

# Investor Presentation

**SA Tomorrow Conference** 

21 – 22 October 2025

**JSE: EXX** 

A2X: EXXJ



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# **Agenda**



Who we are



**Capital allocation** 



2025 interim results recap



**Outlook and conclusion** 





# A diversified natural resources champion



A JSE listed diversified natural resources company with a strong coal base, a growing energy solutions business and acquisitive growth ambitions in energy transition metals

# Strong coal base

including the world's largest beneficiation complex supplying domestic and export markets

Operating coal mines\*

9 354Mt

Mineral Resources\*\* Substantial

Life of Mine with

39.54Mt

Coal produced in 2024

### **Growing energy solutions business**

Operating wind farms
with two projects (solar and wind) in
development backed by long-term PPAs#

437MW

Gross capacity (229MW operational) 20+ years

PPAs in place

**725GWh** 

wind energy generated in 2024

### **Energy transition metals**

Manganese assets acquisition transaction in progress

contributing towards our diversification strategy

Q1 2026

Transaction close target

### **Equity accounted investments**

Sishen Iron Ore Company (SIOC) - 20.62% | Black Mountain - 26% | Richards Bay Coal Termina (RBCT) - 12.04% | Moranbah South - 50% JV

<sup>\*</sup> Including the Mafube JV \*\* Includes 2 900Mt in Mineral Reserves # Power purchase agreements

# A defensive portfolio with built-in optionality protecting margins





<sup>\*</sup> For illustrative purposes, not drawn to scale

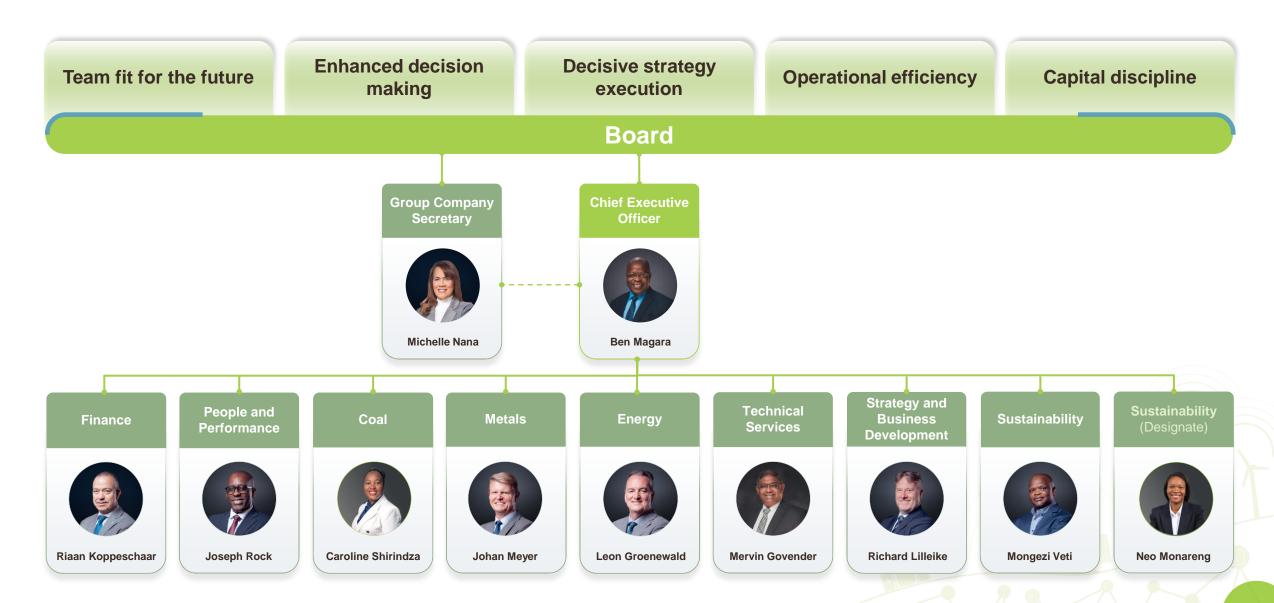
# **Exxaro's Sustainable Growth and Impact Strategy is our compass**



