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POWERING POSSIBILITY

Exxaro Resources Limited

Group and company annual financial statements

for the year ended 31 December 2025

exxaro

POWERING POSSIBILITY

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1 The year in brief

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Chapter 1:
The year in brief

Group financial performance

Revenue
R41.8 billion
up 3%

Cash generated by operations
R10 billion
down 4%

EBITDA
R10.2 billion
down 2%

Final dividend
R10 per share
up 15%

Attributable earnings
R31.78 per share
down 14 cents per share

Headline earnings per share
R32.47 per share
up 8%

Operational performance

Coal production
39.9Mt
up 1%

Coal sales
39.6Mt
up 1%

Coal export sales
7.1Mt
up 2%

Coal cash cost per tonne
R653 per tonne
up 2%

Achieved 96% export coal price realisation of the average API4 price

Energy generation
703GWh
down 3%

Energy plant availability
98%
up 2%

Energy Operational wind assets EBITDA margin 79%

Macro-economic landscape

Since taking office in January 2025, US President Donald Trump implemented a series of tariffs and trade measures following multiple rounds of escalation and subsequent easing. These policy shifts reshaped global trade dynamics, weighing on international sentiment and contributing to heightened financial market volatility and the weakening of the US dollar. Despite these headwinds, overall global economic activity maintained positive momentum through 2025.

Coal markets and commodity price

In 2025, the thermal coal market faced lower seaborne demand, ongoing oversupply, and pricing pressure, with the API4 index falling below US$80 per tonne in October 2025. Weak import demand, especially from India, reflected slower industrial activity, stronger renewables, and ample domestic supply. In contrast, demand across Asia and Europe generally softened as gas, nuclear, and clean energy gained ground.

Domestically, coal demand remained stable, with resilience supported by premium coal demand and flexible redirection to local markets. In the Waterberg region, coal offtake from Grootegeluk remained subdued due to operational constraints at the Matimba power station. This was partially offset by the successful return of Unit 4 at the Medupi power station.

Coal logistics and infrastructure

Despite some setbacks in the first half of 2025, including a rail wash-away affecting Grootegeluk and two derailments that further impacted throughput, TFR achieved an improved annual performance of 9.5%, ending the year at 56.82Mt, compared to 51.91Mt in 2024.

Coal line performance gains were particularly evident in the Mpumalanga region, where operational stability improved considerably. However, performance in the Waterberg region did not experience a similar uplift and continues to operate below capacity.

To address these constraints and support sustained growth, TFR and the coal industry have agreed on a series of initiatives to be implemented, focused on stabilising operations and increasing throughput. Operational efficiency remains central to our financial resilience and long-term value creation.

Energy market environment

South Africa accelerated its renewable energy transition in 2025 through firm policy execution and market reform. Cabinet approved the South African Renewable Energy Masterplan (SAREM), targeting 3GW to 5GW of new renewable capacity annually by 2030, while the Integrated Resource Plan (IRP 2025) outlines large-scale capacity expansion through to 2039. Private sector offtake remains the primary driver of new generation despite regulatory and grid constraints.

To address grid-access limitations, the National Energy Regulator of South Africa (NERSA) approved a temporary congestion curtailment mechanism (1 April 2025 to 31 March 2028), unlocking ~3.4GW of wind capacity.

Transmission expansion progressed via the Independent Transmission Programme (ITP), with seven consortia selected to develop 1 164km of new 400kV lines across key provinces. Market reforms also advanced with preparations for the South African Wholesale Electricity Market (SAWEM). These developments support Exxaro's low-carbon growth opportunities.

Group business and financial performance

Revised segmental reporting

In line with the changes to the executive leadership team and organisational structure, and in anticipation of the completion of the select manganese assets acquisition, the segmental disclosures have been re-presented, notably, to incorporate a metals reportable segment.

The adjustments to the segmental information are as follows:

- FerroAlloys financial results up to the date of disposal (31 October 2025) have been included in the other segment, as the group no longer reports a ferrous reportable segment
- A metals reportable segment comprising manganese, iron ore and base metals as operating segments (aligned with the responsibilities of the executive head: metals) was introduced

Group revenue and EBITDA

	Revenue			EBITDA[1]		
	2025 Rm	(Re-presented)[2] 2024 Rm	% change	2025 Rm	(Re-presented)[2] 2024 Rm	% change
Coal	40 109	39 115	3	10 251	10 236	
Energy	1 410	1 411		859	1 031	(17)
Metals				(178)		
Other[3]	252	199	27	(707)	(844)	16
Total	41 771	40 725	3	10 225	10 423	(2)

[1] *Refer note 3.3 for key numbers used in the calculation of EBITDA.*
[2] *Re-presented to include the FerroAlloys financial results up to the date of disposal (31 October 2025) in the other segment.*
[3] *Relates mainly to the corporate office, smaller operations and FerroAlloys.*

Group business and financial performance continued

Group revenue and EBITDA continued

In 2025, Exxaro delivered a strong performance, driven by operational, cost and marketing efficiencies, despite facing a challenging macro-economic environment.

Group revenue increased to R41 771 million (2024: R40 725 million), mainly driven by a 3% rise in coal revenue.

Group EBITDA declined marginally, by 2% to R10 225 million (2024: R10 423 million), resulting in an EBITDA margin of 24%, compared with 26% in 2024. Although our coal EBITDA increased by R15 million to R10 251 million (2024: R10 236 million), this was offset by a 17% decline in energy EBITDA to R859 million (2024: R1 031 million). In addition to the lower generation, the energy business incurred growth-associated costs linked to our strategic acquisition initiatives and to strengthening internal capabilities. The Operational EBITDA margin remains consistent year on year.

The metals segment's negative EBITDA comprises costs associated with the acquisition of the select manganese assets, with a negative contribution from the other operating segment of R707 million (2024: R844 million). Further details are provided in the segmental performance discussions.

Equity-accounted income

	Equity-accounted income/(loss)			Dividends received		
	2025 Rm	2024 Rm	% change	2025 Rm	2024 Rm	% change
Coal: Mafube	66	234	(72)	100	130	(23)
Coal: RBCT	(21)	(7)	<100			
Metals: SIOC	3 954	3 979	(1)	3 267	3 741	(13)
Metals: Black Mountain	489	64	>100			
Total	4 488	4 270	5	3 367	3 871	(13)

Income from equity-accounted investments increased to R4 488 million (2024: R4 270 million), mainly driven by:

- **Black Mountain:** Improved financial performance was primarily attributable to higher zinc production and sales volumes, partially offset by lower commodity prices
- **SIOC:** Financial performance remained broadly unchanged, as a result of the impairment reversal included in 2024. However, the operational performance increased year on year due to higher realised iron ore prices and improved operational stability across the value chain
- **Mafube:** Financial performance declined, mainly due to lower coal export prices, despite an increase in sales volumes

These investments continue to provide Exxaro with meaningful diversification and enhanced earnings quality.

Earnings

Headline earnings increased 6% to R7 728 million (2024: R7 298 million), primarily driven by the increase in equity-accounted income.

WANOS decreased to 238 million (2024: 242 million) due to the repurchase and cancellation of shares under the share repurchase programme. A total of 7 391 418 shares were repurchased, representing 2.1% of Exxaro's issued share capital before the repurchase.

The earnings increase and the change in WANOS equate to HEPS of 3 247 cents per share (2024: 3 016 cents per share), an increase of 8%.

Cash flow, capital expenditure and balance sheet

Exxaro's portfolio of high-quality, well-capitalised assets, supported by disciplined operational execution and effective working capital management, continues to deliver strong and consistent cash generation of R10 040 million (2024: R10 432 million). Dividends received from equity-accounted investments amounted to R3 367 million (2024: R3 871 million), primarily from SIOC. These cash flows were sufficient to fund capital expenditure, taxation, and ordinary dividends paid.

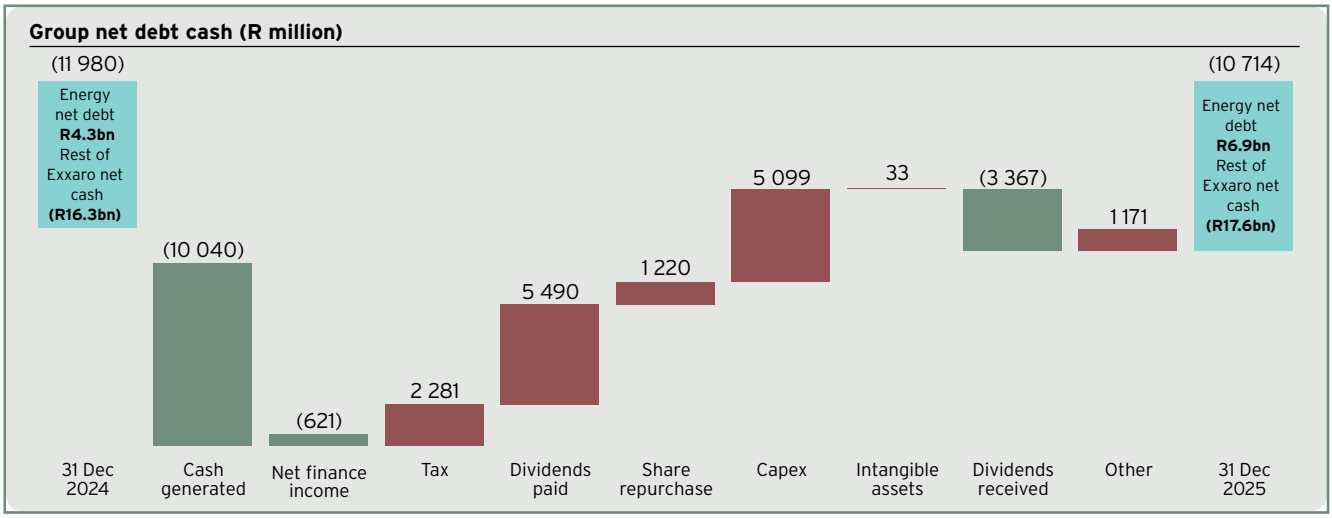
Total capex increased to R5 099 million (2024: R2 448 million), comprising:

- R2 295 million (2024: R2 146 million) sustaining capital, primarily in the coal business
- R2 804 million (2024: R302 million) expansion capital, mainly for the construction of the 140MW Karreebosch project in the energy portfolio, which was funded through project financing

Our balance sheet remains strong and flexible, underpinned by robust cash generation and prudent capital allocation. Strong operational cash generation increased the group's net cash position (excluding energy's net debt) to R17 641 million as at 31 December 2025 (31 December 2024: R16 309 million). Energy's net debt amounted to R6 927 million (31 December 2024: R4 329 million), with limited recourse to Exxaro's balance sheet and hedged through interest rate swaps.

Group business and financial performance continued

Cash flow, capital expenditure and balance sheet continued



Coal operational and business performance

Coal revenue and EBITDA

	Revenue			EBITDA[1]		
	2025 Rm	2024 Rm	% change	2025 Rm	2024 Rm	% change
Commercial – Waterberg	23 703	22 563	5	10 314	10 116	2
Commercial – Mpumalanga	8 384	9 893	(15)	(11)	246	(>100)
Tied[1]	8 022	6 659	20	191	175	9
Other				(243)	(301)	19
Coal	40 109	39 115	3	10 251	10 236	

[1] *Matla mine is supplying its entire production to Eskom.*

Coal revenue increased to R40 109 million (2024: R39 115 million), mainly driven by higher sales volumes to Eskom from Matla. This was partly offset by lower demand from AMSA and by reduced export prices amid a stronger Rand to US dollar exchange rate. Our realised average export price decreased by 14% to US$86 per tonne (2024: US$100 per tonne).

Coal EBITDA increased marginally to R10 251 million (2024: R10 236 million), reflecting a consistent operating margin of 26% (2024: 26%). This was mainly driven by:

- Lower operational costs (+R633 million), driven by reduced overburden removal at Belfast and cost savings at Leeuwpan following the Leeuwpan optimisation strategy
- More favourable environmental rehabilitation provision movements (+R228 million), mainly due to lower cost increases and a reduced long-term inflation rate, partially offset by LoM revisions and lower discount rates
- Higher sales volumes (+R357 million)

This increase was partly offset by:

- The impact of the stronger Rand to US dollar exchange rate (-R712 million)
- Cost inflationary pressures (-R475 million)
- Lower overall sales prices (-R438 million)
- Higher employee costs (-R136 million), mainly driven by an increase in headcount to support mining activities

Coal operational costs

In line with our disciplined approach to cost management, we continue to implement targeted initiatives to mitigate cost pressures and protect margins. Coal cash cost per tonne increased 2% to R653 per tonne (2024: R638 per tonne). In absolute terms, we successfully absorbed inflationary pressures by delivering on our improvement and efficiency projects, with coal production cash costs remaining largely flat at R20.5 billion (2024: R20.4 billion).

Coal operational and business performance continued

Coal capital projects

	2025 Rm	2024 Rm	% change
Sustaining			
Commercial – Waterberg	1 843	1 812	2
Commercial – Mpumalanga	423	268	58
Total coal capex	2 266	2 080	9

Sustaining capex in the coal business increased by R186 million (9%) in 2025, as a result of the capitalisation of the double benching mining at Belfast.

Energy operational and business performance

Cennergi's assets generated 703GWh of electricity in 2025 (2024: 725GWh). Although the average plant availability of 98% exceeded the contracted levels of 97%, wind conditions were weaker than in the prior year. As a result, revenue remained largely unchanged at R1 410 million (2024: R1 411 million).

Despite lower electricity generation, Operational EBITDA margins on the operating wind assets remained robust at 79% (2024: 80%), supported by the long-term offtake agreements with Eskom, contributing to energy EBITDA of R859 million (2024: R1 031 million).

The 68MW Lephalale solar plant construction was materially completed in November 2025, with commissioning in December 2025. The plant achieved full-capacity operation in late December 2025 and commenced supplying green electricity to Grootegeluk, supplying 4GWh. The remaining steps to commercial operation primarily involve completing grid code compliance testing and associated regulatory processes, both of which are underway. Full commercial operation is expected in the first half of 2026, while the facility continues to supply green electricity at design capacity to Grootegeluk.

Construction on the 140MW Karreebosch project is advancing with commercial operation expected in the first half of 2027.

The project financing for Cennergi's operating wind assets of R3 724 million (2024: R4 073 million) will be fully settled by 2031. Cumulative project financing for LSP SPV and Karreebosch SPV amounts to R3 967 million (2024: R1 150 million) and will be fully settled between 2042 and 2046. These facilities have limited recourse to the Exxaro balance sheet and are hedged through interest rate swaps.

Metals operational and business performance

Manganese operational cost

The negative EBITDA contribution of R178 million reported for the manganese business relates mainly to transaction costs incurred in connection with the acquisition of the select manganese assets.

Iron ore equity-accounted investment

Equity-accounted income from SIOC in 2025 decreased to R3 954 million (2024: R3 979 million), mainly due to the impairment reversal included in the 2024 results. Operational performance, however, increased year on year due to higher realised iron ore prices and improved operational stability across the value chain.

In July 2025, Exxaro received an interim dividend of R1 535 million from SIOC. In February 2026, SIOC declared a final dividend of R1 344 million to Exxaro, which will be accounted for in the first half of 2026.

Base metals equity-accounted investment

The equity-accounted income from Black Mountain increased to R489 million (2024: R64 million). The increase was driven by higher zinc production and sales volumes resulting from more favourable mining conditions, partially offset by lower commodity prices relative to 2024.

Other business performance

The other segment was re-presented to include FerroAlloys' financial results up to the disposal date of 31 October 2025. The other segment primarily includes costs associated with the corporate office and smaller operations. It incurred lower EBITDA losses of R137 million compared to the prior year EBITDA loss of R844 million, mainly due to a positive contribution of R77 million from the FerroAlloys operation for the 10-month period, as well as more favourable fair value adjustments on our financial assets portfolio.

Dividend policy and final dividend

Exxaro remains committed to a disciplined approach in determining dividend payouts. In assessing the appropriate dividend cover, we consider prevailing industry conditions, capital expenditure requirements, and other strategic commitments, which is especially prudent given the current economic challenges, including the ongoing impact of logistical constraints, lower commodity prices, and a stronger Rand to US dollar exchange rate.

In line with our revised dividend policy, based on a pass-through of our SIOC dividend and a payout of between 1.5 times and 2.5 times Adjusted Group Earnings, the board has declared a final cash dividend of 1 000 cents per share comprising:

- 1.8 times Adjusted Group Earnings
- Pass-through of the SIOC dividend of R1.3 billion

Further details of the final dividend are provided in note 5.5.

2 Reports

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2.1 Responsibility statement on internal financial controls

Each of the directors, whose names are stated below, hereby confirm that:

(a) The annual financial statements, set out on pages 26 to 169, fairly present in all material respects the financial position, financial performance and cash flows of the company and its consolidated subsidiaries in terms of IFRS® Accounting Standards;
(b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
(c) Internal financial controls have been put in place to ensure that material information relating to the company and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the company and its consolidated subsidiaries;
(d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
(e) Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
(f) We are not aware of any fraud involving directors.

Ben Magara
Chief executive officer

Centurion
14 April 2026

Riaan Koppeschaar
Finance director

Centurion
14 April 2026

2.2 Directors' approval of the financial statements

In terms of section 30(3) of the Companies Act, the group and company annual financial statements for the year ended 31 December 2025 were approved by the board of directors on 14 April 2026 and are signed on its behalf by:

Mvuleni Geoffrey Qhena
Chairman

Centurion
14 April 2026

2.3 Certificate by the group company secretary

In terms of section 88(2)(e) of the Companies Act, I, MH Nana, in my capacity as group company secretary, confirm that, to the best of my knowledge and belief, Exxaro has filed with the Companies and Intellectual Property Commission all such returns and notices for the year ended 31 December 2025, as required of a public company in terms of the Companies Act, and that all such returns and notices appear to be true, correct and up to date.

Michelle Nana
Group company secretary

Centurion
14 April 2026

2.4 Report of the directors

The board of directors (the board) is pleased to present the group and company annual financial statements of Exxaro Resources Limited for the year ended 31 December 2025 (group and company annual financial statements 2025).

Nature of business

Exxaro is a South African-based diversified resources group with an existing coal and energy business, recently expanding its portfolio through the acquisition of select manganese assets and continuing to pursue acquisitive growth prospects in minerals and energy solutions. Exxaro is evolving into a sustainable and impactful business that promotes economic growth, environmental stewardship and positive change.

Exxaro's investments in associates include a 20.62% (2024: 20.62%) equity interest in SIOC, which extracts and processes iron ore, a 26% (2024: 26%) equity interest in Black Mountain, which produces zinc, lead, copper and silver in the Northern Cape; a 10.26% (2024: 10.26%) effective equity interest in RBCT, which is an export terminal, as well as a 50% (2024: 50%) joint venture with Thungela in Mafube, which produces coal.

Exxaro is a public company incorporated in South Africa and is listed on the JSE with headquarters in Centurion, South Africa.

Accelerating the delivery of Exxaro's SG&I strategy

On 27 February 2026, the acquisition of select manganese assets from Ntsimbintle Holdings and OMH was closed, following the 13 May 2025 announcement. Through this transaction, Exxaro acquired 100% of Ntsimbintle Mining (which holds a 50.1% ownership in the Tshipi Borwa mine), 19.99% of Jupiter Mines (which also holds a 49.9% ownership in the Tshipi Borwa mine), 100% of NMT, and 9% of Hotazel.

This acquisition makes Exxaro a globally significant manganese producer underpinned by the acquired interest in the Tshipi Borwa mine, one of the world's largest manganese producers, delivering approximately 3.5Mt of annual manganese production from the Kalahari Manganese Field. Manganese is a key metal in steel alloys, adding strength and durability in infrastructure development and is gaining traction in clean energy battery chemistries.

Full ownership of NMT strengthens Exxaro's marketing and trading presence in Singapore and China. Overall, this transaction enhances the diversified, future facing natural resources portfolio and expands Exxaro's exposure to energy transition metals.

The disposal of the entire shareholding in FerroAlloys on 31 October 2025, represented a key milestone in streamlining the portfolio and sharpening management focus. In the capable hands of FerroAlloys management, employees and Everseed, the board is confident that FerroAlloys will continue to grow and drive positive economic impact in South Africa.

The strength of the coal business is underpinned by the high-quality infrastructure investments made over many years and a substantial resource base of over nine billion tonnes. This supports long LoM profiles, which is evaluated on a continuous basis, and provides a foundation for Exxaro's organic growth pipeline. Progress on the Leeuwpan turnaround strategy was made, and the Section 189 process has been completed. The turnaround strategy is aimed at returning the operation to profitability, supported by a focused set of actions to stabilise operations and improve logistics performance. In partnership with TFR, the Leeuwpan mine to port logistics has increased, per the agreement signed in the second half of 2025.

The Matla LoM Expansion Project has progressed well and is targeted for completion in the first half of 2026. This R5.2 billion project has been successfully executed by Exxaro, by leveraging its mining and project management capabilities, for Eskom. The project involved the sinking of a new shaft to replace the decommissioned shortwall section. The project is ahead of schedule, delivering early coal production and contributing to the mine's production increase in 2025. Post completion, the mine will supply between 8Mt to 10Mt of coal per annum to the Matla power station. The renewal of the mine's Integrated Water Use Licence (IWUL) and Mining Right provide long-term operating certainty and strengthens the value of this investment.

In 2025, Exxaro's energy solutions business has grown, more than doubling its capacity and expanding the pipeline through strategic acquisitions, including the 140MW Karreebosch wind project, which will supply wheeled energy to Northam Platinum Limited. The project is in construction and is expected to start generating green electrons in the first half of 2027.

In December 2025, the 68MW Lephalale solar plant was commissioned. The plant, a behind-the-meter solution to our Grootegeluk mine, is designed to generate 176GWh of energy per annum under a 25-year power purchase agreement. It is expected to deliver electricity cost savings at Grootegeluk of approximately R100 million per year and reduce our scope 2 emissions by 17%.

A key milestone in the acquisition of majority interests in two fully operational renewable energy assets, the 138MW Gouda windfarm and the 75MW Sishen solar plant, as well as Acciona Energy South Africa O&M Proprietary Limited, has been achieved with the receipt of Competition Tribunal and Reserve Bank approval. Cennergi anticipates fulfilling the remaining conditions precedent, which include the lenders consent and ministerial approval, during the first half of 2026 to complete this acquisition.

Cennergi, in partnership with ENGIE SA, has been selected as a preferred bidder in Bid Window 7 of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) for the 240MW Corona solar project in the Free State. Reaching financial close on this project will increase Cennergi's total gross capacity of assets under construction and in operation to 890MW.

2.4 Report of the directors continued

Integrated report and supplementary information

The integrated report and supplementary information contain material information on the activities and performance of the group and its various divisions. These reports are unaudited. The board acknowledges its responsibility to ensure the integrity of the integrated report and supplementary information. We have accordingly applied our minds to the integrated report and believe the report addresses all material issues, and fairly presents the integrated performance, impact and sustainability of the organisation.

Corporate governance

Exxaro's board is the focal point and custodian of good corporate governance for the group. The board assumes ultimate accountability and responsibility for the group's performance and affairs. In so doing, it effectively represents and promotes the group's legitimate interests. As a responsible corporate citizen, Exxaro considers its material stakeholders' legitimate interests and expectations to ensure it contributes positively to society and the environment.

Exxaro's corporate governance is underpinned by principles that guide the board in meeting its responsibilities to the company, the group and its stakeholders. These principles enable Exxaro to achieve the King IV™ governance outcomes and fulfil its purpose to power better lives in Africa and beyond through its own ethical and effective leadership.

King IV™ advances good governance through transparent leadership, sound decision making, and a focus on sustainability. Sustainable development is an ethical and economic imperative that balances current economic and social needs with those of future generations. As a responsible corporate citizen, Exxaro integrates stakeholder needs and expectations through our SG&I strategy.

The board sets Exxaro's short, medium and long-term strategic direction through our SG&I strategy. This enables sustainable value creation through the approval of a capital allocation framework and budget, as well as setting and monitoring performance and culture expectations and a group governance framework.

The board supports King IV™ strategy-setting principles through an iterative process. Before executive management presents the strategy to the board, iterative strategy workshops – which follow a bottom-up process – and board governance sessions ensure input is integrated into the group strategy.

Our integrated medium- to long-term decarbonisation roadmap to achieve carbon neutrality by 2050 was submitted for peer review to ensure its credibility and subsequent implementation.

We continue to use a strategic performance monitoring dashboard to report on the achievement of prioritised KPIs that are aligned to the strategy, in line with our tiered governance approach.

Full details on how these principles have been applied in Exxaro are set out in the 2025 integrated and ESG reports.

ESG governance

In terms of the King IV™ guidance paper on Responsibilities of Governing Bodies in Responding to Climate Change, accountability remains with the board, the responsibility for managing and monitoring risk and impact should be delegated to management with defined indicators and targets to measure and assess performance. ESG governance at its essence encapsulates the policies, practices and procedures adopted by the group to manage and enhance its ESG performance.

Exxaro works to integrate and embed ESG into the organisation, beyond mere compliance, through a tiered governance structure and lens through which to view the SG&I strategy.

More detail on our ESG governance is set out in the 2025 integrated and ESG reports.

Comparability of results

The results for the years ended 31 December 2025 and 2024 were adjusted for the key items as noted in the reconciliation of headline earnings (refer note 5.3).

In line with the changes to the executive leadership team and organisational structures, and in anticipation of the completion of the select manganese assets acquisition, the segmental information has been re-presented, notably, to incorporate a metals reportable segment (refer note 3.3).

The adjustments to the segmental information include:

- FerroAlloys financial results up to the date of disposal (31 October 2025) have been included in the other segment as the group no longer reports a ferrous reportable segment
- A metals reportable segment comprising manganese, iron ore and base metals as operating segments (aligned with the responsibilities of the executive head: metals) was introduced

Accounting policies

The accounting policies applied during the year ended 31 December 2025 are consistent, in all material respects, with those applied in the group and company annual financial statements for the year ended 31 December 2024.

2.4 Report of the directors continued

Capital management

The diagram represents the order of our capital allocation framework. In applying our capital allocation framework, we aim for a gearing ratio of below 1.5 times net debt (excluding ring-fenced project financing) to EBITDA. The capital allocation framework is in line with our commitment to sustainably return cash to shareholders through the cycle while retaining a strong financial position.

During 2025, we received cash of R11.8 billion (2024: R12.3 billion), comprising R7.8 billion from our operations (net of tax paid) (2024: R7.8 billion), dividend income received from our equity-accounted investments of R3.4 billion (2024: R3.9 billion), primarily from SIOC, as well as net interest received of R0.6 billion (2024: R0.6 billion).

