,101**

1 The LTIP awards granted include a total of 5,754 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Mpumi Sithole – executive head of corporate affairs

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	26,637	—	(159)	—	(26,478)	—	2,988,042	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	14,467	2,142	—	—	—	16,609	—	910,838
LTIP 2024	24-May-24	24-May-27	120.63	18,630	2,760	—	—	—	21,390	—	1,173,028
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	38,972	—	—	—	38,972	—	2,137,224
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,344	—	—	—	(1,344)	—	146,268	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,207	—	—	—	(1,207)	—	128,449	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,207	—	—	—	—	1,207	—	110,320
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	2,043	—	—	—	(2,043)	—	218,601	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	2,043	—	—	—	—	2,043	—	186,730
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	2,043	—	—	—	—	2,043	—	186,730
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	2,952	—	—	—	2,952	—	269,813
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	2,952	—	—	—	2,952	—	269,813
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	2,953	—	—	—	2,953	—	269,904
				69,621	**52,731**	**(159)**	**—**	**(31,072)**	**91,121**	**3,481,360**	**5,514,400**

1 The LTIP awards granted include a total of 5,754 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Carina Venter – executive head of safety, health and environment

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	26,637	—	(159)	—	(26,478)	—	2,988,042	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	14,467	1,780	(16,247)	—	—	—	—	—
LTIP 2024	24-May-24	24-May-27	120.63	18,630	2,293	(20,923)	—	—	—	—	—
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	38,093	(38,093)	—	—	—	—	—
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,324	—	—	—	(1,324)	—	144,091	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,110	—	—	—	(1,110)	—	118,126	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,110	—	(1,110)	—	—	—	—	—
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	2,043	—	—	—	(2,043)	—	218,601	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	2,043	—	(2,043)	—	—	—	—	—
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	2,043	—	(2,043)	—	—	—	—	—
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	2,952	(2,952)	—	—	—	—	—
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	2,952	(2,952)	—	—	—	—	—
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	2,953	(2,953)	—	—	—	—	—
				69,407	**51,023**	**(89,475)**	**—**	**(30,955)**	**—**	**3,468,860**	**—**

1 The LTIP awards granted include a total of 4,073 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Bernard Dalton – executive head of marketing

Award type	Award date	Vesting date	Award price (Rand/ share)	Share movement: Opening	Granted[1]	Forfeited	Committed[2]	Vested[3]	Closing	Cash value on settlement (Rand)	Year-end face value[4] (Rand)
Equity-settled conditional share awards[5]											
LTIP 2022	07-Mar-22	07-Mar-25	135.54	31,932	—	(192)	—	(31,740)	—	3,581,859	—
LTIP 2023	26-Apr-23	26-Apr-26	164.06	17,341	2,569	—	—	—	19,910	—	1,091,864
LTIP 2024	24-May-24	24-May-27	120.63	22,117	3,278	—	—	—	25,395	—	1,392,662
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	47,589	—	—	—	47,589	—	2,609,781
Equity-settled forfeitable share awards – deferred bonus shares[6]											
DBS 2022 (3)	22-Mar-22	22-Mar-25	159.72	1,248	—	—	—	(1,248)	—	135,820	—
DBS 2023 (2)	27-Mar-23	27-Mar-25	195.56	1,447	—	—	—	(1,447)	—	153,990	—
DBS 2023 (3)	27-Mar-23	27-Mar-26	195.56	1,447	—	—	—	—	1,447	—	132,256
DBS 2024 (1)	18-Mar-24	18-Mar-25	116.55	2,656	—	—	—	(2,656)	—	284,192	—
DBS 2024 (2)	18-Mar-24	18-Mar-26	116.55	2,657	—	—	—	—	2,657	—	242,850
DBS 2024 (3)	18-Mar-24	18-Mar-27	116.55	2,657	—	—	—	—	2,657	—	242,850
DBS 2025 (1)	17-Mar-25	17-Mar-26	113.96	—	3,505	—	—	—	3,505	—	320,357
DBS 2025 (2)	17-Mar-25	17-Mar-27	113.96	—	3,505	—	—	—	3,505	—	320,357
DBS 2025 (3)	17-Mar-25	17-Mar-28	113.96	—	3,505	—	—	—	3,505	—	320,357
				83,502	**63,951**	**(192)**	**—**	**(37,091)**	**110,170**	**4,155,861**	**6,673,334**