Disciplined capital allocation maximising value 41 **Enabling focus areas** Diversify by adding energy transition metals Build businesses **Accelerating strategy execution** Scaling energy solution business that thrive Market-to-Resource optimisation Diversified natural resources portfolio Achieve carbon neutrality by 2050 Climate Safeguard natural resources resilience Re-organised leadership team Strategic partnerships for greater impact and delivery Socio Deliver positive socio-economic and environmental impact People doing the best work of their lives impact catalyst Go beyond compliance and embed governance 趣

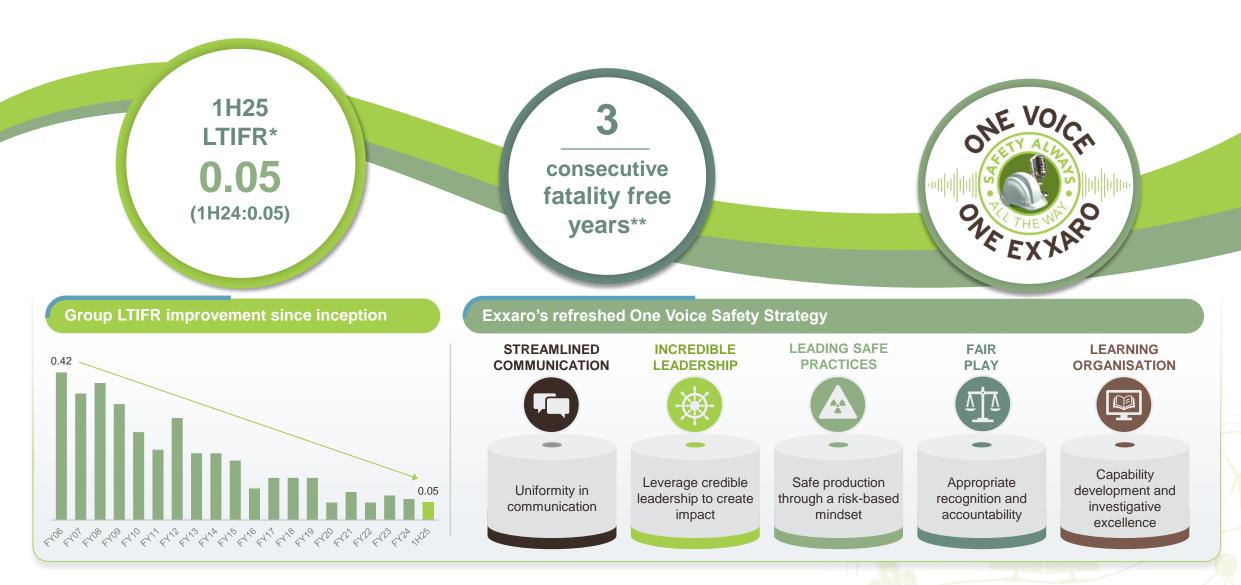
# **Executive leadership team fit for a diversified natural resources future**





# Moving towards zero harm through a focused safety strategy





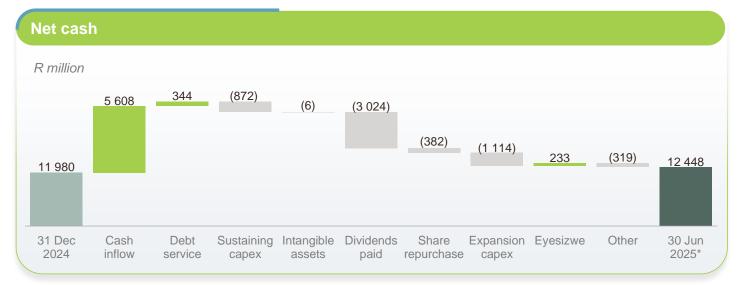
<sup>\*</sup> Lost-time injury frequency rate per 200 000 man-hours worked \*\* As of 15 August 2025. Last fatality 15 August 2022 – Mr. Mathews Moanalo