In terms of our capital allocation framework, we utilised this cash, to mainly:

- Sustain our operations with capital expenditure of R2.3 billion (2024: R2.1 billion)
- Expand our operations with further capital expenditure of R2.8 billion (2024: R0.3 billion), mainly related to the construction of the Karreebosch project in the energy portfolio which was funded through project financing
- Pay total dividends of R5.5 billion (2024: R7.7 billion)

Share capital

The share capital of the company is summarised as follows:

	Number of shares	
At 31 December	2025	2024
Authorised ordinary shares of R0.01 each	500 000 000	500 000 000
Issued ordinary shares of R0.01 each[1]	341 913 674	349 305 092
Treasury shares held by Eyesizwe	107 612 026	107 612 026
Treasury shares held by Kumba Resources Management Share Trust	158 218	158 218

[1] *During 2025, the R1.2 billion share repurchase programme was completed and a total of 7 391 418 shares were repurchased and cancelled, representing 2.1% of Exxaro's issued share capital prior to the share repurchase (refer note 12.2).*

Shareholders

An analysis of shareholders and the respective percentage shareholdings appears in chapter 19: annexure 1.

Investments in subsidiaries

Our investments in subsidiaries are fully disclosed in note 17.6.

Dividend policy and payments

Exxaro remains committed to a disciplined approach in determining dividend payouts. In assessing the appropriate dividend cover, consideration was given to prevailing industry conditions, capital expenditure requirements and other strategic commitments, which is especially prudent given the current economic challenges, including the ongoing impact of logistical constraints, lower commodity prices and a stronger Rand to the US dollar exchange rate.

Furthermore, following the completion of the acquisition of the select manganese assets from Ntsimbintle Holdings and OMH, the group will no longer maintain the previously targeted cash buffer of R12 billion to R15 billion and is reviewing its capital allocation framework. Consequently, the dividend cover ratio range has been revised from 2.5 to 3.5 times Adjusted Group Earnings to a range of 1.5 to 2.5 times Adjusted Group Earnings, while the 100% pass-through of the SIOC dividend remains unchanged.

Exxaro declared the following dividends relating to 2025:

Dividend number 45

Interim dividend number 45 of 843 cents per share was approved by the board on 19 August 2025 and declared in South African rand in respect of the six-month period ended 30 June 2025. The dividend payment date was Monday, 6 October 2025, to shareholders recorded on the register of the company at close of business on Friday, 3 October 2025.

2.4 Report of the directors continued

Dividend policy and payments continued

Dividend number 46

Final dividend number 46 of 1 000 cents per share was approved on 17 March 2026 and declared in South African rand in respect of the year ended 31 December 2025. The final dividend payment date is Monday, 11 May 2026 to shareholders recorded on the register of the company at close of business on Friday, 8 May 2026 (record date). To comply with the requirements of Strate, the last date to trade cum dividend is Tuesday, 5 May 2026. The shares will commence trading ex-dividend on Wednesday, 6 May 2026.

The final dividend declared from income reserves, is subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of dividend withholding tax. The net local dividend payable to shareholders, subject to dividend withholding tax at a rate of 20%, amounts to 800.00000 cents per share.

The number of ordinary shares in issue at the date of this declaration is 341 913 674. Exxaro company's tax reference number is 9218/098/14/4.

Events after the reporting period

The events after the reporting period are disclosed in note 18.3.

Directorate and shareholdings of directors

At the date of compilation of this report, the following individuals were directors of the company:

MG Qhena	Independent non-executive and chairman of the board
B Magara	Chief executive officer and executive director
PA Koppeschaar	Finance director and executive director
GJ Fraser-Moleketi	Lead independent non-executive
KM Ireton	Independent non-executive
IN Malevu	Non-executive
B Mawasha	Independent non-executive
N Ketwa (formerly Medupe)	Independent non-executive
Dr P Mnganga	Independent non-executive
N Molope	Independent non-executive
CJ Nxumalo	Independent non-executive
PCCH Snyders	Independent non-executive

Details of the directors in office at the date of this report are set out in the 2025 integrated and ESG reports.

Details of the directors' shareholdings are contained in note 14.5.3.

Leadership changes

We had the following changes to our leadership:

	Designation	Date
Dr N Tsengwa	Chief executive officer	Resigned on 5 February 2025
VZ Mntambo	Non-executive director	Retired on 15 May 2025
MLB Msimang	Non-executive director	Resigned on 15 September 2025
B Magara	Chief executive officer and executive director	Appointed on 1 April 2025

Independent external auditor

KPMG Inc., with designated audit partner Safeera Loonat, was re-elected as independent external auditor at the AGM held on 15 May 2025 in accordance with section 90 of the Companies Act in respect of the 2025 financial year.

Audit committee

The audit committee report appears on pages 15 to 20, as well as in the 2025 integrated and ESG reports.

2.4 Report of the directors continued

Borrowing powers and financial assistance

	Group	
	2025 Rm	2024 Rm
Amount approved	69 969	67 484
Total borrowings	(12 197)	(8 220)
Unutilised borrowing capacity	57 772	59 264

The borrowing powers were set at 125% of shareholders' funds (equity attributable to owners of the parent) for both the 2025 and 2024 financial years.

Pursuant to the authorisation granted at the AGM held on 15 May 2025, shareholders approved, in accordance with section 45 of the Companies Act, the granting of financial assistance to related and inter-related companies of Exxaro.

The directors resolved that the company would satisfy the solvency and liquidity test, as contemplated in section 45 of the Companies Act and detailed in section 4 of the Companies Act, post such assistance. The terms under which such assistance will be provided are fair and reasonable to the company.

Employee incentive schemes

Details of the employee incentive schemes are set out in the remuneration committee and remuneration reports in the 2025 integrated and ESG reports and the supplementary information.

Related-party transactions

Details of related-party transactions are set out in note 15.1.

Going concern

The directors believe that the group and company have adequate financial resources to continue in operation for the foreseeable future. Accordingly, the group and company annual financial statements 2025 have been prepared on a going-concern basis.

The directors are not aware of any new material changes, or any material non-compliance with statutory or regulatory requirements that may adversely impact the group or company.

Registration and administration details

The company registration number is 2000/011076/06.

The registered office is The conneXXion, 263B West Avenue, Die Hoewes, Centurion.

Refer chapter 19: annexure 4 for further details.

Lead equity sponsor and debt sponsor

Absa Bank Limited acted as lead equity sponsor and debt sponsor to the company for the financial year ended 31 December 2025.

Joint equity sponsor

Tamela Holdings Proprietary Limited acted as joint equity sponsor to the company for the financial year ended 31 December 2025.

Transfer secretaries

JSE Investor Services Proprietary Limited serves as the South African registrar of the company.

AGM

The 25th (twenty-fifth) AGM of shareholders of Exxaro will be held via electronic communication and in person meeting participation (subject to any adjournment or postponement, health and safety protocols) at The conneXXion, 263B West Avenue, Die Hoewes, Centurion, South Africa, in the Auditorium at 10h00 on Wednesday, 27 May 2026 (2026 AGM) to consider and, if deemed fit, pass with or without modification, the resolutions presented thereat.

2.5 Audit committee report

Committee overview

Composition

Committee members are elected by shareholders at the AGM on the board's recommendation, through the nomination committee.

The board ensures a balance of skills and experience, focusing on financial literacy, to enable the committee to discharge its function. All committee members are independent non-executive directors.

In 2025, the committee maintained its minimum membership of four independent non-executive directors.

The board is satisfied that the committee members have the necessary academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

Standing invitees to audit committee meetings include the CEO, finance director, group manager: internal audit, group manager: risk, group finance manager, chief financial officer: coal, executive head: technical services and representatives from the external and internal auditors.

Other individuals, including members of management, external consultants and service providers, are invited to attend meetings of the committee from time to time, in consultation with the committee chairperson.

The internal and external auditors have unrestricted access to the audit committee.

Meetings

As determined by its terms of reference, the committee held five scheduled meetings and one special meeting in 2025.

Members	Designation	Attendance at scheduled meetings	Attendance at special meetings
Nondumiso Ketwa	Independent non-executive director and audit committee chairperson	5/5	1/1
Billy Mawasha	Independent non-executive director	5/5	1/1
Chanda Nxumalo	Independent non-executive director	5/5	1/1
Nosipho Molope	Independent non-executive director	5/5	1/1

Two additional annual sessions are held separately with the independent external auditor and internal auditor, without management present, to exchange views and concerns to further strengthen the committee's independent oversight.

Role and purpose

The audit committee is an independent statutory committee, with members appointed annually by Exxaro's shareholders in compliance with section 94(2) of the Companies Act and the principles of good governance. In terms of the Companies Act, the committee has an independent role and is accountable to the board and the company's shareholders.

The committee does not assume management functions, which remain the responsibility of the executive directors, prescribed officers, and other members of senior management, nor does it assume accountability for the functions performed by other board committees. In addition to the Companies Act, the committee's duties are guided by paragraphs 5.7(g) and (h) of the JSE Listings Requirements and King IV™.

Areas of special focus that the committee provided oversight on included:

- Reviewed the judgement applied by management on accounting matters particularly as it relates to the carrying value of assets
- Assessed management's conclusion on going concern through review of their assessment of liquidity, the debt covenants and arrangements held with financial institutions and recommended results to the board
- Assessed accounting provisions recorded relating to environmental regulatory requirements
- Assessed the effectiveness of internal controls over financial reporting (IFCs)

The committee's terms of reference govern its role and responsibilities. To assist the board, the committee plays an essential role in providing independent oversight of:

- The quality and integrity of the financial statements and related public announcements
- The integrity of the integrated reporting process and content of the integrated suite of reports
- The scope and effectiveness of the external audit process
- The external auditor's qualifications and independence
- The scope and effectiveness of the overall combined/integrated assurance process
- The efficacy of internal controls and the internal audit function
- The adequacy of the company's insurance arrangements regarding the nature of its business and insurable risks
- The integrity and efficacy of risk management processes relating specifically to internal controls and financial reporting risks, through assurance of system controls and policies in place
- Compliance with legal and regulatory requirements to the extent that these might have an impact on financial statements

2.5 Audit committee report continued

Terms of reference

The committee's terms of reference are reviewed and approved annually by the board.

The November 2025 review ensured alignment of the terms of reference with the current status of the business. As King V™ was implemented on 31 October 2025, any changes required to align the terms of reference with King V™ will be presented to the committee in the first quarter of 2026.

Performance evaluation

While there is no regulatory requirement to conduct annual external independent performance assessments, King IV™ emphasises the board's responsibility to regularly evaluate its effectiveness and that of its committees. In support of effective governance outcomes, Exxaro conducts external independent board and committee performance assessments every third year.

The internal evaluation of the committee's performance and effectiveness was finalised in the first quarter of 2026. The result indicated a well-functioning committee that is able to effectively challenge management's financial assumptions, judgements, and disclosures to ensure accuracy and reliability in financial reporting. Artificial intelligence implementation is highlighted as an area of focus in 2026.

The committee fulfilled its mandate during 2025 and it remains an effectively functioning and contributing arm of the board.

2025 focus areas

Key highlights
The committee received training on rehabilitation standards
Monitored information management to advance cybersecurity resilience through a series of strategic initiatives designed to safeguard critical assets and mitigate emerging threats
Monitored related strategic KPIs
Monitored Exxaro's participation in tracing shareholders with the JSE relating to unclaimed dividends
Noted improvements in selected sustainability KPIs

Committee statements

Finance director and finance function

The committee considered and reviewed an internal assessment of Riaan Koppeschaar's expertise and experience as finance director and is satisfied that he has the appropriate competence, qualifications and experience to execute his responsibilities, including during his time as acting CEO from 4 December 2024 to 1 April 2025. The evaluation considered the appropriateness of the expertise and adequacy of resources in the finance function.

The committee is satisfied with the group's hedge effectiveness and loan covenant position applicable to each facility within the group. It considered and approved the revised dealer limits and counterparty limits for the group's treasury operations in the financial markets.

The committee reviewed the key reporting issues and significant balances for the interim and year-end reporting periods.

Following a deliberation of the base case and downside scenarios presented by management and having applied the solvency and liquidity test, the committee was satisfied to provide assurance to the board that the company and group satisfied the requirements of a going concern assessment and further recommended the approval of dividends and a share repurchase programme to the board.

2.5 Audit committee report continued

Committee statements continued

Tax compliance status

Reports to the committee included reporting on all tax matters, such as tax audits, tax disputes with tax authorities, recognition of deferred tax assets, and the status of tax returns and payments. The committee was also appraised of global tax developments.

The committee is satisfied that the group is tax compliant.

Regulatory updates

The committee noted the amendments to the JSE Listings Requirements, as well as the new and revised IFRS Accounting Standards and pronouncements, and their impact on the group.

The committee considered the JSE proactive monitoring and thematic reviews, in particular Annexure 3 thereof.

Annual financial statements

The committee ensured that the finance function re-evaluated its disclosures in line with the latest accounting developments. A clear focus was placed on financial reporting risks and controls presented by geopolitical macro-economic conditions, including supply chain disruptions, inflation, interest rates and market volatility.

The group and company annual financial statements for the year ended 31 December 2025 were prepared by management, reviewed by the committee and the board, and audited by the independent external auditor.

The committee is satisfied that the group and company annual financial statements for the year ended 31 December 2025 comply with the relevant provisions of the Companies Act, IFRS Accounting Standards (as issued by the International Accounting Standards Board), Financial Pronouncements (as issued by the Financial Reporting Standards Council), the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), the JSE Listings Requirements and applicable accounting policies and practices.

The committee is satisfied that the group and company annual financial statements for the year ended 31 December 2025 fairly present a balanced view of the group and company's financial position, financial performance and cash flows.

Effectiveness of internal financial controls

Internal control confirmations are distributed to all BUs and corporate service departments for management to confirm that no additional reporting issues need to be brought to the committee's attention. This process verifies that internal controls are being followed in line with policies and governance requirements, identifies gaps or weaknesses, and holds BUs responsible for maintaining and reporting on their control environment.

During the year, the committee reviewed the system of internal financial reporting procedures with input from the independent internal and external auditors, as well as an Enterprise Risk Management (ERM) benchmarking exercise. The review considered all Exxaro entities within the consolidated group to ensure that the committee had access to all financial information to allow for effective preparation and reporting on the group and company annual financial statements for the year ended 31 December 2025. Informed by these reviews, the committee confirmed that no material findings indicated the ineffectiveness of internal financial reporting controls during 2025.

Independent external auditor

KPMG was the independent external auditor for 2025, with its delivery partner, AM PhakaMalele. Their reappointment was approved by shareholders through a separate resolution at the AGM on 15 May 2025, in terms of paragraph 5.7(h)(iv) of the JSE Listings Requirements.

The committee oversaw the extent of services provided by the external auditor for assurance and other services.

Assessment and recommendation

The committee evaluated the appointment of the external auditor and designated audit partner and is satisfied that KPMG meets the independence requirements outlined in section 94(8) of the Companies Act.

The committee considered the relevant information under paragraph 5.7(h)(iii) of the JSE Listings Requirements. Thus, the committee executed its responsibility to consider the suitability of the external auditor and designated individual auditor, as required by paragraphs 5.7(h)(iii), 6.36 and 6.38 and in terms of their mandate required by paragraph 6.37 of the JSE Listings Requirements.

The committee recommends KPMG, with delivery partner AM PhakaMalele, for reappointment for the ensuing year ending 31 December 2026 at the upcoming AGM on 27 May 2026 by way of a separate resolution by shareholders in terms of paragraph 5.7(h)(iv) of the JSE Listings Requirements and section 61(8) of the Companies Act.

2.5 Audit committee report continued

Independent external auditor continued

Assessment and recommendation continued

During the review period, the following fees were paid to the independent external auditor:

	2025 Rm	2024 Rm
Statutory audit fees	35	31
Non-audit service fees	2	3
Total	37	34

There were no changes to the policy for engaging the external auditor to provide assurance and other services. The committee considered the Revisions to the Non-Assurance Services Provisions of the Code from the International Ethics Standards Board for Accountants and the Revisions to the Non-Assurance Services Provisions of the Code from the Independent Regulatory Board for Auditors, and set the threshold for assurance and other services for the external auditor at a maximum of 20% of the statutory audit fee for any given financial year. It was confirmed that KPMG, in terms of its internal policy, will not provide any advisory or tax services to its audit clients.

The committee is satisfied with the level and extent of assurance and other services rendered by the external auditor during the year. It was confirmed that KPMG and AM PhakaMalele remained independent of Exxaro.

The committee approved the external audit plan and approach for the financial year ended 31 December 2025.

Transformation

KPMG continued to partner with AM PhakaMalele, a level 1 B-BBEE company, fulfilling Exxaro's commitment to transformation.

Internal audit

The committee ensured that assurance provided by the internal audit function focused on the company's key risks and added value to the organisation.

The internal audit function is partially outsourced to PwC under the management control of Exxaro's group manager: internal audit. PwC partnered with a level 1 B-BBEE company, Ngubane Management Consultants Proprietary Limited, to fulfil the internal audit support function. The responsibilities of the internal audit function are detailed in an internal audit charter approved by the committee, which is reviewed and approved annually.

The main function of internal audit is to express an opinion on the effectiveness of governance, risk management and internal control systems within the group. It provides independent and objective consulting services designed to add value, maintain assurance and improve Exxaro's operations.

The committee holds management accountable for ensuring corrective measures are in place to address the control deficiencies identified by internal audit or forensic investigations. The committee will continue to monitor the efficacy of these measures.

During the period under review, the committee authorised the CEO and finance director to sign the management representation letter for the interim and year-end reporting periods. Internal audit also provided an assessment to support the CEO and finance director in effecting their responsibility to sign the mandatory responsibility statement in terms of the JSE responsibility statement requirement Item 14, section 5.9 of the JSE Listings Requirements, which affirms that the internal control environment can be relied on in compiling the annual financial statements.

The committee considered the status of the annual internal audit plan and the results of completed audits and is pleased with the overall performance of the internal audit function and the services provided.

Internal audit plan and charter

A risk-based internal audit plan was developed in line with the internal audit methodology supported by the Institute of Internal Auditors and King IV™. The committee approved the internal audit charter and internal audit plan in November 2025.

2.5 Audit committee report continued

Fraud prevention and forensic reports

The committee noted the status of:

- Forensic investigations
- The 2025 fraud prevention, anti-bribery and anti-corruption programme
- Proactive assurance training conducted in collaboration with supply chain management and the ethics office at the BUs

Combined assurance

As required by King IV™, assurance was broadened to cover all sources, including external assurance, internal audit, management oversight and regulatory inspections. The combined assurance model comprises five lines of assurance to differentiate the level of risk ownership and independence of assurance efforts by providers.

The model incorporates and optimises all assurance services and functions to enable an effective control environment and support the integrity of information used for internal decision making by management, the board and its committees, and the organisation's external reports.

An annual combined assurance plan is submitted for approval to the committee, detailing all proposed assurance activities within the group, including the level of assurance. The committee ensures alignment of the combined assurance plan with internal and external audit plans. Adopted protocols include risk acceptance, level 1 finding disclosure process, and risk extension requests.

The committee's role is to review the effective establishment and operation of combined assurance within the group. To this end, the company established a combined assurance framework. The committee is satisfied that the framework coordinates all assurance functions and provides coverage for Exxaro's risk exposures as identified and ranked by Exxaro's risk management function, including optimisation of assurance functions aligned with King IV™ recommended assurance practices.

The committee is satisfied with the arrangements for ensuring an effective and efficient combined assurance model within the group.

Technology and information governance

In terms of King IV™, the committee exercises oversight of technology and information governance.

The committee received reports on the group's digital transformation and the impact of cyber risk on information technology performance to support strategy execution.

In line with the group policy framework, strategic policies were updated to support Exxaro's strategic direction.

Several management governance forums enhance decision making, oversight and strategic direction. Foundational policies support these structures by guiding behaviour, expectations and operations.

Insurance coverage

Obtaining insurance coverage at competitive terms is increasingly challenging for companies with a large carbon footprint. This is a focal point for the committee. Exxaro has a separate captive insurance company registered in terms of the Insurance Act, 2017 (Act 18 of 2017) to manage short-term insurance arrangements, being Exxaro Insurance Company Limited.

A formal memorandum is submitted quarterly to the committee, setting out the main activities of the insurance company. The committee considered regulatory compliance, level of self-insurance, financial position, external audit plan for 2025, investment strategy, performance of investments, insurance renewal programme, and associated costs and exclusions during the period under review. The committee also reviewed Exxaro's strategy regarding insurance coverage and self-insurance.

Legal

The committee, together with management, reviewed legal matters that could have a reputational or material financial impact on the company, including upcoming changes to legislation.

2.5 Audit committee report continued

2026 focus areas
Monitor the progress and implementation of the strategy for deploying new post-modern ERP solutions to ensure acceptable cost and risk, and alignment with Exxaro's strategy
Evaluate whether the company has incorporated digitalisation and utilisation of advanced technologies, eg Artificial Intelligence
Review Exxaro's future strategy on insurance cover and self-insurance, considering global resistance to thermal coal and insurance markets
Monitor the impact of cybersecurity risks in the finance function and internal control environment
Financial integration of manganese and energy assets acquired

Confirmation

The committee is satisfied that it has discharged its responsibilities and fulfilled its mandate in accordance with its terms of reference, the Companies Act, the JSE Listings Requirements (paragraph 5.7(h) in particular) and King IV™.

On behalf of the audit committee

Nondumiso Ketwa

Audit committee chairperson

14 April 2026

2.6 Independent external auditor's report

To the shareholders of Exxaro Resources Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Exxaro Resources Limited (the group and company) set out on pages 26 to 169, which comprise:

- The group and company statements of financial position at 31 December 2025
- The group and company statements of comprehensive income
- The group and company statements of changes in equity
- The group and company statements of cash flows for the year then ended
- Notes to the group and company financial statements, including material accounting policy information

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Exxaro Resources Limited at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with *International Standards on Auditing* (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code, as applicable to audits of financial statements of public interest entities, and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on *Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309* dated 15 September 2023 (EAR Rule), we report:

Final materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Consolidated financial statements	Separate financial statements
Final materiality	R635 million, which is 4.57% of adjusted Profit Before Tax (PBT).	R450 million, which is 4.84% of adjusted Profit Before Tax (PBT)
Rationale for benchmark and percentage applied	We chose PBT as it is an appropriate benchmark for an entity that is listed and profit orientated. Profitability is a key performance measure and metric for decision making to the users of the consolidated and separate financial statements. In respect of the consolidated financial statements, we adjusted PBT for the tax effect of the post-tax share of income of equity-accounted investments. In respect of the separate financial statements, we adjusted PBT for significantly higher dividends income received that does not represent normal operating conditions. We applied 4.57% and 4.84% (consolidated and separate financial statements respectively) to PBT which is consistent with quantitative materiality thresholds used for profit-orientated companies in this sector and is further based on our professional judgement after consideration of qualitative factors that impact both the group and company.	

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

We performed risk assessment procedures to determine which of the group's components are likely to include risks of material misstatement to the consolidated financial statements and which further audit procedures to perform at these components to address those risks. Our judgement included assessing the size of the components, nature of assets, liabilities and transactions within the components as well as specific risks.

2.6 Independent external auditor's report continued

Group audit scope continued

In total, we identified eight (8) components which required further audit procedures to be performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

Accordingly, component auditors were involved in the work performed for each of these eight components.

For the remaining financial information, we performed an analysis at an aggregated group level to re-examine our risk assessment to support our final determination that there is less than a reasonable possibility of a material misstatement in the remaining financial information.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to report in respect of the separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	How the matter was addressed in our audit

Environmental rehabilitation provisions

Refer to the following material accounting policies and notes to the consolidated and separate financial statements:

- Chapter 13, note 13.1 - Accounting policies relating to provisions and contingencies
- Chapter 13, note 13.2 - Significant judgements and assumptions made by management in applying the related accounting policies
- Chapter 13, note 13.3 - Provisions

Determining the present value of the total environmental rehabilitation provisions required the exercise of challenging, subjective and complex auditor judgment. This included specialised skills and knowledge in evaluating the environmental rehabilitation provisions, particularly in relation to:

- Estimation of the undiscounted environmental rehabilitation costs (unscheduled restoration and decommissioning closure costs) which includes:
  - determination of the closure cost estimate plans or activities required to achieve the fulfilment of the legal and regulatory obligations
  - quantification of the extent of the unscheduled closure and post-closure cost estimates
  - the water management and treatment obligations that are based on largely unobservable data and are subject to considerable uncertainty
  - Expected date of cessation of mining activities (LoM)

The group's estimates of the undiscounted environmental rehabilitation costs are based on significant judgements and assumptions made by management, which may not be reasonable or appropriate, resulting in an inaccurate or inappropriately valued provision.

Based on the above factors we have determined the environmental rehabilitation provisions to be a key audit matter in respect of the consolidated financial statements.

Our team included senior, experienced audit team members and our internal environmental rehabilitation provisions specialists.

The procedures we performed included the following:

- We updated our understanding of management's processes, procedures and controls implemented by following the process from initiation to recording
- We identified and tested the design and implementation of relevant controls by determining if the process risk points were addressed by the designed control
- We obtained and aligned our understanding of the methods, models, data and assumptions selected and applied by management (and management's environmental experts) to determine both the undiscounted environmental rehabilitation costs, as well as the present value of the obligation by performing an analysis of the selection and application of methods, models, data and assumptions against industry practice, and our understanding of the entity and environmental rehabilitation provisions
- We evaluated the appropriateness of the accounting policies based on the requirements of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (IAS 37), and our understanding of the business and industry practice
- We evaluated the mathematical accuracy of management's models through analysis, recalculation and reasonability checks
- We evaluated the reasonableness of and challenged the selection and application of management's key assumptions and judgements, including:
  - the determination of the plan or activity required to achieve the fulfilment of the legal and regulatory obligations against the applicable laws and regulations, industry practice and our understanding of the entity
  - the quantification of the extent of disturbance and the cost rate to rehabilitate to determine the undiscounted environmental rehabilitation costs by assessing the reasonableness of those quantities, rates and specific adjustments through inspection of surveyor reports, invoices or quotations and market related practice

2.6 Independent external auditor's report continued

Key audit matter continued

Key audit matter	How the matter was addressed in our audit
Environmental rehabilitation provisions continued	
	– the expected date of the cessation of mining activities to determine the term of the valuation through analysis of managements expert's assessments and our understanding of the entity – the costs and present value of all of the associated water treatment provisions through recalculation, validating the assumption to the market and assessing feasibility of plans • We evaluated the completeness, accuracy, relevance and reliability of the data used in managements models through vouching to support and assessing managements expert • We evaluated the objectivity, knowledge, skills and ability of management's environmental experts by obtaining an understanding and evidence of their independence, professional qualifications, experience, affiliations and scope of work • We recalculated the present value of the obligation using independently sourced discount rates and inflation rates, in order to assess the reasonability of the present value of the total environmental rehabilitation provisions • We evaluated the appropriateness of accounting for the change in estimates recognised in profit or loss or allocated to the related decommissioning asset by performing a recalculation and determining an expectation • We evaluated the appropriateness of the disclosures made as presented in the consolidated financial statements against the requirements of IAS 37 Based on the procedures performed above in respect of the environmental rehabilitation provisions, we did not identify any significant matters requiring further consideration.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Exxaro Resources Limited group and company annual financial statements for the year ended 31 December 2025", which includes the report of the directors, the audit committee report and the certificate by the group company secretary as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information, and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

2.6 Independent external auditor's report continued

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a highlevel assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

2.6 Independent external auditor's report continued

Auditor's responsibilities for the audit of the consolidated and separate financial statements continued

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that KPMG Inc. has been the auditor of Exxaro Resources Limited for four (4) years.