1 The LTIP awards granted include a total of 6,887 shares added to the LTIP awards as dividend equivalent share awards granted based on the dividends paid by Thungela in the year ended 31 December 2025.
2 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
3 The conditional share awards were settled using Thungela shares held in treasury by the Group, while the forfeitable share awards were settled using shares purchased by the Group on the open market on grant date.
4 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
5 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2.
6 DBS are forfeitable shares that are granted under the remuneration policy as part of our annual STI process.

Dan Reynolds – executive head of Thungela Resources Australia

Award type	Award date	Vesting date	Award price (Rand/ share)	Unit movement						Cash value on settlement (Rand)	Year-end face value[2] (Rand)
				Opening	Granted	Forfeited	Committed[1]	Vested	Closing		
Cash-settled conditional share awards[3]											
LTIP 2025	15-Apr-25	15-Apr-28	94.26	—	98,914	—	—	—	98,914	—	5,424,444
				—	**98,914**	**—**	**—**	**—**	**98,914**	**—**	**5,424,444**

1 Committed shares are restricted shares that have either been committed under the MSR policy or are held as per the rules of the conditional share awards for an additional holding period.
2 The 30-day VWAP for determining the face value of unvested awards on 31 December 2025 is R91.40 per share.
3 Conditional share awards were calculated at a vesting rate of 60%, which is the 'on target' percentage as stated in section 2 of this remuneration report.

3 Minimum shareholding requirements as at 31 December 2025

	Johan van Schalkwyk	Leslie Martin	Lesego Mataboge	Mpumi Sithole	Bernard Dalton	Dan Reynolds
MSR fulfilment date[1]	2026	2026	2026	2026	2026	2029
Number of MSR shares[2]	32,092	114,195	17,090	2,800	17,276	—
Value of MSR shares[3] (R '000)	3,046	10,839	1,622	266	1,640	—
Annual total guaranteed package[4] (R '000)	5,283	4,606	3,513	3,476	4,268	7,410
MSR target holdings based on time elapsed (%)	80	80	80	80	80	20
Achieved MSR target holdings[5] (%)	**58**	**235**	**46**	**8**	**38**	**—**

1 The MSR fulfilment date is the financial year by which the executive is required to meet the MSR requirement.
2 The number of MSR shares comprises all personal investment shares, excluding shares subject to a hedging arrangement, and committed shares under the MSR policy. This excludes any unvested shares under the STI DBS and LTIP plans.
3 The 20-day VWAP for determining the value of the MSR shares on 31 December 2025 is R94.92 per share.
4 Total annual guaranteed package is comprised of the annualised basic salary and retirement and benefits components on the schedule of TSF remuneration.
5 The fulfilment percentage is the value of the MSR shares divided by the executive's annual TGP as at 31 December 2025.

NON-EXECUTIVE DIRECTORS' FEES

The remuneration of non-executive directors comprises fixed fees for board and board committee responsibilities and fees for ad hoc meetings where additional time and effort are required.

The fees paid to non-executive directors for the year ended 31 December 2025 are set out below.

					2025 (R '000)			2024 (R '000)
Director	**Chairing**	**Appointment date**	**Board[1]**	**Committee**	**Total**	Board	Committee	Total
Sango Ntsaluba[2]	Board	1 January 2021	**1,829**	**—**	**1,829**	1,715	—	1,715
Kholeka Mzondeki[3]	Audit committee	12 February 2021	**627**	**735**	**1,362**	569	701	1,271
Ben Kodisang[4]	Remuneration and human resources committee	16 March 2021	**979**	**324**	**1,302**	569	625	1,194
Seamus French[5]	Health, safety, environment and risk committee	4 June 2021	**627**	**639**	**1,266**	569	610	1,179
Yoza Jekwa[6]	Investment committee	12 August 2022	**626**	**658**	**1,284**	569	698	1,267
Tommy Mckeith[7]	Social, ethics and transformation committee	1 October 2024	**626**	**664**	**1,290**	146	160	306
Thero Setiloane[8]		7 March 2021	**—**	**—**	**—**	277	299	576