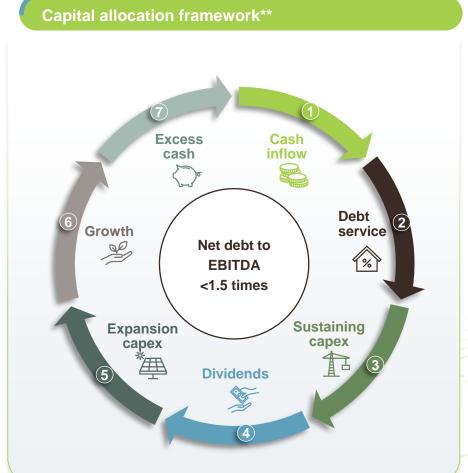


# A clear capital allocation framework executed with discipline



- Ocal sustaining capex between R2.5bn and R3.0bn annually
- Dividend policy:
  - 2.5 to 3.5 Adjusted Group Earnings cover
  - 100% SIOC dividend passthrough
- Expansion capital allocated towards energy solutions business
- Growth capital towards diversification strategy





<sup>\*</sup> Includes Energy net debt of R5.8bn with Rest of Exxaro net cash at R18.3bn

<sup>\*\*</sup> currently under review

# A consistent dividend payer since listing in 2006



### **Dividend declared**

|   | Interim<br>1H25 | Total<br>FY24 | Final<br>2H24 | Interim<br>1H24 |
|---|-----------------|---------------|---------------|-----------------|
| Dividend cover: Adjusted group earnings (times) | 2.5             | 2.5           | 2.5           | 2.5             |
| SIOC dividend declared (Rm)                     | 1 535           | 3 366         | 1 732         | 1 634           |
| Dividend declared per share (cents)             | 843             | 1 662         | 866           | 796             |
| Dividend declared (Rm)                          | 2 910           | 5 805         | 3 025         | 2 780           |

### **Share repurchase**

- Share repurchase programme of R1.2 billion commenced 1H25
- 2 595 000 shares repurchased as at 30 June 2025 (R382 million)
- 1 695 000 shares repurchased in July 2025 (R280 million)

### 10-year historic dividend distribution\*





# **Key highlights**



**Announced Karreebosch and Manganese transactions** 

Operational performance

LTIFR\* stable at 0.05 year-on-year (YoY)\*\*, 3 years fatality free

Production up 1% and export sales up 3% bolstered by a price realisation of 96% up 1% YoY

Wind energy generation in line with seasonality at 337GWh vs 339GWh (1H24)

Financial performance

Revenue of R20.6bn (R19.0bn, 1H24) up 8%

EBITDA of R5.6bn (R5.1bn,1H24) up 10%

Net cash of R12.4bn, increased 27% YoY

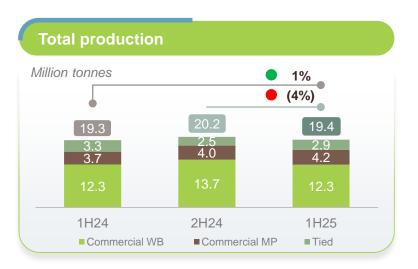
HEPS# up 13% YoY to R17.24 from R15.28

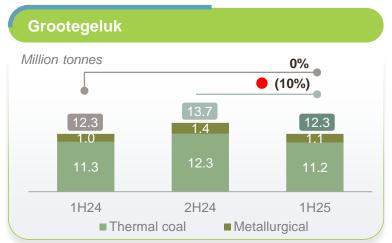
Interim dividend - Declared a 45th consecutive dividend of R8.43 per share