KPMG Inc.

KPMG Inc.
Registered Auditor

Per SM Loonat
Chartered Accountant (SA)
Registered Auditor
Director

29 April 2026

3 Segmental reporting

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Chapter 3:
Segmental reporting

3.1 Accounting policy relating to segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the reportable operating segments. The chief operating decision maker has been defined as the executive committee of the group. Segments reported are based on the group's different commodities and operations.

3.2 Significant judgements and assumptions made by management in applying the related accounting policy

In applying IFRS 8 *Operating Segments*, judgements have been made by management with regards to the identification of reportable segments of the group. The basis on which management identify the reportable segments is described further in note 3.3 and represents management's view of the operations.

3.3 Reportable segments

The performance of the operating segments is assessed based on EBITDA, which is considered to be an appropriate performance measure of profitability for the group's business and is the measure applied by management to monitor performance at a consolidated level as management believes that this measure is relevant to an understanding of the group's financial performance. EBITDA is not a defined performance measure in IFRS Accounting Standards. The group's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities. Refer to the table on the next page for further details.

In line with the changes to the executive leadership team and organisational structures, and in anticipation of the completion of the select manganese assets acquisition (refer note 18.3), the segmental information was re-presented, notably, to incorporate a metals reportable segment comprising manganese, iron ore and base metals. The revised operating segments are aligned to the leadership structure and operating model as well as the internal evaluation of operating segment performance. In addition, FerroAlloys has been included in the other reportable segment.

The adjustments to the segmental information include:

- FerroAlloys financial results up to the date of disposal (31 October 2025) have been included in the other segment as the group no longer reports a ferrous reportable segment
- A metals reportable segment comprising manganese, iron ore and base metals as operating segments (aligned with the responsibilities of the executive head: metals) was introduced

The segments, as described below, offer different goods and services, and are managed separately based on commodity, location and support function grouping. The group executive committee review internal management reports on these operating segments at least quarterly.

In line with reporting trends, emphasis is placed on controllable costs. Indirect corporate costs are reported on a gross level in the other reportable segment.

Coal

The coal operations produce thermal coal, metallurgical coal and SSCC and are made up of the following reportable segments:

Commercial Waterberg: Comprising mainly of the Grootegeluk operation.

Commercial Mpumalanga: Comprising of the Belfast and Leeuwpan operations, as well as the 50% (2024: 50%) joint venture in Mafube with Thungela.

Tied: Comprising of the Matla mine supplying its entire coal supply to Eskom.

Other: Comprising of the other coal affiliated operations, including mines in closure and a 10.26% (2024: 10.26%) equity interest in RBCT.

Revenue and related cost items are allocated between the coal reportable segments and disclosed based on the origin of the initial coal production.

Energy

The energy operations generate electricity from renewable energy technology. The energy reportable segment comprises mainly of the Amakhala SPV and Tsitsikamma SPV windfarm operations as well as LSP and Karreebosch which are in the construction phase.

Metals

The metals operations are made up of the following reportable segments:

Manganese: Comprising the holding company of the future select manganese assets (refer note 18.3).

Iron ore: Comprising of the 20.62% (2024: 20.62%) equity interest in SIOC.

Base metals: Comprising of the 26% (2024: 26%) equity interest in Black Mountain.

Other

The other operations of the group comprise mainly of the corporate office (rendering corporate management services) and the Ferroland agricultural operation. The disposal of the FerroAlloys business and the results up to the date of the sale are included as well.

3.3 Reportable segments continued

The following tables present a summary of the group's segmental information:

		Coal				
		Commercial				
For the year ended 31 December 2025	Note	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm
External revenue	6.1.2	23 703	8 384	8 022		1 410
Segmental net operating profit/(loss)		8 429	(727)	191	(259)	465
Add back:						
Depreciation and amortisation	6.1.3	1 773	601		16	399
Depreciation capitalised to property, plant and equipment		(16)				(5)
Net losses on disposal of property, plant and equipment	6.1.3	128	115			
Gain on disposal of subsidiary	8.3					
EBITDA		10 314	(11)	191	(243)	859
Other key items:						
Raw materials and consumables	6.1.3	(2 051)	(2 477)	(734)	(4)	(1)
Staff costs	6.1.3	(3 086)	(508)	(2 206)	(447)	(134)
Royalties[2]	6.1.3	(1 191)	(57)	(57)	191	
Contract mining	6.1.3	(133)	(1 418)	(67)		
Repairs and maintenance	6.1.3	(2 134)	(289)	(1 261)	(4)	(13)
Railage and transport	6.1.3	(2 661)	(2 111)	(128)		
Movement in provisions	6.1.3	195	(349)	(54)	(3)	(2)
External finance income	12.1.2	14	8		48	58
External finance costs	12.1.2	(56)	(197)		(86)	(463)
Share of income/(loss) of equity-accounted investments	9.3		66		(21)	
Income tax (expense)/benefit	7.3	(2 200)	250	(52)	(47)	(89)
Cash generated by/(utilised in) operations	6.3.1	9 602	141	138	(742)	871
Capital spend on property, plant and equipment	4.1.4	(1 843)	(423)			(2 805)
At 31 December 2025						
Segmental assets and liabilities						
Deferred tax[3]	7.5					146
Equity-accounted investments	9.4		1 987		1 985	
External assets		32 786	5 270	1 953	3 088	12 282
Total assets		32 786	7 257	1 953	5 073	12 428
External liabilities		1 991	3 067	1 608	1 665	8 476
Deferred tax[3]	7.5	7 539	480	(45)	120	1 019
Total liabilities		9 530	3 547	1 563	1 785	9 495

[1] *Net operating loss of the manganese operating segment mainly relates to the transaction costs incurred in relation to the acquisition of the select manganese assets (refer note 18.3).*
[2] *Calculated per legal entity.*
[3] *Offset per legal entity and tax authority.*

For the year ended 31 December 2025	Metals: Manganese[1] Rm	Metals: Iron ore Rm	Metals: Base metals Rm	Other Rm	Total Rm
External revenue				252	41 771
Segmental net operating profit/(loss)	(178)			(774)	7 147
Add back:					
Depreciation and amortisation				99	2 888
Depreciation capitalised to property, plant and equipment					(21)
Net losses on disposal of property, plant and equipment					243
Gain on disposal of subsidiary				(32)	(32)
EBITDA	(178)			(707)	10 225
Other key items:					
Raw materials and consumables				(74)	(5 341)
Staff costs				(1 163)	(7 544)
Royalties[2]					(1 114)
Contract mining					(1 618)
Repairs and maintenance				(22)	(3 723)
Railage and transport				(4)	(4 904)
Movement in provisions				2	(211)
External finance income				1 611	1 739
External finance costs				(322)	(1 124)
Share of income/(loss) of equity-accounted investments		3 954	489		4 488
Income tax (expense)/benefit				(252)	(2 390)
Cash generated by/(utilised in) operations	(93)			123	10 040
Capital spend on property, plant and equipment				(28)	(5 099)
At 31 December 2025					
Segmental assets and liabilities					
Deferred tax[3]				242	388
Equity-accounted investments		14 845	2 775		21 592
External assets				25 851	81 230
Total assets		14 845	2 775	26 093	103 210
External liabilities	85			5 767	22 659
Deferred tax[3]				188	9 301
Total liabilities	85			5 955	31 960

[1] *Net operating loss of the manganese operating segment mainly relates to the transaction costs incurred in relation to the acquisition of the select manganese assets (refer note 18.3).*
[2] *Calculated per legal entity.*
[3] *Offset per legal entity and tax authority.*

3.3 Reportable segments continued

For the year ended 31 December 2024 (Re-presented)	Note	Coal				
		Commercial				
		Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm
External revenue	6.1.2	22 563	9 893	6 659		1 411
Segmental net operating profit/(loss)		8 430	(368)	175	(315)	637
Add back:						
Depreciation and amortisation	6.1.3	1 669	604		14	394
Net losses on disposal of property, plant and equipment	6.1.3	17	10			
Losses on disposal of intangible assets	6.1.3					
EBITDA		10 116	246	175	(301)	1 031
Other key items:						
Raw materials and consumables	6.1.3	(2 162)	(2 868)	(574)	(2)	(1)
Staff costs	6.1.3	(2 897)	(426)	(2 172)	(414)	(76)
Royalties[1]	6.1.3	(1 096)	(85)	(33)	137	
Contract mining	6.1.3	(109)	(1 895)	(4)		
Repairs and maintenance	6.1.3	(1 958)	(343)	(1 021)	(7)	(9)
Railage and transport	6.1.3	(2 149)	(2 554)	(12)		
Movement in provisions	6.1.3	22	(277)	175	(132)	(1)
External finance income	12.1.2	16	5		36	64
External finance costs	12.1.2	(47)	(144)		(100)	(503)
Share of income/(loss) of equity-accounted investments	9.3		234		(7)	
Income tax (expense)/benefit	7.3	(2 171)	130	(54)	(89)	(92)
Cash generated by/(utilised in) operations	6.3.1	9 390	488	52	(712)	1 038
Capital spend on property, plant and equipment	4.1.4	(1 812)	(268)			(302)
At 31 December 2024 (Re-presented)						
Segmental assets and liabilities						
Deferred tax[2]	7.5					15
Equity-accounted investments	9.4		2 018		2 007	
External assets		32 229	5 684	1 683	3 005	9 334
Total assets		32 229	7 702	1 683	5 012	9 349
External liabilities		2 054	2 761	1 398	1 627	5 552
Deferred tax[2]	7.5	7 419	648	(66)	13	937
Total liabilities		9 473	3 409	1 332	1 640	6 489

[1] *Calculated per legal entity.*
[2] *Offset per legal entity and tax authority.*

For the year ended 31 December 2024 (Re-presented)	Metals: Iron ore Rm	Metals: Base metals Rm	Other Rm	Total Rm
External revenue			199	40 725
Segmental net operating profit/(loss)			(952)	7 607
Add back:				
Depreciation and amortisation			92	2 773
Net losses on disposal of property, plant and equipment				27
Losses on disposal of intangible assets			16	16
EBITDA			(844)	10 423
Other key items:				
Raw materials and consumables			(65)	(5 672)
Staff costs			(995)	(6 980)
Royalties[1]				(1 077)
Contract mining				(2 008)
Repairs and maintenance			(19)	(3 357)
Railage and transport			(4)	(4 719)
Movement in provisions			2	(211)
External finance income			1 665	1 786
External finance costs			(422)	(1 216)
Share of income/(loss) of equity-accounted investments	3 979	64		4 270
Income tax (expense)/benefit			(101)	(2 377)
Cash generated by/(utilised in) operations			176	10 432
Capital spend on property, plant and equipment			(66)	(2 448)
At 31 December 2024 (Re-presented)				
Segmental assets and liabilities				
Deferred tax[2]			182	197
Equity-accounted investments	14 329	2 242		20 596
External assets			21 988	73 923
Total assets	14 329	2 242	22 170	94 716
External liabilities			3 848	17 240
Deferred tax[2]			(25)	8 926
Total liabilities			3 823	26 166

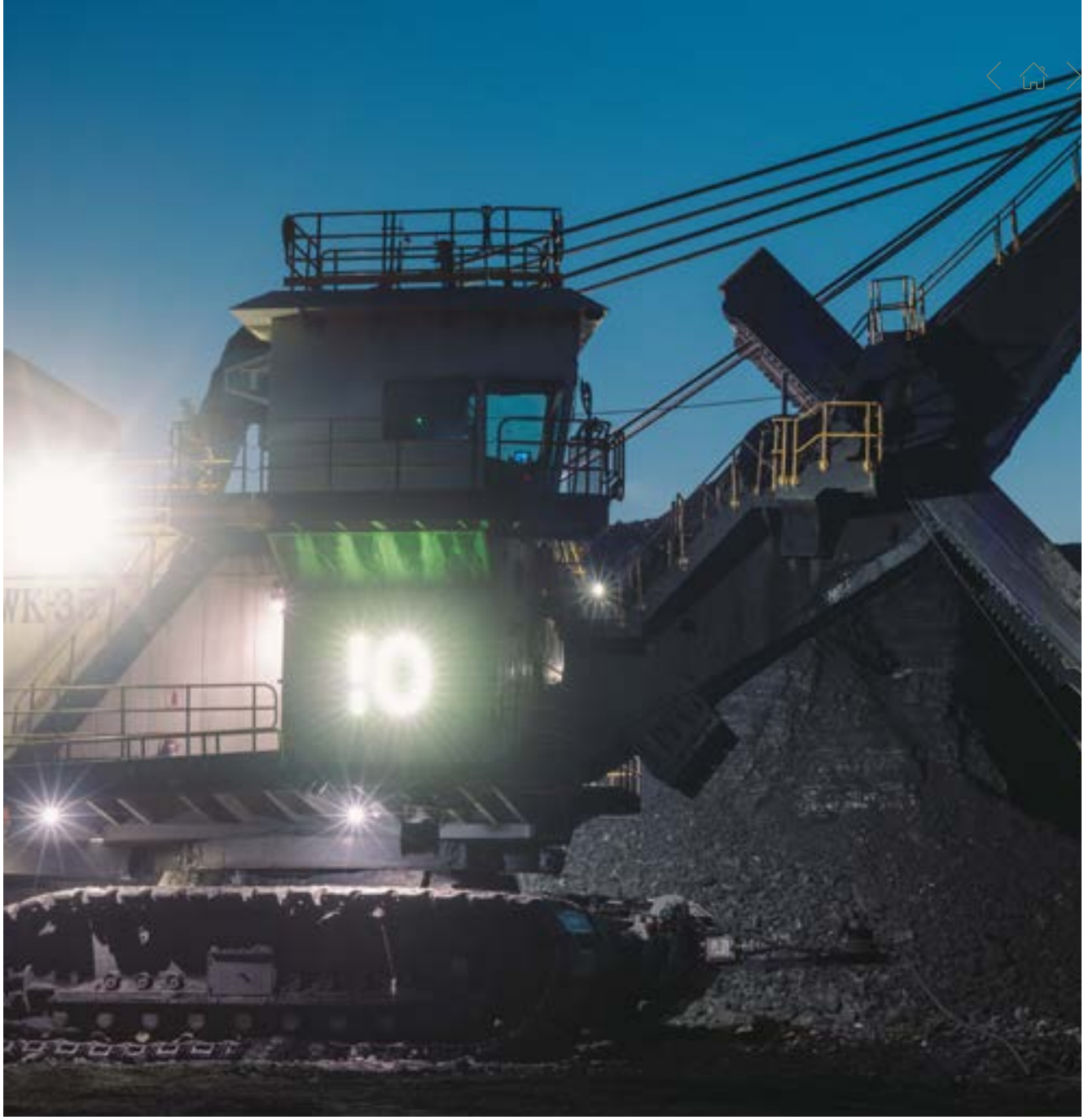
[1] *Calculated per legal entity.*
[2] *Offset per legal entity and tax authority.*

3.4 Geographic location of segment assets

Geographical areas	At 31 December 2025 Rm	2024 Rm
Country of domicile		
RSA	65 027	61 211
Foreign countries		
Australia	117	125
Total carrying amount of non-current assets[1]	65 144	61 336

[1] *Excluding financial assets and deferred tax.*

The information per geographical area is not regularly provided to the chief operating decision maker, but included on an annual basis for purposes of additional information.



4 Financial statements

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4.1 Group financial statements

4.1.1 Statement of comprehensive income

For the year ended 31 December	Note	2025 Rm	2024 Rm
Revenue	6.1.2	41 771	40 725
Operating expenses	6.1.3	(34 656)	(33 118)
Operating profit		7 115	7 607
Gain on disposal of subsidiary	8.3	32	
Net operating profit		7 147	7 607
Finance income	12.1.2	1 739	1 786
Finance costs	12.1.2	(1 124)	(1 216)
Share of income of equity-accounted investments	9.3	4 488	4 270
Profit before tax		12 250	12 447
Income tax expense	7.3	(2 390)	(2 377)
Profit for the year		9 860	10 070
Other comprehensive loss, net of tax		(547)	(99)
Items that will not be reclassified to profit or loss		(40)	14
– Remeasurement of retirement employee obligations			6
– Changes in fair value of equity investments at FVOCI		(39)	6
– Share of OCI of equity-accounted investments		(1)	2
Items that may subsequently be reclassified to profit or loss		(525)	(94)
– Unrealised exchange differences on translation of foreign operations		(81)	11
– Changes in fair value on cash flow hedges		(278)	(20)
– Changes in fair value on costs of hedging		(33)	(5)
– Share of OCI of equity-accounted investments		(133)	(80)
Items that have subsequently been reclassified to profit or loss		18	(19)
– Recycling of changes in fair value on cash flow hedges		18	(19)
Total comprehensive income for the year		9 313	9 971
Profit attributable to			
Owners of the parent		7 564	7 724
Non-controlling interests	17.7.1	2 296	2 346
Profit for the year		9 860	10 070
Total comprehensive income attributable to			
Owners of the parent		7 182	7 651
Non-controlling interest	17.7.1	2 131	2 320
Total comprehensive income for the year		9 313	9 971

	Note	cents	cents
Attributable earnings per share			
Basic	5.2	3 178	3 192
Diluted	5.2	3 178	3 192

The notes to the financial statements are set out in chapters 3 and 5 to 18, respectively.

4.1 Group financial statements continued

4.1.2 Statement of financial position

At 31 December	Note	2025 Rm	2024 Rm
Assets			
Non-current assets		70 547	66 799
Property, plant and equipment	10.1.3	39 667	37 292
Intangible assets	10.2.3	2 613	2 598
Right-of-use assets	11.3	626	281
Equity-accounted investments	9.4	21 592	20 596
Financial assets	10.3.2	5 015	5 266
Deferred tax	7.5	388	197
Other assets	10.4.1	646	569
Current assets		32 663	27 917
Inventories	6.2.2	2 790	2 427
Financial assets	10.3.2	1 259	159
Trade and other receivables	6.2.3	4 283	4 230
Cash and cash equivalents	6.2.5	23 690	20 630
Current tax receivables		86	15
Other assets	10.4.1	555	456
Total assets		103 210	94 716
Equity and liabilities			
Capital and other components of equity			
Share capital	12.2.2	952	983
Other components of equity		834	1 119
Retained earnings		54 189	51 885
Equity attributable to owners of the parent		55 975	53 987
Non-controlling interests	17.7.1	15 275	14 563
Total equity		71 250	68 550
Non-current liabilities		25 555	20 351
Interest-bearing borrowings	12.1.3	11 259	7 344
Lease liabilities	11.4	675	334
Other payables	6.2.4	11	40
Provisions	13.3	3 681	3 359
Retirement employee obligations	14.4	191	181
Financial liabilities	12.1.7	398	129
Deferred tax	7.5	9 301	8 926
Other liabilities	12.1.8	39	38
Current liabilities		6 405	5 815
Interest-bearing borrowings	12.1.3	938	876
Lease liabilities	11.4	104	96
Trade and other payables	6.2.4	3 897	3 351
Provisions	13.3	355	282
Financial liabilities	12.1.7	22	22
Current tax payables		77	214
Other liabilities	12.1.8	1 012	974
Total liabilities		31 960	26 166
Total equity and liabilities		103 210	94 716

4.1 Group financial statements continued

4.1.3 Statement of changes in equity

	Note	Share capital Rm	Other components of equity: Foreign currency translation Rm	Cash flow hedges Rm	Cost of hedging Rm	Equity-settled Rm
At 31 December 2023		983	1 358	(27)	(7)	(66)
Total comprehensive income/(loss)			13	(93)	(4)	
– Profit for the year						
– Other comprehensive income/(loss) for the year	7.7;17.7.1		13	(93)	(4)	
Transfer to property, plant and equipment (net of tax)[1]				9	4	
Transactions with owners						(162)
Contributions and distributions						(162)
– Dividends paid	5.6;17.7.1					
– Share-based payments movement[2]						(162)
Changes in ownership interest						
– Recognition of NCI[3]	17.7.1					
At 31 December 2024		983	1 371	(111)	(7)	(228)
Total comprehensive (loss)/income			(199)	(132)	(20)	
– Profit for the year						
– Other comprehensive (loss)/income for the year	7.7;17.7.1		(199)	(132)	(20)	
Transfer to property, plant and equipment (net of tax)[1]				20	23	
Transactions with owners		(31)				54
Contributions and distributions		(31)				54
– Dividends paid	5.6;17.7.1					
– Share-based payments movement[2]						54
– Shares repurchased and cancelled[4]	12.2.3	(31)				
– Share repurchase expenses						
At 31 December 2025		952	1 172	(223)	(4)	(174)

[1] *Hedging gains and losses and costs of hedging transferred to property, plant and equipment during the year.*
[2] *Relates to the net amount of the share-based payment expense of R184 million (2024: R208 million) as well as the deferred tax movement of R43 million (2024: R49 million) and the value of shares acquired in the market to settle vested share-based payment transactions of R173 million (2024: R321 million).*
[3] *Relates to the recognition of the NCI's share of Amakhala SPV's net asset value, amounting to R59 million, upon the exercise of its in-substance share option, amounting to R41 million.*
[4] *Relates to the repurchase and cancellation of 7 391 418 ordinary shares to the value of R1.2 billion in terms of the share repurchase programme.*

Foreign currency translation

Arises from the translation of financial statements of foreign operations within the group as well as the share of equity-accounted investments' foreign currency translation reserves.

Cash flow hedges

Comprises the group's cash flow hedge reserves relating to interest rate swaps and the spot rate component of FECs as well as the share of equity-accounted investments' hedging reserves.

Cost of hedging

Comprises the group's cost of hedging reserves, which reflects gains or losses on the portion excluded from the designated hedging instrument that relates to the forward element of FECs. It is initially recognised in OCI and accounted for similarly to gains or losses in the hedge reserves.

Retirement employee obligations Rm	Financial asset FVOCI revaluation Rm	Other Rm	Retained earnings Rm	Attributable to owners of the parent Rm	Non-controlling interests Rm	Total equity Rm
40	39	4	49 923	52 247	14 160	66 407
6	5		7 724	7 651	2 320	9 971
			7 724	7 724	2 346	10 070
6	5			(73)	(26)	(99)
				13		13
			(5 762)	(5 924)	(1 917)	(7 841)
			(5 744)	(5 906)	(1 935)	(7 841)
			(5 744)	(5 744)	(1 935)	(7 679)
				(162)		(162)
			(18)	(18)	18	
			(18)	(18)	18	
46	44	4	51 885	53 987	14 563	68 550
(1)	(30)		7 564	7 182	2 131	9 313
			7 564	7 564	2 296	9 860
(1)	(30)			(382)	(165)	(547)
				43		43
			(5 260)	(5 237)	(1 419)	(6 656)
			(5 260)	(5 237)	(1 419)	(6 656)
			(4 071)	(4 071)	(1 419)	(5 490)
				54		54
			(1 169)	(1 200)		(1 200)
			(20)	(20)		(20)
45	14	4	54 189	55 975	15 275	71 250

Equity-settled

Represents the fair value, net of tax, of services received from employees and settled by equity instruments granted.

Retirement employee obligations

Comprises remeasurements, net of tax, on the retirement employee obligations as well as the share of equity-accounted investments' retirement employee obligations reserves.

Financial asset FVOCI revaluation

Comprises the fair value adjustments, net of tax, on the financial assets classified at FVOCI.

4.1 Group financial statements continued

4.1.4 Statement of cash flows

For the year ended 31 December	Note	2025 Rm	2024 Rm
Cash flows from operating activities		8 380	8 425
Cash generated by operations	6.3.1	10 040	10 432
Interest received	12.1.6	1 680	1 720
Interest paid	12.1.6	(1 059)	(1 095)
Tax paid	7.6.1	(2 281)	(2 632)
Cash flows from investing activities		(1 867)	1 084
Property, plant and equipment acquired		(5 099)	(2 448)
Intangible assets acquired		(33)	(27)
Proceeds from disposal of property, plant and equipment		1	
Cash received from other financial assets at amortised cost		141	111
ESD loans granted		(76)	(130)
ESD loans settled		117	84
Intervention receivable granted		(57)	(33)
Deposit facilities placed		(360)	(360)
Lease receivables settled		16	16
Proceeds from disposal of subsidiary	8.3	116	
Dividends received from equity-accounted investments	9.5	3 367	3 871
Cash flows from financing activities		(3 192)	(8 742)
Interest-bearing borrowings raised	12.1.3	7 365	705
Interest-bearing borrowings repaid	12.1.3	(3 375)	(1 397)
Transaction costs paid on interest-bearing borrowings raised	12.1.3	(57)	
Lease liabilities paid	11.4	(62)	(50)
Acquisition debt settled[1]		(180)	
Dividends paid to owners of the parent	5.6	(4 071)	(5 744)
Dividends paid to NCI BEE Parties	17.7.1	(1 382)	(1 893)
Dividends paid to NCI of Tsitsikamma SPV and Amakhala SPV	17.7.1	(37)	(42)
Shares acquired in the market to settle share-based payments		(173)	(321)
Shares repurchased including transaction expenses		(1 220)	
Net increase in cash and cash equivalents		3 321	767
Cash and cash equivalents at beginning of the year		20 630	19 859
Translation difference on movement in cash and cash equivalents		(261)	4
Cash and cash equivalents at end of the year	6.2.5	23 690	20 630

[1] *Relates to the settlement of a dividend payable that was an assumed liability of the Karreebosch project asset acquisition.*

4.2 Company financial statements

4.2.1 Statement of comprehensive income

For the year ended 31 December	Note	2025 Rm	2024 Rm
Revenue	6.1.2	21 931	10 881
– Revenue from contracts with customers		1 645	1 634
– Dividend revenue		19 995	8 861
– Interest revenue		291	386
Operating expenses	6.1.3	(1 530)	(1 892)
Gain on disposal of subsidiary	8.3	169	
Impairment charges of investments in subsidiaries	8.4.1	(358)	
Finance income	12.1.2	1 449	1 502
Finance costs	12.1.2	(1 279)	(1 633)
Profit before tax		20 382	8 858
Income tax expense	7.3	(94)	(9)
Profit for the year		20 288	8 849
Total comprehensive income for the year		20 288	8 849

There were no components of OCI for the years ended 31 December 2025 and 31 December 2024.