1 The board fees include R25,320 for an ad hoc board meeting that was held on 30 December 2024.
2 The board chairman's fee is inclusive of all committee appointments. The board chairman also chairs the nomination and governance committee.
3 Kholeka Mzondeki also serves on the nomination and governance committee, as well as the investment committee.
4 Ben Kodisang was appointed as the lead independent director effective 23 May 2025. The lead independent director's fees are inclusive of all committee appointments. He also serves on the audit committee and the nomination and governance committee.
5 Seamus French also serves on the remuneration and human resources committee and the investment committee.
6 Yoza Jekwa serves on the social, ethics and transformation committee and the remuneration and human resources committee.
7 Tommy McKeith also serves on the audit committee and the health, safety, environment, and risk committee.
8 Thero Setiloane passed away on 1 May 2024. At the time of his passing, he chaired the social, ethics and transformation committee and served on the audit committee and the health, safety, environment, and risk committee.

REMUNERATION REPORT CONTINUED

The table below sets out the approved fees payable to non-executive directors in respect of board and committee responsibilities for 2025, together with the proposed fees for the 2026 financial year.

Position	Proposed fees for the year ending 31 December 2026	Fees for the year ended 31 December 2025
Board		
Chairman[1,2]	1,923,408	1,840,582
Lead independent director[1,3]	1,374,301	1,315,121
Member	641,136	613,527
Audit committee		
Chairperson	403,087	368,116
Member	231,133	221,180
Investment committee		
Chairperson	309,540	296,210
Member	199,628	191,031
Social, ethics and transformation committee		
Chairperson	282,100	269,952
Member	199,628	191,031
Remuneration and human resources committee		
Chairperson	282,100	269,952
Member	199,628	191,031
Nomination and governance committee		
Chairperson	282,100	269,952
Member	199,628	191,031
Health, safety, environment and risk committee		
Chairperson	282,100	269,952
Member	199,628	191,031
Ad hoc meeting fees[4]		
Per meeting	27,782	26,586

1 The board chairman and the lead independent director's fees are inclusive of all committee appointments.
2 The board chairman is also the chairperson of the nomination and governance committee.
3 The lead independent director is also the chairperson of the remuneration and human resources committee.
4 Ad hoc meeting fees to deal with time critical board matters limited to four additional meetings per annum.

The proposed non-executive directors' fees for 2026 were benchmarked against the comparator group outlined in section 2. The majority of the fees were assessed to be within the applicable market tolerance range and, accordingly, a general increase of 4.5% is proposed, consistent with the approved TGP increase for executive directors.

The fee payable to the audit committee chairperson was identified as lagging market benchmarks and it is therefore proposed that this fee be increased by an additional 5% above the general increase, resulting in a total proposed increase of 9.5%.

The proposed non-executive directors' fees for 2026 were noted by the committee and recommended by the board on 14 November 2025 for onward submission to shareholders for approval. The fees will be presented for approval by special resolution at the AGM scheduled for 5 June 2026.

DIRECTORS’ INTERESTS IN THUNGELA RESOURCES LTD SHARES

According to the register of directors’ interests, maintained by Thungela in accordance with the provisions of section 30(4)(d) of the Companies Act of South Africa, the directors of Thungela have disclosed their interests in the ordinary shares of Thungela as at 31 December 2025.