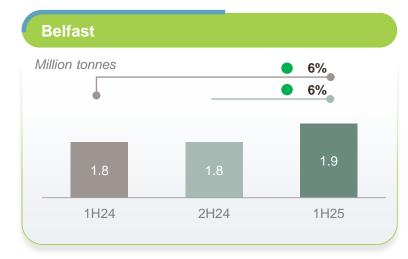
<sup>\*</sup> Lost-time injury frequency rate per 200 000 man-hours worked \*\* 1H25 vs 1H24 # Headline earnings per share

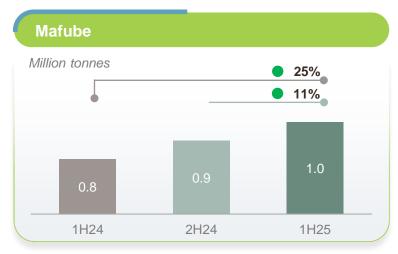
# Total production higher despite lower offtake at Grootegeluk

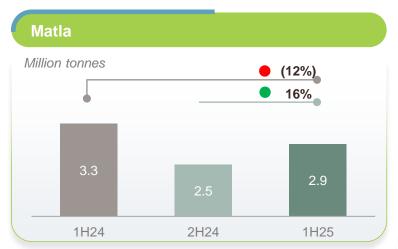


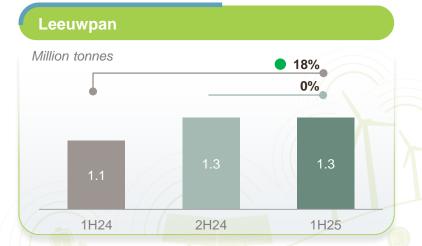








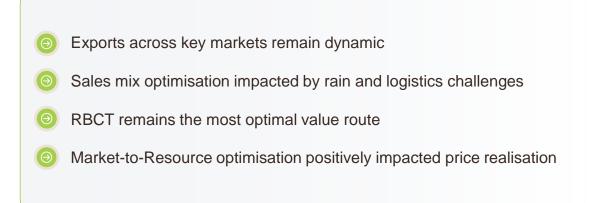


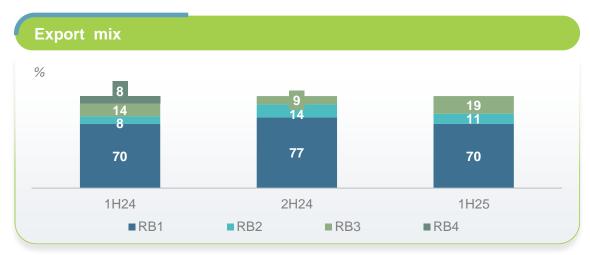


# Strong performance in dynamic markets











<sup>\*</sup> Source: Argus/McCloskey Price Index

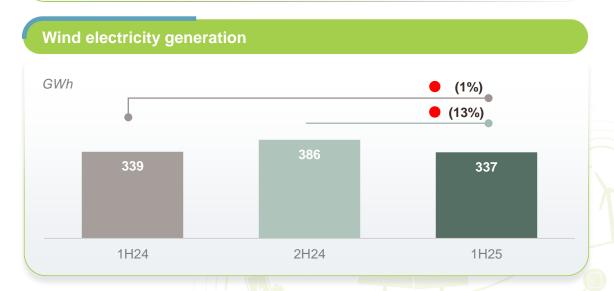
# Cennergi continues to deliver consistent performance



### Operational and financial performance

|                           | Unit | 1H24  | 2H24  | 1H25  |
|---------------------------|------|-------|-------|-------|
| Energy generation         | GWh  | 339   | 386   | 337   |
| Availability              | %    | 97    | 96    | 98    |
| Revenue                   | Rm   | 652   | 759   | 675   |
| Operational EBITDA        | Rm   | 517   | 609   | 537   |
| Operational EBITDA margin | %    | 79    | 80    | 80    |
| Project finance debt*     | Rm   | 5 072 | 5 223 | 6 300 |
| Project finance charges** | Rm   | 274   | 269   | 250   |