4.2 Company financial statements continued

4.2.2 Statement of financial position

At 31 December	Note	2025 Rm	2024 Rm
Assets			
Non-current assets		14 189	11 670
Property, plant and equipment	10.1.3	111	94
Intangible assets	10.2.3	142	160
Right-of-use assets	11.3	546	203
Investments in subsidiaries	17.4	8 547	8 368
Financial assets	10.3.2	4 684	2 690
Deferred tax	7.5	157	154
Other assets	10.4.1	2	1
Current assets		22 233	19 026
Inventories	6.2.2	2	9
Financial assets	10.3.2	1 433	1 421
Trade and other receivables	6.2.3	242	237
Cash and cash equivalents	6.2.5	20 500	17 300
Current tax receivable		10	15
Other assets	10.4.1	46	44
Total assets		36 422	30 696
Equity and liabilities			
Capital and other components of equity			
Share capital	12.2.2	11 196	11 227
Other components of equity		146	114
Retained earnings		13 726	540
Total equity		25 068	11 881
Non-current liabilities		4 731	2 808
Interest-bearing borrowings	12.1.3	4 083	2 499
Lease liabilities	11.4	593	256
Provisions	13.3	55	53
Current liabilities		6 623	16 007
Interest-bearing borrowings	12.1.3	423	498
Lease liabilities	11.4	92	86
Trade and other payables	6.2.4	252	216
Financial liabilities	12.1.7	5 639	15 028
Other liabilities	12.1.8	217	179
Total liabilities		11 354	18 815
Total equity and liabilities		36 422	30 696

4.2 Company financial statements continued

4.2.3 Statement of changes in equity

	Note	Share capital Rm	Other components of equity: Equity-settled Rm	Retained earnings/ (accumulated deficit) Rm	Total equity Rm
At 31 December 2023		11 227	259	(3)	11 483
Total comprehensive income				8 849	8 849
– Profit for the year				8 849	8 849
Transactions with owners			(145)	(8 306)	(8 451)
Contributions and distributions			(145)	(8 306)	(8 451)
– Share-based payments movement			(145)		(145)
– Dividends paid	5.6			(8 306)	(8 306)
At 31 December 2024		11 227	114	540	11 881
Total comprehensive income				20 288	20 288
– Profit for the year				20 288	20 288
Transactions with owners		(31)	32	(7 102)	(7 101)
Contributions and distributions		(31)	32	(7 102)	(7 101)
– Share-based payments movement			32		32
– Shares repurchased and cancelled[1]	12.2.3	(31)		(1 169)	(1 200)
– Share repurchase expenses				(20)	(20)
– Dividends paid	5.6			(5 913)	(5 913)
At 31 December 2025		11 196	146	13 726	25 068

[1] *Relates to the repurchase and cancellation of 7 391 418 ordinary shares to the value of R1.2 billion in terms of the share repurchase programme.*

4.2 Company financial statements continued

4.2.4 Statement of cash flows

For the year ended 31 December	Note	2025 Rm	2024 Rm
Cash flows from operating activities		11 106	9 158
Cash generated by operations	6.3.1	11 014	9 329
– Dividend revenue received	6.1.2	3 542	4 115
– Interest revenue received		260	386
– Other cash generated by operations		7 212	4 828
Interest received	12.1.6	1 454	1 502
Interest paid	12.1.6	(1 292)	(1 637)
Tax paid	7.6.1	(70)	(36)
Cash flows from investing activities		(1 971)	586
Property, plant and equipment acquired	10.1.3	(26)	(65)
Intangible assets acquired	10.2.3	(22)	(18)
Proceeds from disposal of property, plant and equipment		1	
Cash received from other financial assets at amortised cost		141	31
ESD loans granted		(76)	(130)
ESD loans settled		117	84
Proceeds from disposal of subsidiary	8.3	152	
Increase in investment in subsidiaries		(157)	(328)
Non-interest-bearing loans to subsidiaries granted		(220)	(125)
Interest-bearing loans to subsidiaries granted		(4 883)	
Interest-bearing loans to subsidiaries settled		3 002	1 137
Cash flows from financing activities		(5 757)	(9 625)
Interest-bearing borrowings raised	12.1.3	4 500	
Interest-bearing borrowings repaid	12.1.3	(2 950)	(1 093)
Transaction costs paid on interest-bearing borrowings raised	12.1.3	(23)	
Lease liabilities paid	11.4	(56)	(47)
Dividends paid	5.6	(5 913)	(8 306)
Shares acquired in the market to settle share-based payments		(95)	(179)
Shares repurchased including transaction expenses		(1 220)	
Net increase in cash and cash equivalents		3 378	119
Cash and cash equivalents at beginning of the year		17 300	17 151
Translation difference on movement in cash and cash equivalents		(178)	30
Cash and cash equivalents at end of the year	6.2.5	20 500	17 300

5 Earnings

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5.1 Accounting policy relating to earnings

5.1.1 Dividend distributions

Dividends are recognised in the period in which the dividends are declared. These dividends are recorded and disclosed as dividends paid in the statement of changes in equity. Dividends proposed or declared subsequent to the year end are not recognised at the financial year end, but are disclosed in the notes to the annual financial statements as an event after reporting period.

All unclaimed dividends are held in trust until claimed by the relevant shareholder or the relevant shareholder's claim to such dividends prescribes. In total 75% of the unclaimed dividends which have prescribed are allocated to be utilised by Exxaro Aga Setshaba NPC, while 25% of the unclaimed dividends are retained in the company to allow funding for any future dividend claims that the company might want to settle despite the prescription period having lapsed.

5.2 Attributable earnings per share

	Group	
For the year ended 31 December	2025	2024
Profit for the year attributable to owners of the parent (Rm)	7 564	7 724
Earnings per share (cents)		
Basic	3 178	3 192
Diluted	3 178	3 192
Weighted average number of ordinary shares in issue (million)[1]		
Basic	238	242
Diluted	238	242

[1] *WANOS decreased due to the repurchase and cancellation of shares under the share repurchase programme. A total of 7 391 418 shares were repurchased, representing 2.1% of Exxaro's issued share capital prior to the repurchase.*

Refer note 12.2.2 for details on changes in Exxaro's share capital.

5.3 Reconciliation of headline earnings

		Group			
For the year ended 31 December 2025	Note	Gross Rm	Tax Rm	NCI Rm	Net Rm
Profit attributable to owners of the parent					7 564
Adjusted for:		261	(47)	(50)	164
– IFRS 10 Gain on disposal of subsidiary	8.3	(32)	31		(1)
– IAS 16 Net losses on disposal of property, plant and equipment	6.1.3	243	(65)	(41)	137
– IAS 28 Share of equity-accounted investments separately identifiable remeasurements		50	(13)	(9)	28
Headline earnings					7 728

		Group			
For the year ended 31 December 2024	Note	Gross Rm	Tax Rm	NCI Rm	Net Rm
Profit attributable to owners of the parent					7 724
Adjusted for:		(756)	203	127	(426)
– IAS 16 Net losses on disposal of property, plant and equipment	6.1.3	27	(7)	(5)	15
– IAS 38 Losses on disposal of intangible assets	6.1.3	16	(4)	(3)	9
– IAS 28 Share of equity-accounted investments separately identifiable remeasurements[1]		(799)	214	135	(450)
Headline earnings					7 298

[1] *Includes Exxaro's share of SIOC's impairment reversal recognised on mining assets, amounting to R458 million (net of tax and NCI). The impairment reversal was due to a life of mine extension based on revisions to the forecast production volume profile.*

5.4 Headline earnings per share

For the year ended 31 December	Note	Group 2025	2024
Headline earnings (Rm)	5.3	7 728	7 298
HEPS (cents)			
Basic		3 247	3 016
Diluted		3 247	3 016
Weighted average number of ordinary shares in issue (million)			
Basic		238	242
Diluted		238	242

5.5 Dividend distributions

For the year ended 31 December	2025 cents	2024 cents
Dividend paid per share		
Final dividend	866	1 010
Special dividend		572
Interim dividend	843	796
Total dividend paid per share	1 709	2 378

A final cash dividend, number 46, for 2025 of 1 000 cents per share, was approved by the board of directors on 17 March 2026. The dividend is payable on 11 May 2026 to shareholders who will be on the register on 8 May 2026. This final dividend, amounting to approximately R2 341 million (to external shareholders), has not been recognised as a liability in 2025. It will be recognised in shareholders' equity in the first half of the year ending 31 December 2026.

The final dividend, declared from income reserves, will be subject to a dividend withholding tax of 20% for all shareholders who are not exempt from or do not qualify for a reduced rate of dividend withholding tax. The net local dividend payable to shareholders, subject to dividend withholding tax at a rate of 20% amounts to 800.00000 cents per share.

The number of ordinary shares in issue at the date of this declaration is 341 913 674 (including treasury shares of 107 770 244).

Exxaro company's income tax reference number is 9218/098/14/4.

Salient dates relating to payment of the final dividend

Last day to trade cum dividend on the JSE	Tuesday, 5 May 2026
First trading day ex-dividend on the JSE	Wednesday, 6 May 2026
Record date	Friday, 8 May 2026
Payment date	Monday, 11 May 2026

No share certificate may be dematerialised or re-materialised between Wednesday, 6 May 2026 and Friday, 8 May 2026, both days inclusive. Dividends for certificated shareholders will be transferred electronically to their bank accounts on payment date. Shareholders who hold dematerialised shares will have their accounts at their central securities depository participant or broker credited on Monday, 11 May 2026.

5.6 Notes to the statements of cash flows relating to earnings

For the year ended 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Dividends paid				
Final dividend	(2 092)	(2 439)	(3 025)	(3 528)
Special dividend		(1 382)		(1 998)
Interim dividend	(1 979)	(1 923)	(2 888)	(2 780)
Total dividends paid for the financial year	(4 071)	(5 744)	(5 913)	(8 306)

The group dividends paid are different from the company dividends paid due to the dividends on treasury shares, which are eliminated on consolidation.

Total dividends paid in 2025 amounted to R4 071 million. This amount was made up of:

- A final dividend relating to the 2024 financial year of 866 cents per share, amounting to R2 092 million (to external shareholders), declared on 11 March 2025 and paid on 12 May 2025
- An interim dividend relating to the 2025 financial year of 843 cents per share, amounting to R1 979 million (to external shareholders), declared on 19 August 2025 and paid on 6 October 2025

6 Operational performance and working capital

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6.1 Operational performance

6.1.1 Accounting policies relating to operational performance

6.1.1.1 Revenue

For group, revenue is derived from contracts with customers for the supply of goods and rendering of services.

For company, as an investment holding and services company, revenue is derived from dividend income and interest income received from subsidiaries, associates and JVs (investment holdings), as well as from its revenue from contracts with customers for the rendering of services. In applying IAS 1 *Presentation of financial statements*, management concluded that the ordinary activities of the company do not include income from financial assets that do not relate to subsidiaries, associates and JVs, which are the company's primary investment holding activities. Instead, any income earned on other financial assets is considered incidental in nature.

Revenue from contracts with customers

Timing of recognition

Revenue is recognised when (or as) a performance obligation is satisfied by transferring a promised good or service to a customer. A promised good or service is transferred when (or as) the customer obtains control of that promised good or service.

Measurement on recognition

The amount of revenue recognised is the amount of the transaction price that is allocated to a satisfied performance obligation. The amount is determined on a gross basis when acting as a principal, or on a net basis when acting as an agent.

The total transaction price in a customer contract is allocated to the performance obligations identified in the contract based on their standalone selling prices. The standalone selling prices are determined based on listed prices at which those goods or services are sold in separate transactions. The customer contracts generally contain only one performance obligation and therefore the contract consideration generally reflects the standalone selling price of the performance obligation.

As a permitted practical expedient, no adjustment is made to the transaction price for the effects of the time value of money as the period of time between the delivery of goods or rendering of services and contract payment terms generally do not exceed 60 days, which is considered not to result in a significant financing component.

Nature of goods and services

Below is a summary of the different types of revenue depicting the standard terms and performance obligations for each type:

Revenue type	Performance obligation	Timing of when performance obligation is satisfied	Payment terms
Coal (domestic supply)	Delivery of coal at a contractually agreed-upon delivery point	On delivery (point in time)	Range: 0 to 60 days
Coal (FOB export supply)	Delivery of coal at a contractually agreed-upon delivery point	On delivery (point in time)	Range: 15 to 60 days
Renewable energy (electricity sales)	Delivery of electricity over time at a contractually agreed-upon metering point (output method)	As consumed and measured at the metering point (over time)	Within 60 days
Ferrosilicon	Delivery of ferrosilicon at a contractually agreed-upon delivery point	On delivery (point in time)	Range: 15 to 60 days
Biological goods	Delivery of biological goods at a contractually agreed-upon delivery point	On delivery (point in time)	Range: 15 to 60 days
Stock yard management services	Rendering of stock yard management services over time	As services are performed (over time)	Within 30 days
Project engineering services	Rendering of project engineering services over time	As services are performed (over time)	Within 30 days
Other mine management services	Rendering of other mine management services over time	As services are performed (over time)	Within 30 days
Transportation services	Rendering of freight or other transportation services over time (including CFR basis for exports, if any, and special transportation arrangements for customers)	As services are performed (over time)	Range: 0 to 60 days
Corporate management services (company)	Rendering of corporate services over time	As services are performed (over time)	Within 30 days
Other services	Mainly rendering of storage services over time	As services are performed (over time)	Within 30 days

Dividend revenue

For company, dividend revenue from subsidiaries, associates and JVs is recognised when the right to receive payment is established.

Interest revenue

For company, interest revenue from subsidiaries is recognised as it accrues in profit or loss, using the effective interest rate method.

6.1 Operational performance continued

6.1.2 Revenue

Revenue is derived from contracts with customers. Revenue has been disaggregated based on timing of revenue recognition, major type of goods and services, major geographic area and major customer industries.

	Group						
	Coal						
	Commercial						
For the year ended 31 December 2025	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm	Other Rm	Total Rm
Segmental revenue reconciliation							
Segmental revenue[1]	23 703	8 384	8 022		1 410	252	41 771
Local sales allocated to selling entity[2]		(39)	39				
Export sales allocated to selling entity[3]	(4 307)	(6 575)		10 882			
Total revenue	19 396	1 770	8 061	10 882	1 410	252	41 771
By timing and major type of goods and services							
Revenue recognised at a point in time	19 396	1 770	6 331	10 882		247	38 626
Coal	19 396	1 770	6 331	10 882			38 379
Ferrosilicon						237	237
Biological goods						10	10
Revenue recognised over time			1 730		1 410	5	3 145
Renewable energy					1 410		1 410
Stock yard management services			309				309
Project engineering services			1 421				1 421
Transportation services						1	1
Other services						4	4
Total revenue	19 396	1 770	8 061	10 882	1 410	252	41 771
By major geographic area of customer[4]							
Domestic	19 396	1 770	8 061		1 410	252	30 889
Export				10 882			10 882
Europe[5]				3 884			3 884
Asia[6]				6 345			6 345
Other				653			653
Total revenue	19 396	1 770	8 061	10 882	1 410	252	41 771
By major customer industries							
Public utilities	17 597		8 061	614	1 410		27 682
Merchants	278	1 096		9 851			11 225
Steel	667	69		1			737
Mining	62	514				195	771
Manufacturing	80					45	125
Food and beverage	289					1	290
Cement	306	72		272			650
Chemicals		14					14
Other	117	5		144		11	277
Total revenue	19 396	1 770	8 061	10 882	1 410	252	41 771

1 *Coal segmental revenue is based on the origin of coal production.*
2 *Relates to product sold to tied mine customer.*
3 *Relates to product sold by export distribution entity.*
4 *Determined based on the customer supplied by Exxaro.*
5 *Relates mainly to Switzerland.*
6 *Relates mainly to Singapore.*

6.1 Operational performance continued

6.1.2 Revenue continued

	Group						
	Coal						
	Commercial						
For the year ended 31 December 2024 (Re-presented)	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm	Other[1] Rm	Total Rm
Segmental revenue reconciliation							
Segmental revenue[2]	22 563	9 893	6 659		1 411	199	40 725
Local sales allocated to selling entity[3]		(172)	172				
Export sales allocated to selling entity[4]	(4 427)	(8 427)		12 854			
Total revenue	18 136	1 294	6 831	12 854	1 411	199	40 725
By timing and major type of goods and services							
Revenue recognised at a point in time	18 136	1 294	5 716	12 854		194	38 194
Coal	18 136	1 294	5 716	12 854			38 000
Ferrosilicon						187	187
Biological goods						7	7
Revenue recognised over time			1 115		1 411	5	2 531
Renewable energy					1 411		1 411
Stock yard management services			243				243
Project engineering services			872				872
Transportation services						1	1
Other services						4	4
Total revenue	18 136	1 294	6 831	12 854	1 411	199	40 725
By major geographic area of customer[5]							
Domestic	18 136	1 294	6 831		1 411	199	27 871
Export				12 854			12 854
Europe[6]				4 743			4 743
Asia[7]				7 156			7 156
Other				955			955
Total revenue	18 136	1 294	6 831	12 854	1 411	199	40 725
By major customer industries							
Public utilities	15 842		6 831	262	1 411		24 346
Merchants	267	675		11 936			12 878
Steel	1 153	149					1 302
Mining	132	240				133	505
Manufacturing	224					55	279
Food and beverage	175					1	176
Cement	258	101		354			713
Chemicals		109					109
Other	85	20		302		10	417
Total revenue	18 136	1 294	6 831	12 854	1 411	199	40 725

1 *Re-presented as a result of the change in segments for FerroAlloys (refer note 3.3).*
2 *Coal segmental revenue is based on the origin of coal production.*
3 *Relates to product sold to tied mine customer.*
4 *Relates to product sold by export distribution entity.*
5 *Determined based on the customer supplied by Exxaro.*
6 *Relates mainly to Switzerland.*
7 *Relates mainly to Singapore.*

The group derives revenue from an external customer which accounts for at least 10% or more of the group's revenues, being 65% or R27 068 million (2024: 59% or R24 085 million).

6.1 Operational performance continued

6.1.2 Revenue continued

The company derives the following revenue from its ordinary activities as an investment holding company and services company:

		Company	
For the year ended 31 December	Note	2025 Rm	2024 Rm
Revenue from contracts with customers		1 645	1 634
Rendering of services over time: Corporate management services		1 645	1 634
– Joint ventures		2	
– Subsidiaries	17.3.1	1 643	1 634
Dividend revenue		19 995	8 861
Associates[1]	9.5	3 267	3 741
Subsidiaries[2]	17.3.1	16 728	5 120
Interest revenue		291	386
Subsidiaries	17.3.1	291	386
– Interest-bearing back-to-back loans receivable	17.3.1	283	377
– Interest-bearing acquisition loans receivable	17.3.1		1
– Interest-bearing treasury facilities receivable	17.3.1	8	8
Total revenue		21 931	10 881

[1] *Dividends received from SIOC.*
[2] *Includes R275 million (2024: R374 million) received in cash and R16 453 million (2024: R4 746 million) as a dividend in specie.*

6.1 Operational performance continued

6.1.3 Operating expenses

For the year ended 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Cost by nature					
Operational expense items					
Raw materials and consumables		5 341	5 672	19	19
Depreciation and amortisation		2 888	2 773	104	97
Write-down of inventories to net realisable value		50	141		
Movements in inventories		(508)	(160)		
Staff costs		7 544	6 980	999	905
Other employee-related costs		409	305	83	100
Contract mining		1 618	2 008		
Repairs and maintenance		3 723	3 357	14	13
Railage and transport		4 904	4 719	2	3
Insurance		196	179	5	4
Exploration expenditure		1	12		
Royalties		1 114	1 077		
Water		83	93		
Energy		1 239	1 113	8	8
Information management costs		781	682	157	160
Legal and professional fees		690	398	201	168
Movement in provisions	13.3	211	211	(2)	(3)
Movement in retirement employee obligations	14.4	10	13		
Travel and subsistence		127	139	19	31
Security and office cleaning services		156	138	3	3
Licences		7	7		
Stock yard management services		309	243		
Project engineering services		1 421	872		
Financial gains and losses					
Currency exchange differences		334	(97)	1	(3)
ECL's on financial assets at amortised cost		(43)	153	(381)	141
Write-off of trade and other receivables	6.2.3.1	5	13	2	
Write-off of ESD loans		9	5	9	5
Recovery of ESD Loans		(1)		(1)	
Fair value gains recognised on financial instruments at FVPL		(925)	(602)	(4)	(4)
Hedge ineffectiveness on interest rate swap cash flow hedges		10	12		
General items and expenses					
Write-off of other current assets		21		1	
Net losses on disposal of property, plant and equipment		243	27		
Losses on disposal of intangible assets			16		16
Expenses relating to short-term leases		465	451	3	2
Expenses relating to variable leases		255	254		
Operating lease income		(31)	(36)	(8)	(8)
Gain on modification of lease	11.3		(2)		
Research and development costs		2	2		
Own work capitalised[1]		(310)	(268)		
General charges		2 308	2 218	296	235
Total operating expenses		34 656	33 118	1 530	1 892

[1] *Relates to operating expenses incurred that are capitalised to projects where qualifying criteria are met.*

6.1 Operational performance continued

6.1.3 Operating expenses continued

The following operating expense items have been further disaggregated:

For the year ended 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Staff costs		7 544	6 980	999	905
– Salaries and wages		6 576	6 160	855	748
– Share-based payment expense		184	208	87	108
– Termination benefits[1]		123	23	5	4
– Pension and medical costs		661	589	52	45
Consultancy fees[2]		416	242	86	103
Auditor's remuneration[2]		37	33	22	18
– Audit fees		35	31	20	16
– Other services		2	2	2	2
Depreciation and amortisation		2 888	2 773	104	97
– Depreciation of property, plant and equipment	10.1.3	2 616	2 512	8	6
– Depreciation of right-of-use assets	11.3	67	58	56	52
– Amortisation of intangible assets	10.2.3	205	203	40	39
Fair value gains recognised on financial instruments at FVPL		(925)	(602)	(4)	(4)
– Derivative financial instruments		(353)	(257)		
– Debt investments: environmental rehabilitation funds		(386)	(222)	(4)	(4)
– Debt investments: portfolio investments		(22)	(11)		
– Debt investments: deposit facilities		(164)	(112)		
Currency exchange differences		334	(97)	1	(3)
– Net realised losses/(gains)		104	(13)	(4)	(6)
– Net unrealised losses/(gains)		230	(84)	5	3

[1] *Mainly relates to voluntary severance packages offered to employees at Leeuwpan as part of the Leeuwpan turnaround project.*
[2] *Disclosed as part of legal and professional fees.*

6.1 Operational performance continued

6.1.3 Operating expenses continued

For the year ended 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
ECLs on financial assets at amortised cost ((reversal of impairment losses)/impairment losses):		(43)	153	(381)	141
ESD loans	10.3.3	(38)	59	(38)	59
– Performing		1	(1)	1	(1)
– Non-performing		(39)	60	(39)	60
Vendor finance loan	10.3.3	(2)	1	(2)	1
– Performing			(1)		(1)
– Under-performing		(2)	2	(2)	2
Other financial assets at amortised cost	10.3.3	(2)	(2)	(2)	
– Performing			(2)		
– Non-performing		(2)		(2)	
Non-interest bearing loans to subsidiaries	10.3.3			3	(1)
– Performing				1	(1)
– Non-performing				2	
Treasury facilities with subsidiaries	10.3.3			(340)	79
– Non-performing				(340)	79
Trade and other receivables	6.2.3.1	(1)	96	(2)	3
Trade receivables		4	95		
– Performing		6	(8)		
– Non-performing		(2)	103		
Other receivables		(5)	1	(2)	2
– Non-performing		(5)	1	(2)	2
Indebtedness by subsidiaries					1
– Performing					1
Lease receivables			(1)		
– Performing			(1)		

6.2 Working capital

6.2.1 Accounting policies relating to working capital

Inventories

Inventories are stated at the lower of cost (determined on the weighted average basis) and net realisable value.

The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and fixed production overheads, but excludes interest charges. Fixed production overheads are allocated on the basis of normal capacity.

Net realisable value represents the estimated selling price in the ordinary course of business less applicable selling expenses. Write-downs to net realisable value and inventory losses are expensed in the period in which the write-downs or losses occur.

Trade receivables

Trade receivables are amounts due from customers for the sale of goods and services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Refer note 16.1 for further accounting policies relating to financial assets at amortised cost.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and bank balances (current, cash management and call accounts) as well as cash equivalents, being short-term highly liquid notice or fixed deposits and money market funds, with a maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

6.2.2 Inventories

	Group		Company	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Finished products[1]	1 750	1 467		
Work-in-progress[2]	13	62		
Raw materials		4		
Plant spares and stores	1 013	887	2	9
Merchandise[3]	14	7		
Total inventories	2 790	2 427	2	9
[1] Includes finished product inventory carried at net realisable value amounting to:	*89*	*182*		
[2] Includes work-in-progress inventory carried at net realisable value amounting to:	*2*	*50*		

[3] Included in merchandise are biological assets classified as inventories.

No inventories were pledged as security for liabilities in 2025 nor 2024.

6.2.3 Trade and other receivables

		Group		Company	
At 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Trade receivables		4 067	4 098		
– Gross		4 187	4 214		
– Impairment allowances		(120)	(116)		
Other receivables		216	132	10	15
– Gross		219	140	11	18
– Impairment allowances		(3)	(8)	(1)	(3)
Indebtedness by subsidiaries	17.5			232	222
– Gross				233	223
– Impairment allowances				(1)	(1)
Total trade and other receivables		4 283	4 230	242	237

6.2 Working capital continued

6.2.3 Trade and other receivables continued

6.2.3.1 Impairment allowances and write-offs

Trade and other receivables are stated after the following allowances for impairment:

		Group		Company	
At 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Trade receivables					
Opening balance		(116)	(21)		
– Performing		(12)	(20)		
– Non-performing		(104)	(1)		
Movement in impairment allowances	6.1.3	(4)	(95)		
– Performing		(6)	8		
– Non-performing		2	(103)		
At end of the year		(120)	(116)		
– Performing		(18)	(12)		
– Non-performing		(102)	(104)		
Other receivables					
Opening balance		(8)	(7)	(3)	(1)
– Non-performing		(8)	(7)	(3)	(1)
Movement in impairment allowances	6.1.3	5	(1)	2	(2)
– Non-performing		5	(1)	2	(2)
At end of the year		(3)	(8)	(1)	(3)
– Non-performing		(3)	(8)	(1)	(3)
Indebtedness by subsidiaries					
Opening balance				(1)	
– Performing				(1)	
Movement in impairment allowances	6.1.3				(1)
– Performing					(1)
At end of the year				(1)	(1)
– Performing				(1)	(1)

Trade and other receivables are stated after the following write-offs recognised in profit or loss:

		Group		Company	
For the year ended 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Trade receivables			(13)		
Other receivables		(5)		(2)	
Total write-off of trade and other receivables	6.1.3	(5)	(13)	(2)	

For a detailed age analysis of the trade and other receivables refer to note 16.3.3.4.2.