The table below shows the number of Thungela shares held by each director, or former director as at 31 December 2025:

	Direct Beneficial	Indirect Beneficial	2025	2024
Non-executive directors				
Sango Ntsaluba	3,710	—	3,710	3,710
Kholeka Mzondeki	788	—	788	788
Ben Kodisang	—	—	—	—
Seamus French	—	30,816	30,816	30,816
Yoza Jekwa	—	—	—	—
Tommy McKeith	—	—	—	—
Thero Setiloane	—	—	—	—
Executive directors				
Moses Madondo	180,190	—	180,190	—
July Ndlovu	727,817	—	727,817	596,550
Deon Smith	212,478	—	212,478	219,130

NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION REPORT

The implementation report in section 3 is subject to a non-binding advisory vote by shareholders at the AGM. Where 25% or more of votes cast are against the report, the committee will engage with dissenting shareholders to understand the underlying concerns. These insights will inform the committee’s ongoing review of remuneration practices and a summary of the concerns raised, together with the committee’s responses, will be disclosed in the subsequent remuneration report.

ANNEXURE 5

SHAREHOLDER INFORMATION

As at 31 December 2025

THUNGELA'S PUBLIC AND NON-PUBLIC SHAREHOLDING

Ordinary shares

The Thungela share register as at 31 December can be analysed as follows:

				2025
Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
1 to 1,000 shares	36,947	92.37	3,158,591	2.25
1,001 to 10,000 shares	2,232	5.58	7,188,170	5.11
10,001 to 100,000 shares	636	1.59	20,257,625	14.42
100,001 to 1,000,000 shares	165	0.41	49,279,907	35.08
1,000,001 shares and above	19	0.05	60,608,292	43.14
Total	**39,999**	**100.00**	**140,492,585**	**100.00**

				2024
Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
1 to 1,000 shares	39,582	92.73	3,302,155	2.35
1,001 to 10,000 shares	2,308	5.41	7,170,067	5.10
10,001 to 100,000 shares	590	1.38	19,073,635	13.58
100,001 to 1,000,000 shares	186	0.43	54,292,677	38.64
1,000,001 shares and above	20	0.05	56,654,051	40.33
Total	42,686	100.00	140,492,585	100.00

				2025
Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
Banks and nominee accounts	433	1.08	9,144,177	6.51
Brokerage accounts	167	0.42	14,463,509	10.29
Individuals and private trusts	37,509	93.76	24,663,555	17.55
Insurance and assurance companies	48	0.12	2,079,909	1.48
Investment companies	117	0.29	2,766,033	1.97
Mutual funds	379	0.95	43,409,026	30.90
Other corporations	234	0.59	10,413,644	7.41
Pension and provident funds	318	0.80	22,458,807	15.99
Private corporations	786	1.97	10,827,382	7.71
Sovereign wealth funds	8	0.02	266,543	0.19
Total	**39,999**	**100.00**	**140,492,585**	**100.00**

				2024
Distribution of shareholders	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
Banks and nominee accounts	472	1.11	7,528,175	5.36
Brokerage accounts	154	0.36	19,517,974	13.89
Individuals and private trusts	39,888	93.44	19,682,660	14.01
Insurance and assurance companies	59	0.14	2,845,718	2.03
Investment companies	85	0.20	1,876,861	1.33
Mutual funds	472	1.11	43,280,415	30.80
Other corporations	236	0.55	1,629,428	1.16
Pension and provident funds	419	0.98	29,907,199	21.29
Private corporations	891	2.09	13,031,880	9.28
Sovereign wealth funds	10	0.02	1,192,275	0.85
Total	42,686	100.00	140,492,585	100.00

Shareholding type	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
				2025
Non-public shareholders				
Directors and prescribed officers	12	0.03	1,459,420	1.04
Treasury shares held by Group companies	2	0.01	11,700,761	8.33
Public shareholders	39,985	99.96	127,332,404	90.63
Total	39,999	100.00	140,492,585	100.00

Shareholding type	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
				2024
Non-public shareholders				
Directors and prescribed officers	11	0.03	1,048,288	0.75
Treasury shares held by Group companies	2	0.00	5,686,373	4.05
Public shareholders	42,673	99.97	133,757,924	95.20
Total	42,686	100.00	140,492,585	100.00

Major shareholders

According to Thungela's share register at 31 December, the following shareholders held beneficial interests equal to or in excess of 5.0% of the issued ordinary share capital of the Company:

Beneficial shareholding of more than 5.0%	Number of shares	% of issued share capital
		2025
Government Employees Pension Fund	17,228,604	12.26
Allan Gray	7,188,844	5.12
Total	24,417,448	17.38

Beneficial shareholdings of more than 5.0%	Number of shares	% of issued share capital
		2024
Government Employees Pension Fund	20,263,512	14.42
Total	20,263,512	14.42

FORM OF PROXY FOR SOUTH AFRICAN SHAREHOLDERS

Thungela Resources Limited (Thungela or the Company)

(Incorporated in the Republic of South Africa)

This FOP is for use and completion by certificated shareholders and dematerialised shareholders with "own name" registration only.

For use and completion by registered shareholders of Thungela at Company's the annual general meeting (AGM) to be held as a hybrid meeting at the Johannesburg Stock Exchange, Gwen Lane, in Sandown, Johannesburg, South Africa, and by electronic communication at 12:00 (CAT) on Friday, 5 June 2026.

Each shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies (who need not be a shareholder of Thungela) to attend, participate in, speak and vote in place of that shareholder at the AGM, and at any adjournment thereat.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, must not complete this form or proxy, but should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement, in order to furnish them with their voting instructions or to obtain the necessary letter of authority to attend the AGM either in person or virtually, in the event that they wish to attend the AGM.

Please note the following:
- The appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the AGM.
- The appointment of the proxy is revocable.
- You may revoke the proxy appointment by:
  - cancelling it in writing, or making a later inconsistent appointment of a proxy; and
  - delivering a copy of the revocation instrument to the proxy, and Thungela.

Kindly note that AGM participants (including a proxy or proxies) are required in terms of section 63(1) of the Companies Act 71 of 2008, as amended, to provide reasonably satisfactory identification before being entitled to attend or participate in the AGM. Forms of identification include a green barcoded identification document issued by the South African Department of Home Affairs, a smart identity card issued by the South African Department of Home Affairs, a valid driver's licence, or a valid passport.

A proxy may not delegate his/her authority to act on behalf of a shareholder of Thungela to another person.

I/We (please print name in full)

of (address) contact number

being the holder/s or custodians of ______ ordinary shares in the Company, do hereby appoint:

1. or failing him/her
2. or failing him/her
3. The chairperson of the AGM, as my/our proxy to act, attend, participate and speak, for me/us and/or on my/our behalf at the AGM, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for me/us and/or on my/our behalf or to abstain from voting on such resolutions in respect of the ordinary share/s in the issued capital of the Company registered in my/our name/s with the following instructions:

Continued overleaf

Number of votes (one vote per share)

	In favour	Against	Abstain
Ordinary resolution number 1: Re-appointment of independent external auditor			
Ordinary resolution number 2: Appointment and re-election of retiring directors			
2.1 To re-elect Ms NY Jekwa as a director of the Company			
2.2 To re-elect Mr TD McKeith as a director of the Company			
2.3 To elect Mr TM Madondo as a director of the Company			
Ordinary resolution number 3: Election of audit committee members			
3.1 Re-election of Ms KW Mzondeki as a member of the committee			
3.2 Re-election of Mr TD McKeith as a member of the committee			
3.3 Re-election of Mr BM Kodisang as a member of the committee			
Ordinary resolution number 4: Election of social, ethics and transformation committee members			
4.1 Re-election of Mr TD McKeith as a member of the committee			
4.2 Re-election of Ms NY Jekwa as a member of the committee			
4.3 Election of Mr TM Madondo as a member of the committee			
Non-binding ordinary resolution number 5: Approval of the remuneration policy and implementation thereof			
5.1 Non-binding advisory vote: Approval of the remuneration policy			
5.2 Non-binding advisory vote: Approval of the implementation of the remuneration policy			
Ordinary resolution number 6: General authority for directors to allot and issue ordinary shares			
Ordinary resolution number 7: Authorisation to sign documents to give effect to resolutions			
Special resolution number 1: Remuneration payable to non-executive directors			
Special resolution number 2: General authority to acquire the Company's own ordinary share			
Special resolution number 3: Approval for the granting of financial assistance in terms of sections 44 and 45 of the Companies Act of South Africa			

Insert an "X" in the relevant space above according to how you wish your votes to be cast. An "X" in the relevant space above indicates the maximum number of votes exercisable. However, if you wish to cast your votes in respect of less than all of the shares that you own in Thungela, then insert the number of ordinary shares held in respect of which you desire to vote.