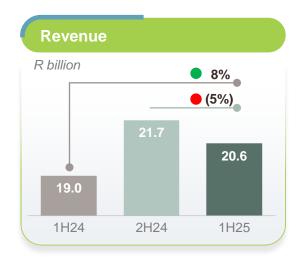


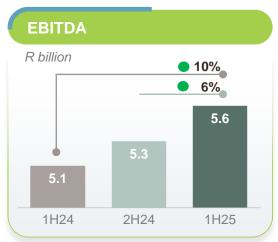


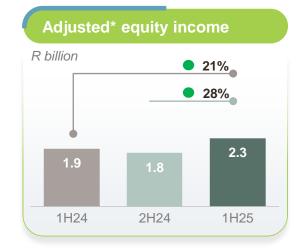
<sup>\*</sup> Includes project financing debt for LSP and Karreebosch \*\* Effective interest paid on project financing, excludes capitalised cost

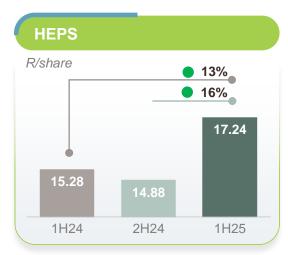
# Diversified portfolio drives strong financial results

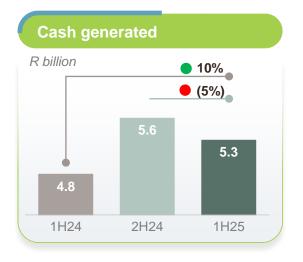


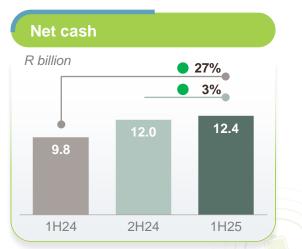












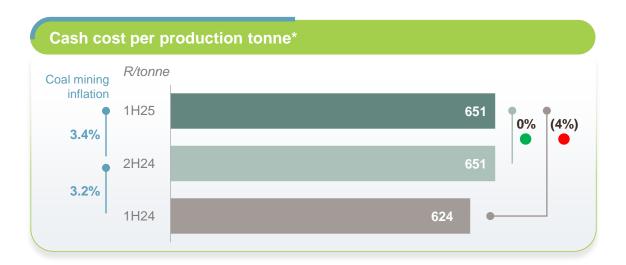
<sup>\*</sup> Adjusted with headline earnings adjustments

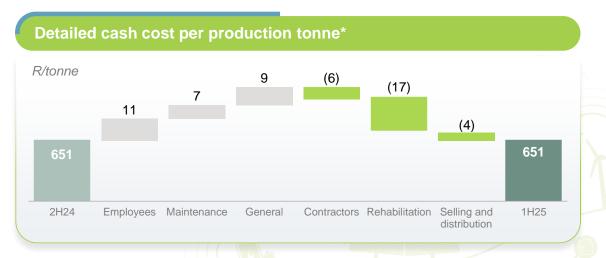
# Unit cost maintained despite mining inflation











<sup>\*</sup> Excluding Matla and buy-ins from Mafube JV



# Energy transition metals anchored by our coal base





# Location Matla, Mpumalanga Sinking of new shaft and construction of support complex Northwest access development of Mine 2 and Mine 3 Mine 3 Ventilation Shaft complex First coal more than 1 year ahead of schedule Target completion in 1H26 for Lifex complex Accessing additional reserves leading to a supply of 8Mtpa\* to 10Mtpa depending on product quality