6.2 Working capital continued

6.2.4 Trade and other payables

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current				
Other payables – retention creditors	11	40		
Total non-current other payables	11	40		
Current				
Trade payables	2 143	1 841	126	82
Other payables	1 754	1 510	126	134
– Retention creditors	279	179	1	7
– Accruals and other creditors	1 475	1 331	125	127
Total current trade and other payables	3 897	3 351	252	216
Total trade and other payables	3 908	3 391	252	216

6.2.5 Cash and cash equivalents

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Cash on hand and bank balances	12 046	9 496	10 646	7 748
Deposits	7 318	6 807	5 528	5 225
Money market funds	4 326	4 327	4 326	4 327
Cash and cash equivalents	23 690	20 630	20 500	17 300
Included in cash and cash equivalents are amounts subject to the following restrictions by the project financing lenders:	104	97		
– Cash held for debt service	19	17		
– Cash held for equipment maintenance reserving	49	46		
– Cash restricted until debt service fully repaid in 2031	36	34		

Refer note 16.3.3.2.2 for details of cash and cash equivalents designated as held in a hedging relationship.

6.3 Notes to the statements of cash flows relating to operational performance and working capital

6.3.1 Cash generated by operations

For the year ended 31 December	Note	Group 2025 Rm	Group 2024 Rm
Profit before tax		12 250	12 447
Adjusted for:			
Finance income	12.1.2	(1 739)	(1 786)
Finance costs	12.1.2	1 124	1 216
Share of income of equity-accounted investments		(4 488)	(4 270)
Net operating profit		7 147	7 607
Non-cash movements:			
Depreciation and amortisation	6.1.3	2 888	2 773
ECLs on financial assets at amortised costs	6.1.3	(43)	153
Write-off of trade and other receivables	6.1.3	5	13
Write-off of ESD loans	6.1.3	9	5
Write-off of other current assets	6.1.3	21	
Movement in provisions	6.1.3	211	211
Movement in retirement employee obligations	6.1.3	10	13
Net unrealised currency exchange differences	6.1.3	230	(84)
Fair value adjustments on financial instruments		(609)	(303)
Write-down of inventories to net realisable value	6.1.3	50	141
Gain on modification of lease	6.1.3		(2)
Net losses on disposal of property, plant and equipment	6.1.3	243	27
Losses on disposal of intangible assets	6.1.3		16
Gain on disposal of subsidiary	8.3	(32)	
Share-based payment expense	6.1.3	184	208
Hedge ineffectiveness on interest rate swap cash flow hedges	6.1.3	10	12
Translation of foreign currency items		84	(14)
Amortisation of transaction costs prepaid		5	4
Non-cash recoveries of tied mine (income)/expenses		(63)	163
Non-cash management fees		58	45
Other non-cash movements		(10)	(6)
Cash generated by operations before working capital movements		10 398	10 982
Working capital movements			
Increase in inventories		(695)	(268)
Increase in trade and other receivables		(140)	(420)
Increase in trade and other payables		640	240
Utilisation of provisions	13.3	(163)	(102)
Cash generated by operations		10 040	10 432

6.3 Notes to the statements of cash flows relating to operational performance and working capital continued

6.3.1 Cash generated by operations continued

For the year ended 31 December	Note	Company 2025 Rm	Company 2024 Rm
Profit before tax		20 382	8 858
Adjusted for:			
Items separately disclosed:			
Finance income	12.1.2	(1 449)	(1 502)
Finance costs	12.1.2	1 279	1 633
Non-cash movements:			
Dividend revenue from subsidiaries (in specie)	6.1.2	(16 453)	(4 746)
Depreciation and amortisation	6.1.3	104	97
Interest revenue accrued not yet received		(31)	
Impairment charges of investments in subsidiaries	8.4	358	
Write-off of other current assets	6.1.3	1	
Write-off of other receivables	6.1.3	2	
ECLs on financial assets at amortised costs	6.1.3	(381)	141
Write-off of ESD loans	6.1.3	9	5
Movement in provisions	6.1.3	(2)	(3)
Net unrealised currency exchange differences	6.1.3	5	3
Fair value adjustments on financial instruments	6.1.3	(4)	(4)
Losses on disposal of intangible assets	6.1.3		16
Gain on disposal of subsidiary	8.3	(169)	
Share-based payment expense	6.1.3	87	108
Amortisation of transaction costs prepaid		5	4
Cash generated by operations before working capital movements		3 743	4 610
Working capital movements			
Decrease in inventories		7	1
Increase in trade and other receivables		(14)	(100)
Increase in treasury facilities with subsidiaries at amortised cost (receivable)		(33)	(18)
Increase in trade and other payables		75	55
Increase/(decrease) in non-interest bearing loans from subsidiaries		2	(3)
Increase in treasury facilities with subsidiaries at amortised cost (payable)		7 235	4 786
Utilisation of provisions	13.3	(1)	(2)
Cash generated by operations		11 014	9 329

7 Taxation

61 7.1 Accounting policies relating to taxation
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7.1 Accounting policies relating to taxation

7.1.1 Income tax expense

Income tax expense or benefit comprises the sum of current and deferred tax.

The current tax payable or receivable is based on taxable profit for the year. Taxable profit or loss differs from profit or loss as reported in the statement of comprehensive income as it excludes items of income or expense that are taxable or deductible in other years in the determination of taxable profit or loss (temporary differences). It further excludes items that are never taxable nor deductible (non-temporary differences). The group's liability for tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

7.1.2 Deferred tax

Deferred tax is provided using the balance sheet method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for tax purposes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated using tax rates that have been substantively enacted at the reporting date. The effect on deferred tax of any changes in taxation rates is charged to the statement of comprehensive income, except to the extent that it relates to items previously charged directly to equity.

Deferred tax assets and liabilities are set off when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends and has the ability to settle its current tax assets and liabilities on a net basis.

7.1.3 International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12 *Income Taxes*)

The group is within the scope of the Organisation for Economic Co-operation Development (OECD) Pillar Two Model Rules being a multi-national enterprise with consolidated revenue in excess of €750 million. These rules became effective on 1 January 2024. The group has determined that the global minimum top-up tax (GMTT), which is required to be paid under the Global minimum tax (GMT) legislation in terms of the Pillar Two Model Rules, is an income tax in the scope of IAS 12. The group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred as provided for in the amendments to IAS 12, issued in May 2023. Under GMT legislation, the group will be liable to pay a top-up tax for the difference between its Global Anti-Base Erosion (GloBE) effective tax rate per jurisdiction and the 15% minimum rate.

7.2 Significant judgements and assumptions made by management in applying the related accounting policies

Deferred tax assets are recognised only to the extent that it is probable that the deductible temporary differences can be realised from the utilisation of future taxable profits or to the extent of expected probable future transactions which may result in capital gains. This requires management to make assumptions, on a subsidiary-by-subsidiary level, of future taxable profits or expected capital gains in determining the deferred tax asset to be raised.

7.3 Income tax expense

	Group		Company	
For the year ended 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
South African normal tax				
Current	(2 026)	(2 445)	(75)	(15)
– Current year	(2 050)	(2 461)	(92)	(40)
– Prior year	24	16	17	25
Deferred	(312)	109	(19)	6
– Current year	(312)	119	(36)	5
– Prior year		(10)	17	1
Foreign normal tax				
Current	(25)	(32)		
– Current year	(25)	(32)		
Global minimum top-up tax	(5)	(8)		
Dividend withholding tax	(22)	(1)		
Resident	(22)	(1)		
Total income tax expense through profit or loss	(2 390)	(2 377)	(94)	(9)

7.4 Reconciliation of tax rates

For the year ended 31 December	Group 2025 %	Group 2024 %	Company 2025 %	Company 2024 %
Tax as a percentage of profit before tax	19.5	19.1	0.5	0.1
Tax effect of:				
– ECLs on financial assets at amortised cost[1]	(0.2)	(0.2)		(0.4)
– Expenses not deductible for tax purposes[2]	(1.9)	(1.5)	(0.1)	(0.1)
– Other deductible tax adjustments[3]	0.2	0.6		0.1
– Exempt income[4]	0.1	0.1	26.5	27.0
– Post-tax equity-accounted income	9.9	9.3		
– Prior year tax adjustments[5]	0.2	(0.1)	0.1	0.3
– Deferred tax assets not recognised	(0.4)	(0.2)		
– Re-instatement of deferred tax assets previously not recognised		0.3		
– Remeasurements of foreign normal tax	0.3	0.3		
– Dividend withholding tax	(0.2)			
– Global minimum top-up tax		(0.1)		
– Imputed income from controlled foreign companies and investments	(0.5)	(0.6)		
Standard tax rate	27.0	27.0	27.0	27.0
Effective tax rate, excluding income from equity-accounted investments	30.8	29.1		

[1] *Relates to ECLs on loans which do not qualify for doubtful debt allowances (section 11(j)).*

[2] *Expenses not deductible for tax purposes:*	*(1.9)*	*(1.5)*	*(0.1)*	*(0.1)*
– Consulting, legal and other professional fees	*(0.9)*	*(0.1)*	*(0.1)*	*(0.1)*
– Penalties and interest on taxes		*(0.2)*		
– Distribution to beneficiaries of Exxaro ESOP Trust and expenditure incurred by Exxaro Aga Setshaba NPC (tax exempt institutions)	*(0.4)*	*(0.5)*		
– Expenses incurred relating to non-trading entities	*(0.2)*	*(0.3)*		
– Other	*(0.4)*	*(0.4)*		
[3] *Other deductible tax adjustments:*	*0.2*	*0.6*		*0.1*
– Share-based payments		*0.3*		*0.2*
– Foreign tax credit	*0.2*	*0.3*		
– Other				*(0.1)*

[4] *Group: mainly relates to income of tax exempt companies. Company: mainly relates to dividend income received.*

[5] *Prior-year tax adjustments relate mostly to the recognition of a deferred tax asset on capital losses not recognised in the prior year. The deferred tax asset was utilised in the current year against the capital gain realised on the disposal of FerroAlloys.*

7.5 Deferred tax

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
The movements on deferred tax are as follows:				
At beginning of the year	(8 729)	(8 797)	154	180
Items charged to profit or loss	(312)	109	(19)	6
– Current year	(312)	119	(36)	5
– Prior year		(10)	17	1
Items charged directly to equity	27	(53)	22	(32)
– Share-based payments movement	43	(49)	22	(32)
– Cash flow hedges	(7)	(3)		
– Cost of hedging	(9)	(1)		
Items charged directly to other comprehensive income	118	12		
– Cash flow hedges	96	14		
– Cost of hedging	12	2		
– Financial assets at FVOCI	10	(2)		
– Retirement employee obligations		(2)		
Disposal of subsidiary	(17)			
At end of the year	(8 913)	(8 729)	157	154
Deferred tax asset	388	197	157	154
Deferred tax liability	(9 301)	(8 926)		

7.5 Deferred tax continued

	At 31 December 2024		
	Assets Rm	Liabilities Rm	Total net liability Rm
Property, plant and equipment	(3)	(9 319)	(9 322)
Customer contracts		(515)	(515)
Right-of-use assets	(55)	(19)	(74)
Share-based payments	72	62	134
Other accruals and provisions	47	25	72
Bad debt reassessment		25	25
Restoration provisions	14	638	652
Decommissioning provisions	1	95	96
Leave pay accrual	9	65	74
Retention payables	1	24	25
Prepayments	(2)	(64)	(66)
Environmental rehabilitation funds	(11)	(727)	(738)
Income received in advance		18	18
Inventories	2	42	44
Lease receivables		(8)	(8)
Local tax losses carried forward	88	743	831
Revaluation of financial assets at FVOCI		(106)	(106)
Retirement employee obligations		49	49
Deferred tax assets not recognised or derecognised	(77)	(64)	(141)
Unclaimed donations		3	3
Lease liabilities	95	21	116
Cash flow hedge reserves	9	24	33
Cost of hedging reserve	4		4
Contributions to Exxaro ESOP Trust	3	64	67
Portfolio investments		(2)	(2)
Other future receivables (tax base)			
Total	197	(8 926)	(8 729)

	Group						
	Movement during the year				At 31 December 2025		
	Recognised in profit or loss Rm	Disposal of subsidiary Rm	Recognised in OCI Rm	Recognised directly in equity Rm	Assets Rm	Liabilities Rm	Total net liability Rm
Property, plant and equipment	99	(1)			25	(9 249)	(9 224)
Customer contracts	45					(470)	(470)
Right-of-use assets	(99)	3			(151)	(19)	(170)
Share-based payments	(3)			43	91	83	174
Other accruals and provisions	(57)				64	(49)	15
Bad debt reassessment	(4)					21	21
Restoration provisions	119				15	756	771
Decommissioning provisions	(3)	(1)				92	92
Leave pay accrual	7	(1)			9	71	80
Retention payables	10				1	34	35
Prepayments	(1)				(2)	(65)	(67)
Environmental rehabilitation funds	(110)				(12)	(836)	(848)
Income received in advance	(9)					9	9
Inventories	(103)					(59)	(59)
Lease receivables	3					(5)	(5)
Local tax losses carried forward	(10)	(13)			187	621	808
Revaluation of financial assets at FVOCI			10			(96)	(96)
Retirement employee obligations	2					51	51
Deferred tax assets not recognised or derecognised	(40)				(116)	(65)	(181)
Unclaimed donations	(3)						
Lease liabilities	98	(4)			188	22	210
Cash flow hedge reserves	(11)		96	(7)	87	24	111
Cost of hedging reserve			12	(9)	7		7
Contributions to Exxaro ESOP Trust	(14)				2	51	53
Portfolio investments	(5)				(7)		(7)
Other future receivables (tax base)	(223)					(223)	(223)
Total	(312)	(17)	118	27	388	(9 301)	(8 913)

7.5 Deferred tax continued

	Company			
	At 31 December 2024	Movement during the year		At 31 December 2025
	Total asset Rm	Recognised in profit or loss Rm	Recognised directly in equity Rm	Total asset[1] Rm
Property, plant and equipment	(6)	(21)		(27)
Right-of-use assets	(55)	(93)		(148)
Share-based payments	72	(3)	22	91
Other accruals and provisions	37	8		45
Bad debt reassessment	1	(1)		
Restoration provisions	14	1		15
Leave pay accrual	8	1		9
Retention payables	1	(1)		
Environmental rehabilitation funds	(11)	(2)		(13)
Prepayments	(1)	(1)		(2)
Lease liabilities	92	93		185
Contributions to Exxaro ESOP Trust	2			2
Total	154	(19)	22	157

[1] *The deferred tax asset recognised for the company is supported by sufficient forecast profits to be utilised. The forecast profits are based on agreements in place with commodity businesses within Exxaro.*

Tax on calculated assessable losses

	Group	
At 31 December	2025 Rm	2024 Rm
Deferred tax assets not recognised, relating to:		
Local accumulated tax losses	(178)	(140)
Current year tax losses calculated	(38)	(30)

At 31 December 2025, Exxaro estimated that there would be no tax losses in Switzerland. Revenue tax losses of R395 million (AU$36 million) (2024: R420 million (AU$36 million)) and R3 153 million capital losses (AU$286 million) (2024: R3 345 million (AU$286 million)) are estimated to be available in Australia. Revenue tax losses of R2 993 million (2024: R3 078 million) are carried forward and are available for offset against any future taxable profits of the relevant companies in South Africa.

In total, as of 31 December 2025, deferred tax assets have been recognised of R808 million related to South Africa for tax losses carried forward, in the consolidated financial statements of the group at the applicable income tax rate of 27%. In addition, no deferred tax assets have been recognised in respect of R178 million in South Africa as it is not considered probable that there will be future taxable profits available. No deferred tax assets have been recognised or derecognised in the consolidated financial statements of the group relating to Australia or Switzerland.

7.6 Notes to the statements of cash flows relating to taxation

7.6.1 Tax paid

	Group		Company	
For the year ended 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Amounts (payable)/receivable at beginning of the year	(199)	(345)	15	(6)
Amounts charged to the statement of comprehensive income	(2 078)	(2 486)	(75)	(15)
Arising on translation of foreign operations	5	(4)		
Interest accrued paid/(not yet paid)		4		
Amounts (receivable)/payable at end of the year	(9)	199	(10)	(15)
Tax paid	(2 281)	(2 632)	(70)	(36)

7.7 Tax effect of other comprehensive income

	Group							
	2025				2024			
For the year ended 31 December	Gross Rm	Tax Rm	NCI Rm	Net Rm	Gross Rm	Tax Rm	NCI Rm	Net Rm
Unrealised exchange differences on translation of foreign operations	(81)		19	(62)	11		(3)	8
Changes in fair value of equity investments at FVOCI	(49)	10	9	(30)	8	(2)	(1)	5
Remeasurement of retirement employee obligations					8	(2)	(1)	5
Changes in fair value on cash flow hedges:	(381)	103	97	(181)	(27)	7	4	(16)
– Interest rate swaps	(303)	82	78	(143)	(26)	7	4	(15)
– FECs	(78)	21	19	(38)	(1)			(1)
Recycling of changes in fair value on cash flow hedges:	25	(7)	(4)	14	(26)	7	8	(11)
– Interest rate swaps	25	(7)	(4)	14	(26)	7	8	(11)
Changes in fair value on cost of hedging:	(45)	12	13	(20)	(7)	2	1	(4)
– FECs	(45)	12	13	(20)	(7)	2	1	(4)
Total before share of OCI of equity-accounted investments	(531)	118	134	(279)	(33)	12	8	(13)
Share of OCI of equity-accounted investments relating to:	(118)	(16)	31	(103)	(101)	23	18	(60)
– Unrealised exchange differences on translation of foreign operations	(178)		41	(137)	7		(2)	5
– Remeasurement of retirement employee obligations	(1)			(1)	3	(1)	(1)	1
– Cash flow hedge reserve movement	61	(16)	(10)	35	(111)	24	21	(66)
Total	(649)	102	165	(382)	(134)	35	26	(73)

8 Business environment and portfolio changes

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8.1 Accounting policies relating to business environment and portfolio changes

8.1.1 Impairment of non-current assets

The carrying amounts of non-current assets (or CGUs) are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indicator of impairment exists, the recoverable amount of the asset is estimated as the higher of the fair value less costs of disposal and the value in use.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the CGU to which the asset belongs. An impairment loss is recognised whenever the carrying amount of the CGU exceeds its recoverable amount.

A previously recognised impairment loss is reversed (or partially reversed) if there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognised in prior years. Assets previously impaired are reviewed for possible reversal of impairment at each reporting period.

Goodwill is tested annually for impairment (refer note 10.2.1 for related policy).

Impairment charges are presented on the face of the statement of comprehensive income:
- Within net operating profit when the impairment relates to non-current operating assets of the group
- Alongside share of income of equity accounted investments when the impairment relates to associates and joint ventures

8.2 Significant judgements and assumptions made by management in applying the related accounting policies

IAS 36 *Impairment of Assets* (IAS 36)

In applying IAS 36, impairment assessments are performed whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable. Management, in particular, have identified and track indicators such as the movement in group market capitalisation, volatility in exchange rates, commodity prices and the economic environment in which the businesses operate, to assess whether there is an indication of impairment.

Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases its cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted.

Judgements were required in the determination of key variables and future market conditions, particularly in relation to the parameters included in the following table:

Coal operations	2025	2024
Discount rate	14.30%	14.30%
Rand/US$ exchange rate	R17.40 to R18.00	R17.70 to R18.10
Coal API4 long-term price (per tonne)	US$98.00	US$98.00
Coal domestic selling price range (per tonne)	R900 to R1 400	R1 000 to R1 500

Management considered and assessed reasonably possible changes to the key assumptions and have not identified any instances that could cause the carrying amount of the coal operations to exceed its recoverable amount.

Refer note 10.2.2 for details of the impairment testing performed on the Cennergi CGU.

8.3 Disposal of subsidiary

On 31 October 2025, Exxaro successfully completed the disposal of its entire issued shareholding in FerroAlloys to a consortium consisting of EverSeed, the management of FerroAlloys, and employees of FerroAlloys through an employee share scheme, that is still to be established.

	Group		Company	
For the year ended 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Gain on disposal of subsidiary: FerroAlloys	32		169	

		FerroAlloys	
		Group	Company
For the year ended 31 December 2025	Note	Rm	Rm
Net cash consideration received		116	152
– Cash received		152	152
– Cash sold		(36)	
Total cash consideration receivable		98	98
– Deferred consideration receivable		53	53
– Vendor finance loan receivable		45	45
Total disposal consideration		214	250
Carrying amount of net assets sold		(182)	(81)
Non-current		(18)	(81)
– Property, plant and equipment	10.1.3	(6)	
– Right-of-use assets	11.3	(4)	
– Investments in subsidiaries			(81)
– Unrealised profits included in investments in associates	9.5	3	
– Deferred tax asset	7.5	(17)	
– Provisions	13.3	3	
– Lease liabilities	11.4	3	
Current		(164)	
– Inventories		(134)	
– Trade and other receivables		(59)	
– Other assets		(1)	
– Lease liabilities	11.4	2	
– Trade and other payables		19	
– Other liabilities		9	
Gain on disposal of subsidiary		32	169
Tax effect		(31)	(31)

8.4 Impairment charges of non-current assets

8.4.1 Impairment charges of investments in subsidiaries

		Company	
For the year ended 31 December	Note	2025 Rm	2024 Rm
Exxaro Holdings Proprietary Limited[1]		(41)	
Ferroland[2]		(317)	
Total impairment charges of investments in subsidiaries[3]	17.4	(358)	

[1] *On 31 December 2025, an impairment assessment was performed by comparing the carrying amount of the investment in Exxaro Holdings Proprietary Limited to its net asset value which management considers approximates the fair value less costs of disposal, representing the recoverable amount. This assessment resulted in the recognition of an impairment charge of R41 million following the fair value loss recognised on the Chifeng investment.*
[2] *On 31 December 2025, an impairment assessment was performed by comparing the carrying amount of the investment in Ferroland to its net asset value which management considers approximates the fair value less costs of disposal, representing the recoverable amount. This assessment resulted in the recognition of an impairment charge of R317 million following the loan capitalisation.*
[3] *Tax effect of nil.*

8.5 Acquisition of an asset – Karreebosch project

On 17 February 2025, Cennergi Holdings, a wholly owned subsidiary of Exxaro, in partnership with G7, reached financial close on the 140MW Karreebosch project. The Karreebosch project is located between the towns of Sutherland in the Northern Cape and Matjiesfontein in the Western Cape.

Karreebosch SPV has a 20-year power purchase agreement with Northam Platinum Limited. Cennergi Holdings acquired 80% of the share capital in Karreebosch SPV as well as 50% of the share capital in KAM. The total cost of the project is R4.7 billion which will in majority be funded with project financing from Nedbank, Absa Bank and Standard Bank with the financial structure set up to ensure long-term sustainability, as well as limited recourse to Exxaro's balance sheet.

As Karreebosch SPV and KAM were assessed not to be businesses, there was no business combination to account for in accordance with IFRS 3 *Business Combinations.*

The Karreebosch project was acquired for a cash consideration of R4 000.

The acquisition has been accounted for as an asset acquisition in accordance with the applicable IFRS Accounting Standards.

9 Associates and joint arrangements

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Chapter 9:
Associates and joint arrangements

9.1 Accounting policies relating to investments in associates and joint arrangements

Associates are those entities in which the group has significant influence, but not control nor joint control, over the financial and operating policies. Significant influence is presumed to exist when Exxaro holds between 20% and 50% of the voting rights of another entity, however, the determination of whether significant influence exists is also subject to the consideration of other facts and circumstances which are a matter of judgement.

Joint arrangements are arrangements in which the group has joint control, established by contracts requiring unanimous consent for decisions on the activities that significantly affect the arrangements' returns. Joint arrangements are classified and accounted for as follows:

- Joint operation: When the group has rights to the assets and obligations for the liabilities relating to an arrangement, each of its assets and liabilities, including its share of those held or incurred jointly, are proportionately accounted for in relation to the joint operation
- JV: When the group has rights only to the net assets of the arrangements, its interest is accounted for using the equity method, similar to the accounting treatment for associates

The company carries its investments in associates and JVs at cost less accumulated impairment losses.

For group, the initial cost of investments in associates and JVs is measured at the fair value at the date of acquisition.

For group, investments in associates and JVs are subsequently measured using the equity method and are recognised initially at cost less accumulated impairment losses. The cost of the investments includes transaction costs.

The group financial statements include Exxaro's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of Exxaro, from the date that significant influence commences until the date that it ceases.

The cumulative post-acquisition movements in profit or loss and OCI are adjusted against the carrying amount of the investment in the group financial statements.

The group's interest in associates and joint ventures is carried in the statement of financial position at an amount that reflects its share of the net assets and the goodwill on acquisition.

Unrealised gains from downstream transactions with equity-accounted investees are eliminated against the investment to the extent of Exxaro's interest in the investee. Unrealised gains from upstream transactions with equity-accounted investees are eliminated against related assets to the extent of Exxaro's interest in the investee.

9.2 Significant judgements and assumptions made by management in applying the related accounting policies

In applying IAS 28 *Investments in Associates*, management has assessed the level of influence that the group has and in particular have concluded that significant influence exists on its 10.26% (2024: 10.26%) effective interest in RBCT as a result of Exxaro's representation on the board of directors of RBCT.

In applying IFRS 11 *Joint Arrangements*, management assessed the level of influence that the group has on its investments in joint arrangements and consequently classified the investment in Mafube as a JV due to the fact that unanimous consent is required for board decisions.