Signed at	on	2026
Signature	Assisted by me (where applicable)	

Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of the Company) to attend, speak and, on a poll, vote in place of that shareholder at the AGM. Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act of South Africa

Please note that in terms of section 58 of the Companies Act of South Africa:

- This FOP must be in writing, dated and signed by the shareholder appointing the proxy.
- You may appoint an individual as a proxy, including an individual who is not a shareholder of Thungela, to participate in, and speak and vote at the AGM, on your behalf.
- Your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this FOP.
- This form or proxy should be delivered to Thungela, or to Thungela's South African transfer secretaries, Computershare Investor Services Proprietary Limited, before your proxy exercises any of your voting rights as a shareholder at the AGM. Any FOP not received by Thungela or the South African transfer secretaries must be sent to the chairperson of the AGM by email before your proxy may exercise any of your voting rights as a shareholder at the AGM.
- The appointment of your proxy or proxies will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the AGM.
- The appointment of your proxy is revocable unless you expressly state otherwise in this FOP.
- As the appointment of your proxy is revocable, you may revoke the proxy appointment by:
  - Cancelling it in writing or making a later inconsistent appointment of a proxy.
  - Delivering a copy of the revocation instrument to the proxy and to Thungela.
- Please note that the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the proxy and Thungela as aforesaid.
- If this FOP has been delivered to Thungela, as long as that appointment remains in effect, any notice that is required by the Companies Act of South Africa or Thungela's MOI to be delivered by Thungela to you must be delivered by Thungela to you or, if you have directed Thungela to do so, in writing, and paid any reasonable fees charged by Thungela for doing so, your proxy or proxies:
  - Your proxy is entitled to exercise, or abstain from exercising, any voting rights of yours without direction at the AGM, except to the extent that this FOP provides otherwise.
  - The appointment of your proxy remains valid only until the end of the AGM or any adjournment or postponement thereof, unless it is revoked by you before then on the basis set out above.

Explanatory notes

- An FOP is only to be completed by those ordinary shareholders who are:
  - Holding ordinary shares in certificated form.
  - Recorded on sub-register electronic form in "own name".
- If you have already dematerialised your ordinary shares through a CSDP or broker and wish to attend the AGM, you must request your CSDP or broker to provide you with a letter of representation or you must instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between you and your CSDP or broker.
- A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies to attend, participate in, speak and vote in his/her stead at the AGM. A proxy need not be a shareholder of the Company. Satisfactory identification must be presented by any person wishing to attend the AGM, as set out in the notice of AGM (to which this FOP is included).
- A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space. The person whose name stands first on the FOP and who is present at the AGM of shareholders will be entitled to act to the exclusion of those whose names follow.
- On a show of hands, a shareholder of the Company present in person or by proxy shall have one (1) vote irrespective of the number of shares he/she holds or represents, provided that a proxy shall, irrespective of the number of shareholders he/she represents, have only one (1) vote. On a poll, a shareholder who is present in person or represented by proxy shall be entitled to one vote in respect of each ordinary share in Thungela held by him/her.