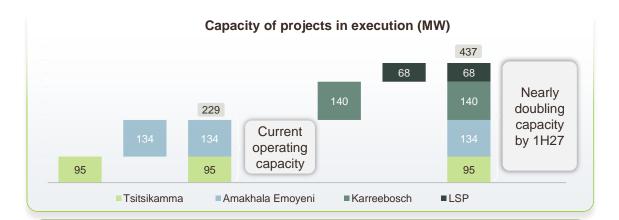


| Manganese Acquisition                        |   |  |  |
|--|---|--|--|
| Location                                     | Northern Cape   |  |  |
| Conditions<br>Precedent<br>fulfilled to date | <ul> <li>NMH** shareholders have approved the transaction</li> <li>Entered into Escrow and Warranty &amp; Indemnity Insurance<br/>Agreements</li> </ul>   |  |  |
| Conditions<br>Precedent still<br>in progress | <ul> <li>Waiver or exercise of respective pre-emptive rights</li> <li>Filings in progress: South African Competition Authority, Section 11 of the MPRDA# for Tshipi Borwa Mine</li> <li>Subject to all approvals and consents, on track for 1Q26 closure</li> </ul> |  |  |
| Rationale                                    | These assets will add to Exxaro's robust portfolio of diversified resources, progressing our diversification strategy   |  |  |

<sup>\*</sup> Million tonnes per annum \*\* Ntsimbintle Holdings # Mineral and Petroleum Resources Development Act

# Scaling our energy solutions business





### **Karreebosch Wind Farm** Between Matjiesfontein and Sutherland Location Northam Platinum Offtaker • 140MW gross capacity **Technical** • 462GWh/yr generation • c. 457ktCO<sub>2</sub>e/yr\* reduction (SA JET\*\* contribution) details • 20-year power purchase agreement Notice to proceed issued February 2025 Status update • Scheduled commercial operations date 1H27 Diversifies Cennergi's customer base, meeting customers' energy Rationale security, and scope 3 decarbonisation needs R4.7 billion Total project cost



### Lephalale Solar Project

| Location           | Lephalale, Limpopo  |
|--------------------|---|
| Offtaker           | Grootegeluk   |
| Technical details  | <ul> <li>68MW gross capacity</li> <li>176GWh/yr generation</li> <li>c. 161ktCO<sub>2</sub>e/yr scope 2 emissions reduction</li> <li>25-year power purchase agreement</li> </ul> |
| Status update      | <ul> <li>Notice to proceed issued August 2023</li> <li>Delayed construction, first electrons expected early in 2026</li> </ul>  |
| Rationale          | Behind the meter solution for Grootegeluk mine – scope 2 emissions reduction, and cost saving   |
| Total project cost | R1.7 billion  |

### Reduction in scope 2 and 3 emissions

<sup>\*</sup>Kilo tonnes carbon dioxide equivalent per year \*\* Just Energy Transition

# Full year 2025 guidance

### Key business drivers



**Commodity** prices



**Business** environment



Logistics



**Coal offtake** 



Operational efficiency



38.9Mt to 42.8Mt

**Coal production** 

38.3Mt to 42.4Mt

**Total coal sales** 

6.5Mt to 7.2Mt

**Coal export sales** 

**R2.1bn to R2.3bn** 

Coal sustaining capital

677GWh to 718GWh

Wind energy generation



exxaro

# **Diversified Natural Resources Champion in Africa and beyond**





Solid operational delivery

Decisive strategy execution

Disciplined capital allocation

Sustained stakeholder value creation

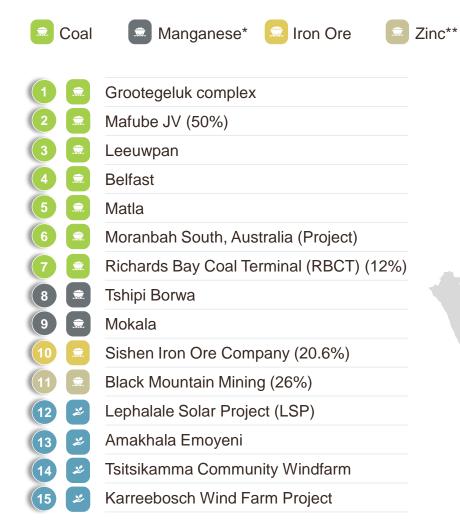
Our people and communities, our strength