9.3 Share of income from investments in associates and joint ventures

	Group	
For the year ended 31 December	2025 Rm	2024 Rm
Associates	4 422	4 036
SIOC	3 954	3 979
RBCT	(21)	(7)
Black Mountain	489	64
Joint ventures	66	234
Mafube	66	234
Share of income of equity-accounted investments	4 488	4 270

9.4 Investments in associates and joint arrangements

At 31 December	Nature of business[1]	Country of incorporation	Percentage holding 2025 %	Percentage holding 2024 %	Group 2025 Rm	Group 2024 Rm	Fair value[2] 2025 Rm	Fair value[2] 2024 Rm
Unlisted								
Associates					19 605	18 578		
SIOC[3]	M	RSA	20.62	20.62	14 845	14 329	24 439	22 712
RBCT	T	RSA	10.26	10.26	1 985	2 007		
Black Mountain[4]	M	RSA	26.00	26.00	2 775	2 242		
Insect Technology[5]	WC	UK	25.85	25.85				
LightApp[6]	EN	Israel	27.99	27.99				
GAM[7]	EN	RSA	22.00	22.00				
Joint ventures					1 987	2 018		
Mafube	M	RSA	50.00	50.00	1 987	2 018		
Total investments in associates and joint ventures					21 592	20 596		
Unincorporated joint operations								
Moranbah coal project	M	AUS	50.00	50.00				

1 *M — Mining, T — Export terminal, WC — Waste conversion, EN — Energy.*
2 *Fair value represents the directors' valuation at the reporting date.*
3 *The fair value of SIOC is determined by applying an adjusted equity valuation technique, based on the share price of Kumba Iron Ore Limited on 31 December 2025 of R351.06 per share (31 December 2024: R326.25 per share), adjusted for a liquidity discount rate of 20% (2024: 20%). The fair value of SIOC represents a Level 2 valuation, in terms of the fair value hierarchy. For company, the carrying value is less than R1 million.*
4 *Black Mountain's financial year end is 31 March and therefore not co-terminous with that of Exxaro. Financial information has been obtained from published information or management accounts as appropriate.*
5 *The investment in Insect Technology was fully impaired in 2020.*
6 *The investment in LightApp was fully impaired in 2022.*
7 *The investment in GAM was fully impaired in 2019.*

Security provided

In 2024, the shares in Black Mountain were provided as security for the project financing raised by Black Mountain.

Restrictions

There are no significant restrictions on the ability of associates or joint ventures to transfer funds to Exxaro in the form of cash dividends.

Risks

Refer note 10.1.4 for details with regard to capital commitments relating to associates and JVs.

Refer note 13.4 for details with regard to contingent liabilities relating to associates and JVs.

There are no loan commitments with associates and JVs for 2025 and 2024.

9.5 Movement analysis of investments in associates and joint ventures

		Group					
		Associates		Joint ventures		Total equity-accounted investments	
At 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Gross carrying amount							
At beginning of the year		19 193	18 971	2 018	1 922	21 211	20 893
Disposal of subsidiary[1]	8.3	3				3	
Net share of results		4 425	4 041	69	226	4 494	4 267
– Share of income	9.3	4 422	4 036	66	234	4 488	4 270
– Elimination of movement in unrealised profit		3	5	3	(8)	6	(3)
Dividends received[2]		(3 267)	(3 741)	(100)	(130)	(3 367)	(3 871)
Share of movement in reserves	7.7	(134)	(78)			(134)	(78)
At end of the year		20 220	19 193	1 987	2 018	22 207	21 211
Accumulated impairment							
At beginning of the year		(615)	(615)			(615)	(615)
At end of the year[3]		(615)	(615)			(615)	(615)
Net carrying amount at end of the year		19 605	18 578	1 987	2 018	21 592	20 596

[1] *Relates to unrealised profits that realised as part of the FerroAlloys disposal.*
[2] *Relates to: SIOC of R3 267 million (2024: R3 741 million) and Mafube of R100 million (2024: R130 million).*
[3] *Accumulated impairments relate to: GAM R58 million, Insect Technology R504 million and LightApp R53 million.*

9.6 Summarised financial information of associates and joint ventures

The summarised financial information set out below relates to the associates and JVs that are material to the group, and represents 100% of the entity's financial performance and position, as adjusted to reflect adjustments made by Exxaro when using the equity method.

	Associates			Joint venture
	SIOC Rm	RBCT Rm	Black Mountain Rm	Mafube Rm
Statements of comprehensive income				
For the year ended 31 December 2025				
Revenue	70 078	1 637	9 821	3 149
Operating expenses	(44 243)	(1 548)	(7 818)	(3 074)
Net operating profit	25 835	89	2 003	75
Finance income	710	11	507	158
Finance costs	(326)	(384)	(42)	(46)
Profit/(loss) before tax	26 219	(284)	2 468	187
Income tax (expense)/benefit	(7 043)	76	(588)	(49)
Profit/(loss) for the year	19 176	(208)	1 880	138
Other comprehensive (loss)/income	(866)		170	
Total comprehensive income/(loss) for the year	18 310	(208)	2 050	138
Dividends paid to Exxaro	3 267			100
Statements of financial position				
At 31 December 2025				
Non-current assets	72 480	22 535	20 717	4 195
Current assets	30 927	642	915	1 514
Total assets	103 407	23 177	21 632	5 709
Equity and liabilities				
Total equity	71 991	19 350	10 673	3 973
Non-current liabilities	19 265	2 642	7 910	1 257
Current liabilities	12 151	1 185	3 049	479
Total equity and liabilities	103 407	23 177	21 632	5 709
Included above in JVs:				
Cash and cash equivalents				836
Depreciation and amortisation				254

9.6 Summarised financial information of associates and joint ventures continued

	Associates			Joint venture
	SIOC Rm	RBCT Rm	Black Mountain Rm	Mafube Rm
Statements of comprehensive income				
For the year ended 31 December 2024				
Revenue	68 529	1 544	7 508	3 517
Operating expenses	(46 009)	(1 388)	(6 081)	(2 938)
Operating profit	22 520	156	1 427	579
Impairment reversal of non-current assets	3 940			
Net operating profit	26 460	156	1 427	579
Finance income	649		58	76
Finance costs	(457)	(258)	(871)	(31)
Profit/(loss) before tax	26 652	(102)	614	624
Income tax (expense)/benefit	(7 354)	26	(368)	(172)
Profit/(loss) for the year	19 298	(76)	246	452
Other comprehensive income/(loss)	33	7	(326)	
Total comprehensive income/(loss) for the year	19 331	(69)	(80)	452
Dividends paid to Exxaro	3 741			130
Statements of financial position				
At 31 December 2024				
Non-current assets	66 715	22 670	17 567	3 996
Current assets	31 764	660	306	1 459
Total assets	98 479	23 330	17 873	5 455
Equity and liabilities				
Total equity	69 525	19 558	8 623	4 035
Non-current liabilities	17 586	2 654	6 405	1 233
Current liabilities	11 368	1 118	2 845	187
Total equity and liabilities	98 479	23 330	17 873	5 455
Included above in JVs:				
Cash and cash equivalents				804
Depreciation and amortisation				237

9.7 Reconciliation of carrying amounts of investments in associates and joint ventures

Set out below is a reconciliation of the equity attributable to owners of the parent (closing net assets) in 9.6, to the corresponding carrying value of the equity-accounted investment.

	Group			
	Associates			Joint venture
	SIOC Rm	RBCT Rm	Black Mountain Rm	Mafube Rm
At 31 December 2025				
Closing net assets	71 991	19 350	10 673	3 973
Interest in equity-accounted investment (%)	20.62	10.26	26.00	50.00
Interest in equity-accounted investment	14 845	1 985	2 775	1 987
Carrying value	14 845	1 985	2 775	1 987
At 31 December 2024				
Closing net assets	69 525	19 558	8 623	4 035
Interest in equity-accounted investment (%)	20.62	10.26	26.00	50.00
Interest in equity-accounted investment	14 336	2 007	2 242	2 018
Unrealised profit in closing balances	(7)			
Carrying value	14 329	2 007	2 242	2 018

10 Assets

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10.1 Property, plant and equipment

10.1.1 Accounting policies relating to property, plant and equipment

Property, plant and equipment

Land and assets under construction are stated at cost and are not depreciated. Buildings, including certain non-mining residential buildings, and all other items of property, plant and equipment are reflected at cost less accumulated depreciation and accumulated impairment losses. The cherry trees qualify as bearer plants under the definition of IAS 41 *Agriculture* and are therefore accounted for under the requirements of IAS16 *Property, Plant and Equipment.* The cherry trees are classified as immature until the produce can be commercially harvested, at which point depreciation commences. Immature cherry trees are measured at accumulated cost.

Depreciation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.

Items of property, plant and equipment are capitalised in components where components have a different useful life to the main item of property, plant and equipment to which the component can be logically assigned.

An asset's residual value and useful life is reviewed, and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of items of property, plant and equipment are:

	Units of measure	Coal		Energy		Other	
		2025	2024	2025	2024	2025	2024
Mineral properties	Years	5 to 40	1 to 40				
Residential buildings	Years	5 to 40	5 to 40				
Buildings and infrastructure	Years	3 to 40	1 to 40	26.3 and 26.4	26.3 and 26.4	10 to 25	10 to 25
Machinery, plant and equipment	Years Hours ('000) Tonnes (Mt)	1 to 40 13 to 120 1 300	1 to 40 13 to 120 1 300	3 to 26.4	3 to 26.4	1 to 25	1 to 25
Site preparation and mining development	Years	2 to 20	2 to 20				
Bearer plants (mature)	Years					7	7

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or when no future economic benefits are expected from its use or disposal.

Exploration costs

Exploration and evaluation costs are expensed until management (as determined per project) concludes that future economic benefits (as determined per project) are more likely than not of being realised. In evaluating if expenditure meets the criteria to be capitalised, several sources of information depending on the level of exploration, are utilised. While the criteria for determining capitalisation is based on the probability of future economic benefits, the information that management uses to make that determination depends on the level of exploration.

Development costs

Development expenditure is accumulated separately for each area in which economically recoverable resources (as determined per project) have been identified. Such expenditure comprises costs directly attributable to the construction of an asset and the related infrastructure, including the cost of material, direct labour and an appropriate proportion of production overheads. Development costs are capitalised once approval for such development is obtained from management (as determined per project). On completion of development, all assets included in assets under construction are reclassified to the appropriate asset class of property, plant and equipment to which it relates.

10.1.2 Significant judgements and assumptions made by management in applying the related accounting policies

Depreciation and useful lives

The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect of the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned the residual value is estimated at nil. In determining the useful life of assets, management considers the expected usage of assets, expected physical wear and tear, legal or similar limits of assets such as mineral rights, as well as obsolescence.

Management makes estimates of Coal Resources and Coal Reserves in accordance with the SAMREC Code (2009) for South African properties and the Joint Ore Reserves Committee (JORC) Code (2012) for Australian properties. Such estimates relate to the category for the resource (measured, indicated or inferred), the quantum and the grade.

10.1 Property, plant and equipment continued

10.1.3 Property, plant and equipment composition and analysis

		Group								
At 31 December 2025	Note	Land Rm	Mineral properties Rm	Residential land and buildings Rm	Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Site preparation and mining development Rm	Bearer plants Rm	Assets under construction Rm	Total Rm
Gross carrying amount										
At beginning of the year		529	1 109	784	11 231	38 905	724	2	1 646	54 930
Additions				4	452	970			3 523	4 949
Changes in decommissioning assets	13.3				(20)	(12)			(1)	(33)
Disposal of subsidiary					(18)	(124)			(2)	(144)
Borrowing costs capitalised	12.1.2								273	273
Disposals					(9)	(1 004)	(19)			(1 032)
Transfer from equity reserves[1]									59	59
Transfer between classes				124	234	285			(643)	
Exchange differences on translation		(7)								(7)
At end of the year		522	1 109	912	11 870	39 020	705	2	4 855	58 995
Accumulated depreciation										
At beginning of the year			(703)	(292)	(2 928)	(13 160)	(434)	(1)		(17 518)
Charges for the year	6.1.3		(34)	(30)	(501)	(1 982)	(69)			(2 616)
Disposal of subsidiary					6	33				39
Disposals					9	762	17			788
At end of the year			(737)	(322)	(3 414)	(14 347)	(486)	(1)		(19 307)
Accumulated impairment										
At beginning of the year					(32)	(87)			(1)	(120)
Disposal of subsidiary					11	87			1	99
At end of the year					(21)					(21)
Net carrying amount at end of the year		522	372	590	8 435	24 673	219	1	4 855	39 667

[1] *Relates to hedging gains and losses and cost of hedging.*

10.1 Property, plant and equipment continued

10.1.3 Property, plant and equipment composition and analysis continued

		Group								
At 31 December 2024	Note	Land Rm	Mineral properties Rm	Residential land and buildings Rm	Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Site preparation and mining development Rm	Bearer plants Rm	Assets under construction Rm	Total Rm
Gross carrying amount										
At beginning of the year		537	1 109	784	10 666	37 558	724	2	1 353	52 733
Additions					400	1 294			778	2 472
Changes in decommissioning assets	13.3				17	24			2	43
Borrowing costs capitalised	12.1.2								81	81
Disposals					(2)	(406)				(408)
Transfer from equity reserves[1]									17	17
Transfer between classes					150	435			(585)	
Exchange differences on translation		(8)								(8)
At end of the year		529	1 109	784	11 231	38 905	724	2	1 646	54 930
Accumulated depreciation										
At beginning of the year			(670)	(266)	(2 484)	(11 612)	(354)	(1)		(15 387)
Charges for the year	6.1.3		(33)	(26)	(446)	(1 927)	(80)			(2 512)
Disposals					2	379				381
At end of the year			(703)	(292)	(2 928)	(13 160)	(434)	(1)		(17 518)
Accumulated impairment										
At beginning of the year					(32)	(87)			(1)	(120)
At end of the year					(32)	(87)			(1)	(120)
Net carrying amount at end of the year		529	406	492	8 271	25 658	290	1	1 645	37 292

[1] *Relates to hedging gains and losses and cost of hedging.*

10.1 Property, plant and equipment continued

10.1.3 Property, plant and equipment composition and analysis continued

At 31 December 2025	Note	Company: Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Assets under construction Rm	Total Rm
Gross carrying amount					
At beginning of the year		6	64	56	126
Additions			3	23	26
Disposals			(3)		(3)
At end of the year		6	64	79	149
Accumulated depreciation					
At beginning of the year			(32)		(32)
Charges for the year	6.1.3		(8)		(8)
Disposals			2		2
At end of the year			(38)		(38)
Net carrying amount at end of the year		6	26	79	111

At 31 December 2024	Note	Company: Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Assets under construction Rm	Total Rm
Gross carrying amount					
At beginning of the year		1	60	7	68
Additions			2	63	65
Disposals			(7)		(7)
Transfer between classes		5	9	(14)	
At end of the year		6	64	56	126
Accumulated depreciation					
At beginning of the year			(32)		(32)
Charges for the year	6.1.3		(6)		(6)
Disposals			6		6
At end of the year			(32)		(32)
Net carrying amount at end of the year		6	32	56	94

10.1.4 Capital commitments

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Contracted	3 264	3 416	3	29
Contracted for the group (owner-controlled)	2 132	1 690	3	29
Share of capital commitments of associates	1 070	1 531		
Share of capital commitments of joint ventures	62	195		
Authorised, but not contracted	4 675	2 055	401	328
Authorised, but not contracted (owner-controlled)	4 675	2 055	401	328

Capital expenditure will be financed from available cash resources, funds generated from operations and available borrowing capacity.

10.2 Intangible assets

10.2.1 Accounting policies relating to intangible assets

Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets.

Goodwill is carried at cost less accumulated impairment losses and is not subject to amortisation, but rather tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment.

For purposes of impairment testing, goodwill acquired in a business combination is allocated to each CGU, or group of CGUs, which is expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of the value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Patents, licences, software and customer contracts

Patents, licences, software and customer contracts are intangible assets with a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of the finite useful life assets from the date available for use. The amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate. The estimated useful lives of intangible assets with a finite useful life are:

	2025	2024
Customer contracts	16.3 and 16.4 years	16.3 and 16.4 years
Patents and licences	1 to 25 years	1 to 25 years
Software	3 to 10 years	3 to 10 years

Impairment testing is undertaken when circumstances indicate that the carrying amount may not be recoverable.

Intangible assets under development

Intangible assets under development are stated at cost and not amortised but tested annually for impairment. Development expenditure is accumulated separately for each project. Such expenditure comprises costs directly attributable to the development of an asset, including the cost of services, direct labour and an appropriate proportion of overheads. Development costs are capitalised once approval for such development is obtained from management (as determined per project). On completion of development, all assets included in assets under development are reclassified to the appropriate asset class to which it relates.

10.2.2 Significant judgements and assumptions made by management in applying the related accounting policies

Impairment testing of goodwill

In allocating goodwill, the Cennergi operating windfarms (Amakhala SPV and Tsitsikamma SPV) have been identified as a single CGU to which the goodwill of R521 million has been allocated.

The Cennergi operating windfarms CGU was assessed for impairment as at 31 December 2025 and 31 December 2024 as a result of the requirement to test goodwill annually for impairment. There were no indicators of impairment for the Cennergi operating windfarms CGU during the reporting period. No impairment charge was required as the recoverable amount, determined using fair value less costs of disposal, exceeded the carrying amount on 31 December 2025.

The recoverable amount was derived using a DCF model which is a Level 3 valuation technique in terms of the fair value hierarchy. The valuation has been performed in South African rand using the following information:

- Approved financial budgets and outlook covering a period up to five years
- Project financing models post the five-year outlook period up to the end of the contractual life of the power purchase agreements
- Extrapolated results for a further post contractual 10-year period, representing the expected additional economic life for which the wind farms are expected to operate

10.2 Intangible assets continued

10.2.2 Significant judgements and assumptions made by management in applying the related accounting policies continued

Impairment testing of goodwill continued

The key assumptions made by management (expressed in nominal terms) and management's approach to determining these key assumptions are summarised as follows:

Key assumptions	Management's approach used to determine the values	2025	2024
Discount rate	Determined applying a risk-free rate of return adjusted for risks inherent to the Cennergi operating windfarms CGU.	10.53%	10.53%
Remaining life	The wind farms are expected to have a further operating capability of an additional 10 years post the existing power purchase agreements in accordance with technical engineering assessments. In addition, given the expected growth in demand for energy in South Africa, coupled with limited supply of energy, and in particular the worldwide drive towards energy supply to be from renewable sources, it is considered that there is a market with value post the existing power purchase agreements.	21.4 years	22.4 years
Gigawatt generation	The Gigawatt generation assumption has been determined based on past experience, as well as environmental assessments of wind conditions and capability of the turbines.	668GWh to 725GWh	668GWh to 725GWh
Tariff escalation range	The tariff is based on CPI escalation during the power purchase agreement term which has been determined based on past experience and from economist projected outlooks of CPI. For the post 10-year period the tariff has been set at a reduced constant expected CPI.	3.25%	4.5%

Management considered and assessed reasonably possible changes to the key assumptions and have not identified any instances that could cause the carrying amount of the Cennergi CGU to exceed its recoverable amount.

10.2.3 Intangible assets composition and analysis

		Group					
At 31 December 2025	Note	Goodwill Rm	Customer Contracts Rm	Patents and licences Rm	Software Rm	Intangible assets under development Rm	Total Rm
Gross carrying amount							
At beginning of the year		521	2 685	41	857	29	4 133
Additions					6	214	220
Disposals					(80)		(80)
Transfer between classes				(20)	21	(1)	
At end of the year		521	2 685	21	804	242	4 273
Accumulated amortisation							
At beginning of the year			(779)	(35)	(721)		(1 535)
Disposals					80		80
Transfer between classes				19	(19)		
Charges for the year	6.1.3		(164)	(1)	(40)		(205)
At end of the year			(943)	(17)	(700)		(1 660)
Net carrying amount at end of the year		521	1 742	4	104	242	2 613

10.2 Intangible assets continued

10.2.3 Intangible assets composition and analysis continued

		Group					
At 31 December 2024	Note	Goodwill Rm	Customer Contracts Rm	Patents and licences Rm	Software Rm	Intangible assets under development Rm	Total Rm
Gross carrying amount							
At beginning of the year		521	2 685	41	930	19	4 196
Additions					5	22	27
Disposals					(90)		(90)
Transfer between classes					12	(12)	
At end of the year		521	2 685	41	857	29	4 133
Accumulated amortisation							
At beginning of the year			(615)	(34)	(757)		(1 406)
Disposals					74		74
Charges for the year	6.1.3		(164)	(1)	(38)		(203)
At end of the year			(779)	(35)	(721)		(1 535)
Net carrying amount at end of the year		521	1 906	6	136	29	2 598

		Company			
At 31 December 2025	Note	Patents and licences Rm	Software Rm	Intangible assets under development Rm	Total Rm
Gross carrying amount					
At beginning of the year		25	857	20	902
Additions			4	18	22
Disposals			(80)		(80)
Transfer between classes		(20)	21	(1)	
At end of the year		5	802	37	844
Accumulated amortisation					
At beginning of the year		(20)	(722)		(742)
Disposals			80		80
Transfer between classes		19	(19)		
Charges for the year	6.1.3	(1)	(39)		(40)
At end of the year		(2)	(700)		(702)
Net carrying amount at end of the year		3	102	37	142

		Company			
At 31 December 2024	Note	Patents and licences Rm	Software Rm	Intangible assets under development Rm	Total Rm
Gross carrying amount					
At beginning of the year		27	930	19	976
Additions			5	13	18
Disposals		(2)	(90)		(92)
Transfer between classes			12	(12)	
At end of the year		25	857	20	902
Accumulated amortisation					
At beginning of the year		(22)	(757)		(779)
Disposals		2	74		76
Charges for the year	6.1.3		(39)		(39)
At end of the year		(20)	(722)		(742)
Net carrying amount at end of the year		5	135	20	160

10.3 Financial assets

10.3.1 Accounting policies relating to financial assets

The accounting policy for financial assets is disclosed in note 16.1.

10.3.2 Financial assets composition

At 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current					
Financial assets at FVOCI		393	442		
Equity: unlisted – Chifeng[1]		393	442		
Financial assets at FVPL		4 340	4 557	46	42
Debt: unlisted – environmental rehabilitation funds		3 054	2 657	46	42
Debt: unlisted – portfolio investments		577	513		
Debt: unlisted – deposit facilities[2]		709	1 387		
Derivative financial assets designated as hedging instruments			1		
Cash flow hedge derivatives: interest rate swaps[3]			1		
Financial assets at amortised cost		282	266	4 638	2 648
ESD loans[4]		58	68	58	68
– Gross		88	131	88	131
– Impairment allowances		(30)	(63)	(30)	(63)
Vendor finance loan[5]		45	80	45	80
– Gross		45	81	45	81
– Impairment allowance			(1)		(1)
Interest-bearing loans to subsidiaries[6]	17.5			4 485	2 500
Other financial assets at amortised cost		179	118	50	
– Environmental rehabilitation funds		129	118		
– Deferred consideration receivable[7]		50		50	
Total non-current financial assets per statement of financial position	16.3	5 015	5 266	4 684	2 690
Current					
Financial assets at FVPL		1 166	2		
Derivative financial assets		18	2		
Debt: unlisted – deposit facilities[2]		1 148			
Financial assets at amortised cost		93	157	1 433	1 421
ESD loans[4]		82	83	82	83
– Gross		241	247	241	247
– Impairment allowances		(159)	(164)	(159)	(164)
Vendor finance loan[5]		1	62	1	62
– Gross		1	63	1	63
– Impairment allowance			(1)		(1)
Intervention receivable[8]		7	8		
Investment deposits[9]			4		4
Interest-bearing loans to subsidiaries[6]	17.5			429	502
Non-interest-bearing loans to subsidiaries[10]	17.5			918	701
– Gross				980	760
– Impairment allowances				(62)	(59)
Treasury facilities with subsidiaries[11]	17.5				69
– Gross				6	415
– Impairment allowances				(6)	(346)
Other financial assets at amortised cost		3		3	
– Deferred consideration receivable[12]		3		3	
– Employee receivables		2	4	2	4
– Impairment allowances		(2)	(4)	(2)	(4)
Total current financial assets per statement of financial position	16.3	1 259	159	1 433	1 421
Total financial assets per statement of financial position		6 274	5 425	6 117	4 111

1 *Exxaro holds an 8.81% (2024: 8.81%) shareholding in Chifeng.*
2 *Deposit or credit facilities that are contractual arrangements with insurance providers with an initial five-year term and are used to cover insurance claims over the term of the contracts. The balance on a facility is settled at the end of the term, net of fees, returns and claims incurred. Annual premiums are required to be placed in the facility over the term yielding returns on underlying fund portfolios. The first deposit facility term ends in 2026.*
3 *Relates to interest rate swaps designated in a hedging relationship to hedge interest rate risk exposure resulting from interest payments on the project financing. Refer note 16.3.3.2.3.2.*
4 *Interest-free loans advanced to successful applicants in terms of the Exxaro ESD programme.*
5 *The vendor finance loan granted to Overlooked Colliery Proprietary Limited as part of the disposal of the ECC operation was settled early in March 2025. On 31 October 2025 a vendor finance loan was granted to Everseed Proprietary Limited as part of the disposal transaction of FerroAlloys. The vendor finance loan is secured with second ranking security which is repayable within five years and bears interest at Prime Rate plus 3.5%.*
6 *Includes back-to-back loans as well as other interest-bearing loans. Refer note 17.5 for details of the terms and conditions.*
7 *A portion of the purchase price arising on the disposal transaction of FerroAlloys was deferred and is payable by Everseed Proprietary Limited as follows:*
– *R10 million is payable one business day which falls six months after the settlement of the Senior Debt Facility by Everseed Proprietary Limited, and*
– *R40 million is payable one business day which falls 18 months after the settlement of the Senior Debt Facility by Everseed Proprietary Limited.*
The deferred consideration receivable accrues interest one business day after the settlement of the Senior Debt Facility by Everseed Proprietary Limited at Prime Rate plus 4.5%.
8 *Relates to amounts advanced for funding of logistical projects.*
9 *Investment deposits with a term of three to 12 months.*
10 *These loans are interest-free, unsecured and repayable on demand.*
11 *Treasury facilities with subsidiaries have no repayments terms and are repayable on demand. Interest is charged at money market rates.*
12 *An additional R2.5 million relates to deferred consideration which is owing by Everseed Proprietary Limited on the disposal transaction of FerroAlloys which will be paid as soon as Everseed Proprietary Limited establishes an employee share option trust.*

10.3 Financial assets continued

10.3.3 Impairment allowances movement analysis

At 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
ESD loans					
Opening balance		(227)	(168)	(227)	(168)
– Performing		(1)	(2)	(1)	(2)
– Non-performing		(226)	(166)	(226)	(166)
Movement in impairment allowances		38	(59)	38	(59)
– Performing	6.1.3	(1)	1	(1)	1
– Non-performing	6.1.3	39	(60)	39	(60)
At end of the year		(189)	(227)	(189)	(227)
– Performing		(2)	(1)	(2)	(1)
– Non-performing		(187)	(226)	(187)	(226)
Vendor finance loan					
Opening balance		(2)	(1)	(2)	(1)
– Performing			(1)		(1)
– Under-performing		(2)		(2)	
Movement in impairment allowance		2	(1)	2	(1)
– Performing	6.1.3		1		1
– Under-performing	6.1.3	2	(2)	2	(2)
At end of the year			(2)		(2)
– Under-performing			(2)		(2)
Other financial assets at amortised cost					
Opening balance		(4)	(6)	(4)	(4)
– Performing			(2)		
– Non-performing		(4)	(4)	(4)	(4)
Movement in impairment allowances		2	2	2	
– Performing	6.1.3		2		
– Non-performing	6.1.3	2		2	
At end of the year		(2)	(4)	(2)	(4)
– Non-performing		(2)	(4)	(2)	(4)
Non-interest-bearing loans to subsidiaries					
Opening balance				(59)	(60)
– Performing				(6)	(7)
– Non-performing				(53)	(53)
Movement in impairment allowances				(3)	1
– Performing	6.1.3			(1)	1
– Non-performing	6.1.3			(2)	
At end of the year				(62)	(59)
– Performing				(7)	(6)
– Non-performing				(55)	(53)
Treasury facilities with subsidiaries					
Opening balance				(346)	(267)
– Non-performing				(346)	(267)
Movement in impairment allowances				340	(79)
– Non-performing	6.1.3			340	(79)
At end of the year				(6)	(346)
– Non-performing				(6)	(346)

10.4 Other assets

10.4.1 Other assets composition

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current				
Reimbursements[1]	533	443		
Biological assets	46	37		
Lease receivables[2]	6	18		
Other	61	71	2	1
Total non-current other assets	646	569	2	1
Current				
VAT	79	62	4	11
Diesel rebates	35	40		
Royalties		63		
Prepayments[3]	379	229	42	32
Lease receivables[2]	13	11		
Other	49	51		1
Total current other assets	555	456	46	44
Total other assets	1 201	1 025	48	45

[1] *Amounts recoverable from Eskom in respect of the rehabilitation, environmental expenditure and retirement employee obligations of the Matla operation.*
[2] *The lease relates to the upgrade of the Zeeland Water Treatment Works (in Lephalale, South Africa), of which Exxaro funds the capital for a period of 15 years. The municipality's share of the capital expenditure will be recovered through fixed monthly instalments over this period. The minimum lease instalments are payable monthly with no escalation and calculated at a rate of 14.3% (2024: 14.3%) per annum.*
[3] *Includes an amount of R235.97 million (2024: R83.70 million) which relates to advance payments for assets under construction. The increase for 31 December 2025 relates mainly to the Karreebosch project.*

11 Leases

90 11.1 Accounting policies relating to leases
91 11.2 Judgements and assumptions made by management in applying the related accounting policies
91 11.3 Right-of-use assets
92 11.4 Lease liabilities

11.1 Accounting policies relating to leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception, or upon reassessment, of a contract that contains a lease component, the consideration in the contract is allocated to each lease and non-lease component on the basis of their relative standalone prices.