Instructions on signing and lodging the proxy form

- A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the chairperson of the AGM", but any such deletion must be initialled by the member.
- Should this space be left blank, the chairperson of the AGM will exercise the proxy. The person whose name appears first on the FOP and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
- A member's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by the member in the appropriate box provided. An "X" in the appropriate box provided indicates the maximum number of votes exercisable by that member. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the member's votes exercisable thereat.
- A member or his/her proxy is not obliged to use all the votes exercisable by the member or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the member or by the proxy.
- Forms of proxy are requested, for administrative purposes only, to be lodged at, or posted to the South African transfer secretaries at the address below, to be received by 12:00 on Wednesday, 3 June 2026. Any forms of proxy not received by this time and date may be emailed to the South African transfer secretaries (who will provide same to the chairperson of the AGM) at any time prior to the AGM, prior to your proxy exercising any of your voting rights as a shareholder at the AGM.
- The completion and lodging of this FOP will not preclude the relevant member from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
- Documentary evidence establishing the authority of a person signing this FOP in a representative capacity or other legal capacity must be attached to this FOP, unless previously recorded by the South African transfer secretaries or waived by the chairperson of the AGM.
- Any alteration or correction made to this FOP must be initialled by the signatory/ies.
- Notwithstanding the foregoing, the chairperson of the AGM may waive any formalities that would otherwise be a prerequisite for a valid proxy.
- If any shares are jointly held, all joint members must sign this FOP. If more than one of those members is present at the AGM, either in person or by proxy, the person whose name appears first in the register shall be entitled to vote.

For shareholders on the South African register, details of the South African transfer secretaries are as follows:

Computershare Investor Services Proprietary Limited
15 Biermann Avenue, Rosebank, 2196, South Africa

Private Bag X9000, Saxonwold, 2132

Email: proxy@computershare.co.za

www.computershare.com

Tel: +27 11 370 5000

HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

Visit https://meetnow.global/za

Access

Access the online meeting at https://meetnow.global/za, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

If you are a shareholder:

Select 'Invitation' on the login screen and enter the applicable information included in the email received from noreply@computershare.com. Accept the Terms and Conditions and click Continue.

If you are a guest:

Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

If you are a proxy holder:

You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the email invitation from noreply@computershare.com to access the meeting.

Contact

If you have any issues accessing the website please email proxy@computershare.co.za.

Navigation

When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder.
The image highlighted in blue indicates the active page.

The webcast will appear and begin automatically once the meeting has started.

Voting

Resolutions will be put forward once voting is declared open by the chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears.

To change your vote, select 'Change Your Vote'.

Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

CORPORATE INFORMATION

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 'Group' or the 'Company')

REGISTERED OFFICE
Thungela Resources Limited
25 Bath Avenue
Rosebank
Johannesburg
2196
South Africa
Tel: +27 11 638 9300

POSTAL ADDRESS
PO Box 1521
Saxonwold
2132

DIRECTORS
Executive
Moses Madondo (CEO – appointed 1 November 2025)
July Ndlovu (CEO – resigned 31 October 2025)
Gideon (Deon) Frederick Smith (CFO)

Independent non-executive
Sango Siviwe Ntsaluba (chairman)
Kholeka Winifred Mzondeki
Benjamin (Ben) Monaheng Kodisang (lead independent director)
Seamus Gerard French (Irish)
Yoza Noluyolo Jekwa
Thomas (Tommy) David McKeith (Australian)

PREPARED UNDER THE SUPERVISION OF
Gideon (Deon) Frederick Smith CA(SA)

GROUP COMPANY SECRETARY
Altovise (Tovi) Alaxa Ellis
Email: coseccoalsa@thungela.com

INVESTOR RELATIONS
Hugo Nunes or Shreshini Singh
Email: ir@thungela.com

MEDIA
Hulisani Rasivhaga
Email: hulisani.rasivhaga@thungela.com

SA TRANSFER SECRETARIES
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
Private Bag X9000
Saxonwold, 2132
Email: Web.Queries@computershare.co.za
Tel: +27 11 370 5000

UK TRANSFER SECRETARIES
Computershare Investor Services (Jersey) Limited
Queensway House
Hilgrove Street, St Helier
Jersey, Channel Islands
Email: WebCorres@computershare.co.uk
Tel: +44 03 7070 2000

SPONSOR
Rand Merchant Bank
(a division of FirstRand Bank Limited)
Tel: +27 11 282 8000

UK FINANCIAL ADVISER AND CORPORATE BROKER
Panmure Liberum Limited
Tel: +44 20 3100 2000

If you have any queries regarding your shareholding in Thungela Resources Limited, please contact the transfer secretaries on: +27 11 370 5000.


thungela
www.thungela.com