# **Operating mainly in South Africa**







Renewable energy

<sup>\*</sup> Manganese assets as announced on 13 May 2025. Ownership is subject to closing of the transaction

<sup>\*\*</sup> Black Mountain Mining (26%): operates two underground and one open-pit mine in the Northern Cape, producing zinc and other minerals

### **Our assets**



### Anchored in a robust coal base

|                            | Grootegeluk complex  | Thabametsi   | Belfast  |
|----------------------------|--|--|--|
| Market                     | Domestic and export  | Domestic   | Export (alternative domestic)  |
| Product                    | Thermal and metallurgical coal   | Thermal coal   | Thermal coal   |
| Coal Resources (inclusive) | <ul><li>Measured: 2 922Mt</li><li>Indicated: 967Mt</li><li>Inferred: 178Mt</li></ul> | <ul><li>Measured: 270Mt</li><li>Indicated: 749Mt</li><li>Inferred: 2 857Mt</li></ul> | <ul><li>Measured: 94.2Mt</li><li>Indicated: 7.9Mt</li><li>Inferred: 13.3Mt</li></ul> |
| Coal Reserves              | • Proved: 1 919Mt<br>• Probable: 550Mt   | Probable: 130Mt  | Proved: 28.1Mt     Probable: 1.3Mt   |
| Run of mine (RoM)          | 51.4Mt   | OMt  | 3.9Mt  |
| Life of mine (LoM)         | 17+ years  | 22 years   | 9 years  |

|                               | Leeuwpan   | Matla  | Mafube joint venture (50%)   |
|-------------------------------|--|--|--|
| Market                        | Domestic and export                                      | Domestic (Eskom)   | Domestic and export  |
| Product                       | Thermal coal   | Thermal coal   | Thermal coal   |
| Coal Resources<br>(inclusive) | Measured: 58.2Mt   | <ul><li>Measured: 625Mt</li><li>Indicated: 91Mt</li><li>Inferred: 76Mt</li></ul> | <ul><li>Measured: 143.4Mt</li><li>Indicated: 1.7Mt</li><li>Inferred: 0.2Mt</li></ul> |
| Coal Reserves                 | <ul><li>Proved: 26.8Mt</li><li>Probable: 3.3Mt</li></ul> | <ul><li>Proved: 101Mt</li><li>Probable: 30Mt</li></ul>                           | Proved: 79.2Mt Probable: 32.0Mt  |
| Run of mine (RoM)             | 3.8Mt  | 5.9Mt  | 2.84Mt   |
| Life of mine (LoM)            | 9 years  | 1+ years   | 19 years   |

# **Scaling energy solutions**

|                          | Tsitsikamma community | Amakhala Emoyeni |  |
|--------------------------|-----------------------|------------------|--|
| Product                  | Wind energy           | Wind energy      |  |
| Capacity                 | 95MW                  | 134MW            |  |
| Customer                 | Eskom                 | Eskom            |  |
| Commercial operation     | 2016                  | 2016             |  |
| Power purchase agreement | 20 years              | 20 years         |  |

## **Equity accounted investments**

- Sishen Iron Ore Company (SIOC) 20.62%
- Black Mountain 26%
- Richards Bay Coal Termina (RBCT) 12.04%
- Moranbah South 50% JV

# Coal | Sensitivities – 1H25



| R million   | Sensitivity | EBITDA impact |
|---|-------------|---------------|
| Environmental rehabilitation discount rate decrease | 1%          | (322)         |
| Environmental rehabilitation discount rate increase | 1%          | 297           |
| Domestic sales volumes                              | 1%          | 84            |
| Royalty cost  | 1%          | 177           |
| Production cost                                     | 1%          | 86            |
| Export price per tonne                              | US\$1       | 63            |
| Export sales volumes                                | 1%          | 17            |
| Exchange rate                                       | 10 cent     | 24            |
| Labour  | 1%          | 19            |
| Logistics   | 1%          | 23            |
| Fuel  | 1%          | 8             |
| Energy  | 1%          | 4             |