An accounting policy choice was made not to apply IFRS 16 *Leases* to leases of intangible assets.

As lessee

a) Recognition

A lease is recognised as a lease liability and corresponding right-of-use asset at the commencement date of the lease. Each lease payment is allocated between the settlement of the lease liability and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis, except when there is a purchase option which is expected to be exercised, in which case it is depreciated over the asset's useful life.

Non-lease components, contained in a lease, are recognised as an expense in profit or loss when incurred.

b) Measurement

i) Initial measurement

Right-of-use assets	Lease liabilities
Measured at cost which is: • The amount of the initial measurement of the lease liability • Plus any lease payments made at or before the commencement date • Less any lease incentives received • Plus any initial direct costs • Plus estimated restoration costs	Measured at the present value of the following lease payments: • Fixed payments (including in-substance fixed payments), less any lease incentives receivable • Variable lease payments that are based on an index or a rate • Amounts expected to be payable by the lessee under residual value guarantees • The exercise price of a purchase option if the lessee is reasonably certain to exercise that option • Payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, an incremental borrowing rate is applied.

ii) Subsequent measurement

Right-of-use assets	Lease liabilities
The right-of-use asset is measured applying the cost model where a right-of-use asset falls within the scope of IAS 16 *Property, Plant and Equipment*. Measured at: • Cost less • Accumulated depreciation and accumulated impairment losses • Adjusted for any remeasurements or modifications of the lease liability	The lease liability is measured by: • Increasing the carrying amount to reflect interest on the lease liability • Reducing the carrying amount to reflect the lease payments made • Remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised in-substance fixed lease payments

Useful lives	2025	2024
Land and buildings	2 to 26.4 years	15 to 26.4 years
Buildings and infrastructure	4 to 15 years	1.5 to 10 years
Machinery, plant and equipment	2 to 5 years	2 to 5 years

Incremental borrowing rates	2025	2024
Lease term:		
Local	8.92% to 11.75%	10.25% to 11.75%
Foreign[1]		1.35%

[1] *Lease expired in 2024.*

c) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis, over the lease term, as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Leases of low-value assets comprise IT equipment, furniture, fittings and appliances as well as tools and other small equipment. Refer note 6.1.3.

11.2 Judgements and assumptions made by management in applying the related accounting policies

a) Incremental borrowing rates

In determining the incremental borrowing rates, management considers the term of the lease, the nature of the asset being leased and the funding strategy and principles applied by the group's corporate treasury department.

b) Extensions and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

In 2025, management reviewed the assessment of the lease term applied in the measurement of the conneXXion lease and considered it appropriate to include the five-year extension option in the lease term as negotiations are in progress that indicate circumstances are present which will lead to the group not terminating the lease. The inclusion of the five-year extension lease option, that is in the control of Exxaro, is therefore more representative of the expected term of occupation based on the existing contract. The lease measurement was accordingly modified and the discount rate revised to 8.92%.

11.3 Right-of-use assets

		Group			
At 31 December 2025	Note	Land and buildings Rm	Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Total Rm
Gross carrying amount					
At beginning of the year		80	527	2	609
Additions	11.4	11	1	1	13
Remeasurement adjustments[1]	11.4	2	401		403
Lease expiry			(2)	(1)	(3)
Disposal of subsidiary			(17)		(17)
At end of the year		93	910	2	1 005
Accumulated depreciation					
At beginning of the year		(10)	(316)	(2)	(328)
Charges for the year	6.1.3	(7)	(59)	(1)	(67)
Lease expiry			2	1	3
Disposal of subsidiary			13		13
At end of the year		(17)	(360)	(2)	(379)
Net carrying amount at end of the year		76	550		626

[1] *Relates mainly to the inclusion of a five-year lease extension option in the measurement of the conneXXion lease (refer note 11.2(b)) as well as remeasurements arising from changes in CPI.*

		Group			
At 31 December 2024	Note	Land and buildings Rm	Buildings and infra-structure Rm	Machinery, plant and equipment Rm	Total Rm
Gross carrying amount					
At beginning of the year		61	524	2	587
Additions			3		3
Remeasurement adjustments[1]	11.4	19	7		26
Lease expiry	11.4		(7)		(7)
At end of the year		80	527	2	609
Accumulated depreciation					
At beginning of the year		(8)	(270)	(1)	(279)
Charges for the year	6.1.3	(2)	(55)	(1)	(58)
Lease expiry			7		7
Lease modification	6.1.3		2		2
At end of the year		(10)	(316)	(2)	(328)
Net carrying amount at end of the year		70	211		281

[1] *Relates to remeasurements arising from changes in CPI, as well as lease terms.*

11.3 Right-of-use assets continued

At 31 December 2025	Note	Company: Buildings and infrastructure Rm	Company: Total Rm
Gross carrying amount			
At beginning of the year		508	508
Remeasurement adjustments[1]	11.4	399	399
At end of the year		907	907
Accumulated depreciation			
At beginning of the year		(305)	(305)
Charges for the year	6.1.3	(56)	(56)
At end of the year		(361)	(361)
Net carrying amount at end of the year		546	546

[1] *Relates mainly to the inclusion of a five-year lease extension option in the measurement of the conneXXion lease (refer note 11.2(b)).*

At 31 December 2024	Note	Company: Buildings and infrastructure Rm	Company: Total Rm
Gross carrying amount			
At beginning of the year		502	502
Remeasurement adjustments[1]	11.4	6	6
At end of the year		508	508
Accumulated depreciation			
At beginning of the year		(253)	(253)
Charges for the year	6.1.3	(52)	(52)
At end of the year		(305)	(305)
Net carrying amount at end of the year		203	203

[1] *Relates to remeasurements arising from changes in CPI, as well as lease terms.*

11.4 Lease liabilities

At 31 December	Group: 2025 Rm	Group: 2024 Rm	Company: 2025 Rm	Company: 2024 Rm
Non-current	675	334	593	256
Current	104	96	92	86
Total lease liabilities	779	430	685	342

[1] *Refer note 16.3.3.3 for details of the undiscounted contractual cash flow maturities.*

At 31 December	Note	Group: 2025 Rm	Group: 2024 Rm	Company: 2025 Rm	Company: 2024 Rm
Analysis of movement in lease liabilities					
At beginning of the year		430	451	342	383
New leases	11.3	13	3		
Lease remeasurement adjustments[1]	11.3	403	26	399	6
Disposal of subsidiary		(5)			
Capital repayments		(62)	(50)	(56)	(47)
– Lease payments		(104)	(96)	(88)	(85)
– Interest charges	12.1.2	42	46	32	38
At end of the year		779	430	685	342

[1] *Relates mainly to the inclusion of a five-year lease extension option in the measurement of the conneXXion lease (refer note 11.2(b)). The revised interest rate for the remaining term is 8.92%.*

12 Funding

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12.1 Debt

12.1.1 Accounting policies relating to net financing costs and interest-bearing borrowings

Borrowing costs, finance income and other financing expenses

Fees paid on the establishment of loan facilities are capitalised to the loan as transaction costs to the extent that it is directly related to the establishment of the loan facility. These fees are deferred until the draw down occurs upon which it is amortised over the loan term using the effective interest rate method. To the extent that it is not probable that some or all of the facility will be drawn down (ie such as the revolving credit facility), the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

Fees and commission

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or financial liability are included in the measurement of the effective interest rate. Other fees and commission expenses relate mainly to transaction and service fees and are expensed as the services are rendered.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

12.1.2 Net financing income/(costs)

		Group		Company	
For the year ended 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Finance income		1 739	1 786	1 449	1 502
Interest income relating to		1 750	1 796	1 449	1 502
– Financial assets at amortised cost		18	33	5	19
– Cash and cash equivalents		1 659	1 699	1 444	1 483
– Financial assets at FVPL		58	57		
– Non-financial assets		11	2		
– Finance leases		4	5		
Reimbursement of interest income on environmental rehabilitation funds		(11)	(10)		
Finance costs		(1 124)	(1 216)	(1 279)	(1 633)
Interest expense relating to		(1 019)	(1 042)	(1 269)	(1 624)
– Interest-bearing borrowings	12.1.3	(975)	(974)	(278)	(374)
– Financial liabilities at amortised cost			(1)		
– Non-financial liabilities		(2)	(21)		
– Treasury facilities payable	17.3.2			(959)	(1 212)
– Lease liabilities	11.4	(42)	(46)	(32)	(38)
Net fair value (losses)/gains on interest rate swaps designated as cash flow hedges recycled from OCI		(25)	26		
– Realised fair value loss		(75)	(35)		
– Unrealised fair value gain		50	61		
Unwinding of discount rate on rehabilitation costs	13.3	(383)	(304)	(5)	(5)
Recovery of unwinding of discount rate on rehabilitation costs		37	28		
Amortisation of transaction costs	12.1.3	(7)	(5)	(5)	(4)
Borrowing costs capitalised[1]	10.1.3	273	81		
Total net financing income/(costs)		615	570	170	(131)

[1] *Relates to specific borrowings utilised by LSP and Karreebosch which are in the construction phase.*

12.1 Debt continued

12.1.3 Interest-bearing borrowings

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current[1]	11 259	7 344	4 083	2 499
Loan facility[2]	4 083	2 499	4 083	2 499
Project financing[3]	7 176	4 845		
Current[4]	938	876	423	498
Loan facility	423	498	423	498
Project financing[3]	515	378		
Total interest-bearing borrowings	12 197	8 220	4 506	2 997
Summary of interest-bearing borrowings by period of redemption[5]:				
Less than six months	499	468	226	275
Six to 12 months	439	408	197	223
Between one and two years	954	2 951	395	2 499
Between two and three years	1 080	561	395	
Between three and four years	1 207	687	396	
Between four and five years	3 844	813	2 897	
More than five years	4 174	2 332		
Total interest-bearing borrowings	12 197	8 220	4 506	2 997
[1] *The non-current portion represents:*	*11 259*	*7 344*	*4 083*	*2 499*
– Capital	*11 317*	*7 356*	*4 100*	*2 500*
– Reduced by transaction costs	*(58)*	*(12)*	*(17)*	*(1)*
[2] *The 2021 loan facility was refinanced on 28 November 2025. The 2021 loan facility was settled with available cash and the new loan facility was drawn down on 4 December 2025.*				
[3] *Interest-bearing borrowings relating to the energy operations and projects in construction. On 17 February 2025 financial close was achieved on Karreebosch SPV.*				
[4] *The current portion represents:*	*938*	*876*	*423*	*498*
– Capital	*857*	*827*	*400*	*450*
– Interest capitalised	*90*	*54*	*29*	*52*
– Reduced by transaction costs	*(9)*	*(5)*	*(6)*	*(4)*
[5] *Refer note 16.3.3.3 for details of the undiscounted contractual cash flow maturities.*				

At 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Analysis of movement in interest-bearing borrowings					
At beginning of the year		8 220	8 923	2 997	4 098
Interest-bearing borrowings raised		7 365	705	4 500	
Interest-bearing borrowings repaid		(3 375)	(1 397)	(2 950)	(1 093)
Interest expense	12.1.2	975	974	278	374
Interest paid		(938)	(990)	(301)	(386)
Capitalisation of transaction costs		(57)		(23)	
Amortisation of transaction costs	12.1.2	7	5	5	4
At end of the year		12 197	8 220	4 506	2 997

12.1 Debt continued

12.1.4 Salient terms and conditions of interest-bearing borrowings

Borrower	Instrument	Security	Interest payment basis	Debt assumed date	Maturity date
Loan facility					
Exxaro[1]	Bullet term loan facility	Unsecured	Floating	28 Nov 2025	28 Nov 2030
				26 Apr 2021	26 Apr 2026
	Amortised term loan facility	Unsecured	Floating	28 Nov 2025	28 Nov 2030
				26 Apr 2021	26 Apr 2026
	Revolving credit facility	Unsecured	Floating	28 Nov 2025	28 Nov 2030
				26 Apr 2021	26 Apr 2026
Project financing					
Amakhala SPV	Term loan and reserve facility	Secured[2]	Floating	01 Apr 2020	30 Jun 2031
	Term loan facility	Secured[2]	Fixed[3]	01 Apr 2020	30 Jun 2031
Tsitsikamma SPV	Term loan and reserve facility	Secured[2]	Floating	01 Apr 2020	31 Dec 2030
LSP SPV	Term loan and reserve facility	Secured[2]	Floating	11 Jul 2023	31 Dec 2042
	Revolving credit facility[4]	Secured[2]	Floating	11 Jul 2023	30 Jun 2026
Karreebosch SPV	Term loan, reserve and working capital facility	Secured[2]	Floating	17 Feb 2025	28 Feb 20246

[1] *The JIBAR interest rate will be replaced with ZARONIA on the applicable rate change date as agreed between the parties.*
[2] *Security held over the assets and share capital of Tsitsikamma SPV, Amakhala SPV, LSP SPV and Karreebosch SPV respectively.*
[3] *The facility will become a floating rate facility from 30 June 2026.*
[4] *Reflects expected date to achieve COD.*

Financial covenants

Loan facility

There were no defaults or breaches in terms of the loan facility during the reporting periods.

The following financial covenants in terms of the loan facility, must be complied with:

2025 loan facility

- Ratio of Consolidated EBITDA[1] to net interest expense of the group for any measurement period shall not be less than 4:1
- Ratio of Consolidated Net Debt[1] to Consolidated EBITDA of the group for any measurement period shall be less than 3:1

2021 loan facility

- Ratio of Consolidated Net Debt[1] to equity of the group for any measurement period shall be less than 0.8:1
- Ratio of Consolidated EBITDA[1] (excluding project financing as well as non-cash BEE credential costs) to net interest expense of the group for any measurement period shall not be less than 4:1
- Ratio of consolidated Net Debt[1] to consolidated EBITDA (excluding project financing and non-cash BEE credential costs, including dividends received from equity-accounted investments) of the group for any measurement period shall be less than 3:1

[1] *As defined in the relevant agreements.*

		Carrying value (Rm)	Undrawn portion (Rm)	Interest rate		Effective rate for transaction costs
				Base rate	Margin	
Loan facility						
Exxaro[1]	2025	2 503	nil	3-month JIBAR	210 basis points (2.10%)	0.10%
	2024	2 540	nil	3-month JIBAR	240 basis points (2.40%)	0.11%
	2025	2 003	nil	3-month JIBAR	195 basis points (1.95%)	0.19%
	2024	457	nil	3-month JIBAR	230 basis points (2.30%)	0.06%
	2025	nil	5 500	1-month JIBAR	230 basis points (2.30%)	N/A
	2024	nil	3 250	1-month JIBAR	265 basis points (2.65%)	N/A
Project financing						
Amakhala SPV	2025	2 175	273	3-month JIBAR	367 to 681 basis points (3.67% to 6.81%)	N/A
	2024	2 360	273	3-month JIBAR	371 to 681 basis points (3.71% to 6.81%)	N/A
	2025	118	nil	9.46% up to 30 Jun 2026, thereafter 3-month JIBAR	360 to 670 basis points (3.60% to 6.70%)	N/A
	2024	127	nil	9.46% up to 30 Jun 2026, thereafter 3-month JIBAR	360 to 670 basis points (3.60% to 6.70%)	N/A
Tsitsikamma SPV	2025	1 431	148	3-month JIBAR	273 basis points (2.73%)	N/A
	2024	1 586	148	3-month JIBAR	276 basis points (2.76%)	N/A
LSP SPV	2025	1 217	108	3-month JIBAR	250 to 360 basis points (2.50% to 3.60%)	0.01% were applicable
	2024	1 122	145	3-month JIBAR	250 to 360 basis points (2.50% to 3.60%)	0.01% were applicable
	2025	5	45	3-month JIBAR	180 basis points (1.80%)	N/A
	2024	28	21	3-month JIBAR	180 basis points (1.80%)	N/A
Karreebosch SPV	2025	2 745	1 561	3-month JIBAR	180 to 300 basis points (1.80% to 3.00%)	0.01% were applicable

Project financing

There were no financial covenants defaults or breaches in terms of the project financing during the reporting periods.

The financial covenants in terms of the project financing are the following:

Tsitsikamma SPV

- Historic debt service cover ratio[1] for the calculation period ending on a calculation date is not less than 1.10:1
- Minimum annual forecast debt service cover ratio for the next calculation period is not less than 1.10:1
- Loan life cover ratio[1] is not less than 1.15:1
- Project life cover ratio[1] is not less than 1.25:1

[1] *As defined in the relevant agreements.*

Amakhala SPV

- Projected senior debt service cover ratio[1] for the immediately following measurement period is not less than 1.10:1
- Historic senior debt service cover ratio[1] for the immediately preceding measurement period is not less than 1.10:1
- Senior loan life cover ratio[1], as at each measurement date, is not less than 1.15:1
- Senior project life cover ratio[1], as at each measurement date, is not less than 1.30:1
- Projected total debt service cover ratio[1] for the immediately following measurement period is not less than 1.05:1
- Historic total debt service cover ratio[1] for the immediately preceding measurement period is not less than 1.05:1
- Total loan life cover ratio[1], as at each measurement date, is not less than 1.10:1
- Total project life cover ratio[1], as at each measurement date, is not less than 1.20:1

[1] *As defined in the relevant agreements.*

LSP SPV

There are no financial covenants to be reported on at 31 December 2025 and 31 December 2024 as LSP SPV is in the construction phase. Financial covenants will become effective from COD.

Karreebosch SPV

There are no financial covenants to be reported on at 31 December 2025 as Karreebosch SPV is in the construction phase. Financial covenants will become effective from COD.

12.1 Debt continued

12.1.5 Net cash

At 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Net cash is presented by the following items on the statement of financial position:					
Non-current interest-bearing debt		(11 934)	(7 678)	(4 676)	(2 755)
Interest-bearing borrowings	12.1.2	(11 259)	(7 344)	(4 083)	(2 499)
Lease liabilities	11.4	(675)	(334)	(593)	(256)
Current interest-bearing debt		(1 042)	(972)	(515)	(584)
Interest-bearing borrowings	12.1.2	(938)	(876)	(423)	(498)
Lease liabilities	11.4	(104)	(96)	(92)	(86)
Cash and cash equivalents		23 690	20 630	20 500	17 300
Cash and cash equivalents	6.2.5	23 690	20 630	20 500	17 300
Total net cash		10 714	11 980	15 309	13 961

12.1.6 Notes to the statements of cash flows relating to net financing costs received/(paid)

For the year ended 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Interest received		1 680	1 720	1 454	1 502
Finance income	12.1.2	1 739	1 786	1 449	1 502
Non-cash flow items					
– Interest income accrued not yet received		(66)	(71)	5	
– Reimbursement of interest income on environmental rehabilitation funds	12.1.2	11	10		
– Finance lease interest income adjustment	12.1.2	(4)	(5)		
Interest paid		(1 059)	(1 095)	(1 292)	(1 637)
Finance costs	12.1.2	(1 124)	(1 216)	(1 279)	(1 633)
Non-cash flow items					
– Unwinding of discount rate on rehabilitation costs	12.1.2	383	304	5	5
– Recovery of unwinding of discount rate on rehabilitation costs	12.1.2	(37)	(28)		
– Amortisation of transaction costs	12.1.2	7	5	5	4
– Borrowing costs capitalised	12.1.2	(273)	(81)		
– Unrealised fair value gain on interest rate swaps designated as cash flow hedges recycled from OCI	12.1.2	(50)	(61)		
– Interest expense accrued not yet paid		35	(18)	(23)	(13)
Net financing costs received/(paid)		621	625	162	(135)

12.1 Debt continued

12.1.7 Financial liabilities composition

At 31 December	Note	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current					
Derivative financial liabilities designated as hedging instruments		398	129		
– Cash flow hedge derivatives: interest rate swaps[1]		342	129		
– Cash flow hedge derivatives: FECs[2]		56			
Total non-current financial liabilities per statement of financial position	16.3	398	129		
Current					
Financial liabilities at FVPL			22		
– Derivative financial liabilities			22		
Derivative financial liabilities designated as hedging instruments		22			
– Cash flow hedge derivatives: interest rate swaps[1]		22			
Financial liabilities at amortised cost				5 639	15 028
– Non-interest-bearing loans from subsidiaries[3]	17.5			94	92
– Treasury facilities with subsidiaries[4]	17.5			5 545	14 936
Total current financial liabilities per statement of financial position	16.3	22	22	5 639	15 028
Total financial liabilities per statement of financial position		420	151	5 639	15 028

[1] *Relates to interest rate swaps designated in a hedging relationship to hedge interest rate risk exposure resulting from interest payments on the project financing. Refer note 16.3.3.2.3.2.*
[2] *Relates to FECs designated in a hedging relationship to hedge foreign exchange risk exposure on the purchase of foreign denominated capital purchases for the Karreebosch project funded by ZAR denominated project financing. Refer note 16.3.3.2.2.*
[3] *Loans granted by subsidiary companies which are interest-free, unsecured and repayable on demand.*
[4] *Treasury facilities with subsidiary companies have no repayments terms and are repayable on demand. Interest is charged at money market rates.*

12.1.8 Other liabilities composition

At 31 December	Group 2025 Rm	Group 2024 Rm	Company 2025 Rm	Company 2024 Rm
Non-current				
Long-term incentives	17	13		
Income received in advance	22	25		
Total non-current other liabilities	39	38		
Current				
Leave pay	300	274	33	29
Bonuses	436	380	165	134
VAT	103	171		
Royalties	22			
Carbon tax	4	3		
Customer advance payments	11	38		
Other	136	108	19	16
Total current other liabilities	1 012	974	217	179
Total other liabilities	1 051	1 012	217	179

12.2 Equity

12.2.1 Accounting policy relating to share capital

Where any company within the Exxaro group of companies purchase Exxaro shares (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the group's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental costs and the related income tax effects, is included in equity attributable to the group's equity holders.

The shares are listed on the JSE, with one vote per share, and shareholders are entitled to dividends declared from time to time.

12.2.2 Share capital

	Group		Company	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Authorised				
500 000 000 (2024: 500 000 000) ordinary shares of R0.01 each[1]	5	5	5	5
Issued and fully paid				
341 913 674 (2024: 349 305 092) ordinary shares of R0.01 each	3	3	3	3
Share premium	11 193	11 224	11 193	11 224
Treasury shares held by Eyesizwe	(10 242)	(10 242)		
Treasury shares held by Kumba Resources Management Share Trust	(2)	(2)		
Total share capital	952	983	11 196	11 227
[1] *Authorised unissued ordinary shares at year-end (number of shares):*			*158 086 326*	*150 694 908*

	Company	
	Number of shares	
At 31 December	2025	2024
Issued ordinary shares		
Issued ordinary shares at beginning of the year	349 305 092	349 305 092
Shares repurchased and cancelled during the year	(7 391 418)	
Issued ordinary shares at end of the year	341 913 674	349 305 092

	Group	
	Number of shares	
At 31 December	2025	2024
Treasury shares in issue		
Held by Eyesizwe	107 612 026	107 612 026
Held by Kumba Resources Management Share Trust	158 218	158 218
Treasury shares in issue at end of the year	107 770 244	107 770 244

Exxaro's issued ordinary shares, net of treasury shares were 234 143 430 on 31 December 2025 (2024: 241 534 848).

Refer to the notice of the AGM for resolutions pertaining to the unissued ordinary shares under the control of the directors until the forthcoming AGM.

Exxaro has no unlisted securities.

12.2.3 Share repurchase

During 2025, Exxaro embarked on and concluded a share repurchase programme of R1.2 billion. The total number of ordinary shares repurchased was 7 391 418 ordinary shares, representing 2.1% of Exxaro's issued ordinary shares prior to the share repurchase programme. The ordinary shares were repurchased at an average price of R162.35 per share.

Exxaro had no share repurchase transactions during 2024.

13 Provisions and contingencies

102 13.1 Accounting policies relating to provisions and contingencies
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Chapter 13:
Provisions and contingencies

13.1 Accounting policies relating to provisions and contingencies

Provision is made for future cost of environmental rehabilitation consisting of closure activities relating to restoration, decommissioning as well as post-closure cost relating to any latent and residual impact at a rehabilitated mine after final closure has been completed. Estimates are based on unscheduled closure cost that are reviewed internally every six months and by reputable external consultants every two years or earlier, should the level of risk require such external review. Where provision is made for dismantling of assets and site restoration cost, an asset of similar initial value is raised and depreciated in accordance with the accounting policy for property, plant and equipment.

13.2 Significant judgements and assumptions made by management in applying the related accounting policies

Environmental rehabilitation

Estimates are made in determining the present liability for environmental rehabilitation obligations, comprising provisions for closure costs (restoration and decommissioning) and post-closure costs (residual impact). Each provision is based on estimates of unscheduled closure cost at reporting date, applicable inflation and discount rates, and the expected date of mine closure, in order to determine the present value of the total environmental rehabilitation provisions.

Closure cost estimates are determined using updated volumes and quantities at reporting date together with the latest unit rates for all activities included in each mine's rehabilitation plan. Unit rates are sourced from external consultants, derived from continuously updated industry-standard databases and relevant indices published by Statistics South Africa. Internal reviews incorporate these externally derived rates, adjusted for inflation and any necessary technical updates in line with changes in operational conditions or the passage of time.

The obligation to ensure that water management and treatment meet statutory requirements is explicitly incorporated in both internal and external closure cost reviews. Costs relating to water treatment from the expected date of decanting are calculated over a 50-year period, discounted to present value, and included in the environmental rehabilitation provisions. The majority of these costs are recognised within the residual impact provision, and where applicable, the cost of constructing and maintaining a water treatment plant is also included.

To manage the risk of understatement of the environmental rehabilitation provisions, the undiscounted rehabilitation cost estimate is adjusted for:
- P&Gs (Preliminaries and Generals): Indirect, project-support costs required to manage and execute rehabilitation activities
- Contingencies: Allowances for uncertain, unforeseen, or variable cost elements that cannot be estimated with precision at reporting date

Discounting of unscheduled closure costs is performed over the expected LoM for each operation. The LoM is determined with reference to remaining reserves and the latest mine plans, taking into account the complexity of accessing and mining these reserves. The assumption that restoration and decommissioning activities will occur over five years after the end of LoM results in discounting of the residual impact provision over the expected remaining LoM plus an additional five years required to complete closure activities.

Other site closure cost

The provision includes estimates for the cost required to be incurred in support of execution of activities stipulated in the closure rehabilitation plan for each of the current mines in closure. Provision is made on a piecemeal basis for those operating expenses supporting the rehabilitation, but which are not included in the environmental rehabilitation provision.

Key assumptions

The net present value of the environmental rehabilitation provisions is determined using management's long-term inflation assumptions, which reflect forward-looking inflation expectations and the South African government's inflation-targeting framework. Discount rates are derived from government bond yields with maturities aligned to the LoM profiles of each operation.

At 31 December	2025	2024
Long-term PPI (%)	3.25	4.80
Risk-free discount rate[1]		
– Period of discounting: 1 to 5 years (%)	7.47	9.25
– Period of discounting: 6 to 15 years (%)	9.16	11.34
– Period of discounting: 16 years or more (%)	9.18	11.43
LoM (years)	0 to 46	0 to 33

[1] *Excluding discounting period of long-term post-closure water treatment cost.*

13.2 Significant judgements and assumptions made by management in applying the related accounting policies continued

Sensitivities

Sensitivities calculated on changes in the discount rate, based on unscheduled closure cost on 31 December each year, are as follows:

At 31 December	2025 Rm	2024 Rm
Increase/(decrease) in net operating profit:		
Resulting from a 1% increase in discount rate	267	217
Resulting from a 1% decrease in discount rate	(298)	(237)
Increase/(decrease) in environmental rehabilitation provisions:		
Resulting from a 1% increase in discount rate	(386)	(296)
Resulting from a 1% decrease in discount rate	441	329

13.3 Provisions

		Group					
		Environmental rehabilitation					
At 31 December 2025	Note	Restoration Rm	Decommis-sioning Rm	Residual impact Rm	Other site closure cost Rm	Other Rm	Total Rm
At beginning of the year		2 148	356	1 017	120		3 641
Charge/(reversal) to operating expenses	6.1.3	214	(17)	13	1		211
Unwinding of discount rate	12.1.2	229	41	103	10		383
Change in provisions capitalised to property, plant and equipment	10.1.3	(1)	(32)				(33)
Utilised during the year	6.3.1	(99)	(2)	(41)	(21)		(163)
Disposal of subsidiary	8.3		(3)				(3)
Total provisions at end of the year		2 491	343	1 092	110		4 036
Non-current		2 312	342	950	77		3 681
Current		179	1	142	33		355

		Group					
		Environmental rehabilitation					
At 31 December 2024	Note	Restoration Rm	Decommis-sioning Rm	Residual impact Rm	Other site closure cost Rm	Other Rm	Total Rm
At beginning of the year		1 823	258	975	127	2	3 185
Charge to operating expenses	6.1.3	180	25	3	3		211
Unwinding of discount rate	12.1.2	201	32	60	11		304
Change in provisions capitalised to property, plant and equipment	10.1.3	2	41				43
Utilised during the year	6.3.1	(58)		(21)	(21)	(2)	(102)
Total provisions at end of the year		2 148	356	1 017	120		3 641
Non-current		1 999	355	908	97		3 359
Current		149	1	109	23		282

13.3 Provisions continued

At 31 December 2025	Note	Company: Environmental rehabilitation: Restoration Rm	Company: Total Rm
At beginning of the year		53	53
Reversal to operating expenses	6.1.3	(2)	(2)
Unwinding of discount rate	12.1.2	5	5
Utilised during the year	6.3.1	(1)	(1)
Total provisions at end of the year		55	55
Non-current		55	55

At 31 December 2024	Note	Company: Environmental rehabilitation: Restoration Rm	Company: Total Rm
At beginning of the year		53	53
Reversal to operating expenses	6.1.3	(3)	(3)
Unwinding of discount rate	12.1.2	5	5
Utilised during the year		(2)	(2)
Total provisions at end of the year		53	53
Non-current		53	53

Funding

The NEMA Financial Provisioning Regulations, 2015 (FPR) have not yet been fully promulgated by the Department of Forestry, Fisheries and the Environment (DFFE). As of 1 February 2024, the transitional period has been extended indefinitely. Accordingly, all holders of mining or exploration rights or permits are required to continue complying with the financial provisioning requirements prescribed under the MPRDA until further notice.

The MPRDA allows for specific funding mechanisms to secure future rehabilitation obligations. These mechanisms include financial guarantees and approved environmental rehabilitation trust funds, established in accordance with the requirements of the Income Tax Act. Exxaro maintains guarantees for each mining operation, ceded to the DMPR, as well as approved environmental rehabilitation trust funds to ensure adequate financial provisioning for closure and post-closure activities.

The current funding excess compared to the present values of the environmental provisions is demonstrated as follows:

At 31 December	Note	Group: 2025 Rm	Group: 2024 Rm
Total environmental rehabilitation provisions		(3 926)	(3 521)
– Net present value of restoration and decommissioning costs		(2 834)	(2 504)
– Net present value of post-closure residual impact costs		(1 092)	(1 017)
Environmental rehabilitation funds in trust[1]		3 183	2 775
Guarantees ceded to the DMPR	13.4.1	3 503	3 552
Current funding excess		2 760	2 806

[1] *Includes both environmental rehabilitation trust funds classified as financial assets at FVPL and financial assets at amortised cost. Refer note 10.3.2.*

The table below demonstrates the environmental rehabilitation cost in the event of immediate closure:

At 31 December	Group: 2025 Rm	Group: 2024 Rm
Closure cost: restoration and decommissioning	(7 561)	(7 046)
Post-closure cost: latent and residual impact[1]	(1 630)	(1 513)

[1] *Long-term post-closure water treatment cost included at the net present value.*

13.4 Contingent liabilities and contingent assets

13.4.1 Contingent liabilities

	Group		Company	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Pending litigation and other claims[1]	107	107		
Operational guarantees[2]	4 802	4 255	1 111	680
– Guarantees ceded to the DMPR	3 503	3 552		
– Other guarantees[3]	1 299	703	1 111	680
Total contingent liabilities	4 909	4 362	1 111	680

[1] *Relates to commercial disputes of which the outcome is uncertain.*
[2] *Includes guarantees to banks and other institutions in the normal course of business from which it is anticipated that no material liabilities will arise.*
[3] *Increase mainly due to guarantees for Karreebosch SPV.*

Exxaro continues to follow the legal process in relation to the coal mine dust class action suit which is currently underway. As part of our response to the matter, we have been engaging meaningfully with affected parties. While the litigation unfolds, there is no view at this stage of when the certification will be heard and it has come to our attention that more class representatives may be joined to the matter.

Exxaro continues to be committed to the health and safety of our employees, and we ensure that our operations continue to comply with regulations with reference preventing and curbing occupational diseases, in line with our SG&I strategy.

The timing and occurrence of any possible outflows of the contingent liabilities above are uncertain.

Share of equity-accounted investments' contingent liabilities

	Group	
At 31 December	2025 Rm	2024 Rm
Share of contingent liabilities of equity-accounted investments	1 716	1 697

13.4.2 Contingent assets

	Group	
At 31 December	2025 Rm	2024 Rm
Back-to-back guarantees	134	134
Other[1]	25	100
Total contingent assets	159	234

[1] *Relates to performance guarantees issued to Exxaro in terms of various capital project agreements.*

The timing and occurrence of any possible inflows of the contingent assets are uncertain.

14 People

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14.1 Accounting policies relating to employee benefits

14.1.1 Retirement employee benefits

Defined contribution plans

Defined contribution retirement funds are provided for the benefit of employees, the assets of which are held in separate funds. These funds are funded by contributions from employees and the employer, taking account of the recommendations of independent actuaries. Employer contributions to the defined contribution funds are recognised in profit or loss in the year to which it relates.

Guarantees are not provided in respect of returns in the defined contribution funds.

Defined benefit obligations

A retirement medical contribution obligation exists for certain in-service and retired employees who are members of accredited medical aid funds. This benefit is no longer offered to employees. The liability is determined using the projected unit credit method. Remeasurements arising from experience adjustments and changes in actuarial assumptions are recognised immediately in OCI. Remeasurements recognised in OCI will not be reclassified to profit or loss. Net interest expense and other expenses related to the retirement medical contribution obligation are recognised in profit or loss.

14.1.2 Short and long-term benefits

The cost of all short-term employee benefits, such as salaries, bonuses, housing allowances, employer medical and other contributions, are recognised during the period in which the employee renders the related service.

The vesting portion of long-term benefits is recognised and provided for in the reporting period, based on current total cost to company.

14.1.3 Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Termination benefits are recognised when a commitment has been demonstrated to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy which has been accepted by an employee. If the benefits fall due more than 12 months after the reporting date, they are discounted to present value.

14.1.4 Equity compensation benefits

Senior management, including executive directors and eligible employees, participate in the LTIP, DBP and BMP incentive schemes.

The LTIP, DBP and BMP are treated as equity-settled share-based payment schemes. The fair value is expensed over the vesting period of the instrument with a corresponding increase in equity. The fair value of these schemes are determined at grant date and subsequently reviewed at each reporting period only for changes in non-market performance conditions and employee attrition rates applicable to each scheme.

Exxaro has an agreement with its subsidiary companies to charge the subsidiaries for the LTIP and DBP equity compensation share schemes granted to the subsidiaries' employees. The movement in equity in the company's financial statements relating to the recharge of the share-based payments of subsidiaries is accounted for against investments in subsidiaries and is eliminated on consolidation for group reporting purposes.

14.2 Significant judgements and assumptions made by management in applying the related accounting policies

IFRS 2 *Share-Based Payment* (IFRS 2)

In applying IFRS 2, management has made certain judgements in respect of the fair value option pricing models to be used in determining the various share-based payment arrangements in respect of employees, as well as the variable elements used in these models.

For share-based payments with employees, estimates are made in determining the fair value of equity instruments granted. Assumptions are used in the valuation models and include assumptions regarding future dividend yield, risk-free rate, expected employee attrition rate, expected share volatility and expected option life and TSR vesting condition (refer note 14.3.4).

IAS 19 *Employee Benefits* (IAS 19)

In applying IAS 19, management is required to make judgements when determining the classification of each scheme, such judgements include the identification as to the nature of benefits provided by each scheme.

For defined benefit schemes, management is required to make estimates and assumptions about the discount rate, future remuneration changes, employee attrition rates, administration costs, changes in benefits, medical cost trends, inflation rates, exchange rates and life expectancy. In making these estimates and assumptions, management considers advice provided by external advisers, such as actuaries (refer note 14.4).

14.3 Employee benefits

14.3.1 Retirement funds

Independent funds provide retirement and other benefits for all permanent employees, retired employees and their dependents.

At the end of the financial year, the main defined contribution retirement funds were:
- Exxaro Provident Fund
- Mine Workers Provident Fund
- Sentinel Retirement Fund

Bargaining unit employees pay a contribution of 8% with the employer's contribution of 15% to the above funds being expensed as incurred.

Other members generally pay a contribution of 7% with the employer's contribution of 10% to the above funds being expensed as incurred.

All funds are registered in South Africa and are governed by the South African Pension Funds Act of 1956.

Defined contribution funds

Employer contributions to each fund were as follows:

	Group		Company	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Exxaro Provident Fund	246	219	51	42
Mine Workers Provident Fund	73	65		
Sentinel Retirement Fund	98	86	4	4
Total employer contributions paid	417	370	55	46

14.3.2 Medical aid

Contributions are made to defined contribution medical aid schemes for the benefit of permanent employees and their dependents who choose to belong to one of a number of employer accredited schemes. The contributions expensed in profit or loss amount to R238 million (2024: R217 million).

14.3.3 Incentive schemes

14.3.3.1 Short-term incentives

The following short-term incentive (STI) schemes are in place:
- Group incentive scheme (GIS)
- Line of sight (LOS) incentive scheme
- Energy business annual incentive scheme

GIS salient features

Participants to the GIS include all executive to middle management level employees (FU to DM Paterson) in the group functions and coal business as well as employees in group functions (DL Paterson and below).

The scheme rewards the achievement of annual goals, which in turn are aligned to the medium and longer-term business strategy. All participants will receive payments that reflect annual achievements when performance targets and funding requirements are met. Annual goals are apportioned in the ratio of 80% to business performance (based on financial, operational and strategic, as well as safety and climate change KPIs) and 20% to individual performance.

Participants are paid annually.

LOS salient features

LOS schemes are applicable to the operating business units only. The participants in these schemes include permanent employees, in roles graded at and below DL Paterson, based at the operations.

The measurement and payment cycles align with monthly and quarterly reporting periods. Participants are incentivised to deliver consistent, safe and quality production volumes.

Energy business annual incentive scheme

Participants include the employees of the energy business. The scheme rewards the achievement of strategic objectives of the business by measuring certain strategic and financial targets. All participants will receive payments that reflect annual achievements when performance targets and funding requirements are met.

Participants are paid annually.

14.3.3.2 Long-term incentives

The following long-term incentive scheme is in place:
- Energy business value appreciation rights plan (VARP)

14.3 Employee benefits continued

14.3.3 Incentive schemes continued

14.3.3.2 Long-term incentives continued

Energy business VARP

The scheme aims to incentivise the executive to middle management level employees of the energy business to drive particular financial measures linked to value creation, encourage long-term focus on sustainable growth and to attract the right talent.

The scheme vests in tranches of a third, annually in years three, four and five. The vesting of each tranche is subject to meeting conditions of employment and a performance milestone relevant for each portion thereof.

14.3.4 Equity compensation benefits

Equity compensation benefits are provided to selected employees through the following share-based payment schemes:

LTIP

An LTIP is a conditional award of Exxaro shares offered to qualifying senior employees. The shares vest after three years subject to certain performance conditions being met. The extent to which the performance conditions are met governs the number of shares that vest. The LTIP is an equity-settled share-based payment scheme.

Participants in the 2025 and 2024 LTIP grant obtained the right (provided performance conditions are met) to receive a number of Exxaro shares. The vesting of the award is based on:

- 40.00% (2024: 33.33%): ROCE of the group and is calculated for a minimum and maximum performance condition
- 40.00% (2024: 33.33%): The TSR of the group and is calculated for a minimum and maximum performance condition
- 20.00% (2024: 33.34%): The achievement of ESG targets based on the FTSE Russel Index

Performance between these targets will result in proportional vesting which will be calculated using a linear sliding scale between the minimum and maximum performance conditions. Grants have a vesting period of three years at which the performance conditions are calculated.

DBP

The aim of the DBP is to encourage executive directors and senior management to sacrifice a part of their bonuses for the purpose of acquiring shares in the company in exchange for an upliftment in the number of shares received. Participants may sacrifice a percentage of their (post-tax) bonus in exchange for Exxaro shares at the ruling market price. The pledged shares are then held in trust for a three-year period, thus until the vesting date of the matching award. At vesting date, the company will make an additional award of shares by matching the shareholding on a one-for-one basis (matching award). Participants will consequently become unconditionally entitled to both the original pledged shares as well as the matching award of shares.

A participant may elect to dispose of and withdraw the pledged shares from the scheme at any stage. However, if the pledged shares are withdrawn before the expiry of the pledge period, the participant forfeits the matching award. The DBP is an equity-settled share-based payment scheme.

BMP

Middle and senior management of qualifying energy companies participate in the BMP through an award of rights to Exxaro shares calculated as a predetermined percentage of the annual incentive scheme amount for the energy business. Fifty percent of the award vests after 12 months (tranche 1), and the remaining 50% after 24 months (tranche 2), subject to the participant's continued employment with the group for the vesting periods. Participants have no rights to the shares until the vesting occurs. The settlement of shares to the participant is subject to the Cennergi group meeting a certain free cash flow condition.

The primary purpose of the BMP is to reward key personnel in achieving the strategic objectives of the business, ensure transparent remuneration practices and encouraging a long-term focus, align business and individual performance with stakeholder objectives and support the retention of high-performing management.

The BMP is an equity-settled share-based payment scheme.

Details of the schemes:

		LTIP		DBP		BMP	
Number of instruments		2025 '000	2024 '000	2025 '000	2024 '000	2025 '000	2024 '000
Outstanding at beginning of the year		6 260	5 720	113	111	4	
Issued during the year		3 584	2 686	66	44	7	4
Exercised during the year		(1 124)	(1 829)	(24)	(39)	(2)	
Lapsed/cancelled during the year		(1 189)	(317)	(15)	(3)		
Outstanding at end of the year		7 531	6 260	140	113	9	4
Terms of outstanding instruments at end of the year	Expiry date						
	2024[1]				1		
	2025		1 577		23		2
	2026	1 825	2 091	46	46	2	2
	2027	2 274	2 592	29	43	4	
	2028	3 432		65		3	
		7 531	6 260	140	113	9	4
Total value of shares outstanding (Rm)[2]		1 348	989	25	18	2	1

[1] *Employees were restricted from trading.*
[2] *Based on a share price of R179.00 (2024: R157.95).*

14.3 Employee benefits continued

14.3.4 Equity compensation benefits continued

Fair value of equity compensation instruments

In determining the fair value of services received as consideration for equity instruments, measurement is referenced to the fair value of the equity instrument granted.

During the current year, two new DBP, four new LTIP's and one new BMP have been granted.

The conditional matching awards granted in terms of the DBP are the economic equivalent of granting an Exxaro share at no consideration, but without dividend rights for the period from the grant date to vesting date. Therefore, the value of the DBP is equal to the grant date share price less the present value of the future dividends expected to be granted over the term of the scheme. The DBP fair value is multiplied by the pledged shares in trust.

The value of the LTIP is the economic equivalent of granting an Exxaro share at no consideration, but without dividend rights for the period from the grant date to vesting date. Therefore, the value of the LTIP is equal to the grant date share price, less the present value of the future dividends expected to be granted over the term of the scheme. In determining the fair value, a Monte Carlo simulation model has been used to take into account the market vesting condition (TSR target). The non-market vesting conditions (ROCE and ESG targets) are taken into account when determining the number of options expected to vest.

The volatility input into the LTIP valuation model is determined by using a historical approach, which uses the historical price data of the underlying shares. The historical period used to determine the volatility is equal in length to the period from the valuation date up to and including the maturity date.

The conditional matching awards granted in terms of the BMP are the economic equivalent of granting an Exxaro share at no consideration, but without dividend rights for the period from the grant date to vesting date. Therefore, the value of the BMP is equal to the grant date share price less the present value of the future dividends expected to be granted over the term of the scheme. The BMP is multiplied with the number of shares after taking into account the probable achievement of the non-market condition and the completion of a service period.

The key assumptions are summarised as follows:

	2025	2024
Average fair value for grants during the year (Rand per grant)		
LTIP	88.26	105.45
DBP	147.71	168.98
BMP	131.93	139.43
Inputs to the valuation models for		
LTIP		
– Share price at valuation date (Rand per share)	147.07 to 176.85	160.00 to 181.01
– Weighted average option life (years)	3	3
– Dividend yield over the life of the option (continuous compounding) (%)	7.84 to 9.95	9.25 to 11.38
– Risk-free interest rate (%)	6.58 to 7.38	7.23 to 8.52
– Exxaro equity equally weighted volatility (%)	29.16 to 31.97	34.24 to 35.02
– TSR peer companies equally weighted volatility (%)	40.62 to 41.40	40.83 to 41.25
DBP		
– Share price at valuation date (Rand per share)	147.07 to 148.35	168.98
– Weighted average option life (years)	3	3
– Dividend yield over the life of the option (continuous compounding) (%)	9.80 to 10.32	11.39
– Risk-free interest rate (%)	7.20 to 7.39	8.11
BMP		
– Share price at valuation date (Rand per share)	152.93	168.98
– Option life (years):		
Tranche one	1	1
Tranche two	2	2
– Dividend yield over the life of the option (continuous compounding) (%)		
Tranche one	10.15	14.68
Tranche two	9.80	11.83
– Risk-free interest rate (%)		
Tranche one	7.32	8.18
Tranche two	7.30	8.06

14.4 Retirement employee obligations

Following the merger with Eyesizwe Proprietary Limited in November 2006 and the successful creation of Exxaro, the retirement healthcare benefit which was provided to a group of continuation and in-service members on the Witbank Coal Medical Aid Scheme was honoured. During 2017, Exxaro Coal Mpumalanga Proprietary Limited withdrew from the Witbank Coal Medical Aid Scheme and the members were moved to the Discovery Health Medical Scheme and Bonitas Medical Aid Scheme. This benefit, which is no longer offered, applied to certain employees previously employed by Eyesizwe Proprietary Limited or Ingwe Coal and comprises a subsidy of contributions.

Exxaro Coal Mpumalanga Proprietary Limited's contribution to the retirement healthcare benefit of employees for the year ended 31 December 2025 amounts to R9.9 million (2024: R10.7 million).

The obligation represents a present value amount, which is actuarially valued every two years. Any remeasurements are recognised in OCI.

The movement in the net defined benefit medical obligation over the year is summarised as follows:

		Group	
At 31 December	**Note**	**2025 Rm**	**2024 Rm**
At beginning of the year		181	176
Charge to operating expenses	6.1.3	10	13
– Current and past service costs		2	2
– Interest expense		21	22
– Expected employer benefit payments		(13)	(11)
Remeasurements[1]	7.7		(8)
At end of the year		191	181
The defined benefit medical obligation is composed by country as follows:			
– RSA		191	181
Present value of unfunded obligations		191	181
The actuarial assumptions were as follows:			
Discount rate (%)		12.2	12.2
Healthcare cost inflation (%)		7.9	7.9
Expected retirement age (years)		60 to 63	60 to 63

[1] *Tax on remeasurements amounts to nil (2024: R2.17 million).*

14.5 Directors' and prescribed officers' remuneration

14.5.1 Remuneration policy

The remuneration committee has a defined mandate from the board of directors aimed at:

- Ensuring that the chairman, directors and senior executives are fairly rewarded for their individual contributions to the group's overall performance
- Ensuring that the remuneration strategies and packages, including the incentive schemes, are related to performance, are suitably competitive and give due regard to the interests of the shareholders and the financial and commercial health of the group

14.5 Directors' and prescribed officers' remuneration continued

14.5.2 Summary of remuneration

2025	NCOE/guaranteed remuneration plus circumstantial			Short-term incentives	Long-term incentives
	Basic salary R	Benefits and allowances[1] R	Retirement fund contributions R	Performance bonuses[2] R	Gains on management share schemes R
Executive directors					
B Magara[8]	8 374 572	103 847	521 581	7 680 067	
PA Koppeschaar	6 799 141	448 459	542 782	4 870 269	5 071 913
Dr N Tsengwa[9]	1 446 782	55 911	112 519		
Total executive directors' remuneration	16 620 495	608 217	1 176 882	12 550 336	5 071 913
Prescribed officers					
S Govender	3 647 784	614 487	338 194	2 080 170	1 354 968
L Groenewald	5 294 473	180 269	533 124	5 438 043	2 576 092
RE Lilleike	4 703 793	104 677	341 300	3 295 882	
PK Masia[10]	1 741 243		134 725		
JG Meyer	4 636 394	367 958	425 540	2 552 074	2 472 872
NM Monareng[11]	699 720	8 846	58 102		
MH Nana	3 271 363		254 420	1 416 203	
F Ntlhoro[12]	650 448	10 000	41 134		
TT Ratsheko[13]	1 128 246	109 419	70 269	433 228	2 725 772
JA Rock	4 330 970	182 139	315 337	2 327 333	
RC Shirindza[14]	1 199 169	15 000	88 098		
M Veti	4 602 878		406 675	2 414 627	2 298 672
Total prescribed officers' remuneration	35 906 481	1 592 795	3 006 918	19 957 560	11 428 376

2025	Fees for services R	Fees for services rendered to subsidiaries R	Total R
Non-executive directors			
GJ Fraser-Moleketi	1 940 162		1 940 162
KM Ireton	947 951		947 951
B Magara[8]	306 545		306 545
IN Malevu	987 413		987 413
B Mawasha	1 273 006		1 273 006
N Ketwa	1 244 685		1 244 685
Dr P Mnganga	1 215 519		1 215 519
VZ Mntambo[15]	338 430	231 645	570 075
N Molope	969 148		969 148
MLB Msimang[16]	625 679		625 679
CJ Nxumalo	1 178 957		1 178 957
MG Qhena (Chairman)	2 543 129		2 543 129
PCCH Snyders	1 389 021		1 389 021
Total non-executive directors' remuneration	14 959 645	231 645	15 191 290

	Other			Long-term incentives			
	Exit payment paid[3] R	Recognition[4] R	Other[5] R	Total remuneration R	VARP expense[6] R	Share-based payment expense[7] R	Gains on management share schemes R	Total remuneration expense R
				16 680 067		2 590 484		19 270 551
		2 000		17 734 564		5 876 279	(5 071 913)	18 538 930
			1 102 454	2 717 666		(19 604 362)		(16 886 696)
		2 000	1 102 454	37 132 297		(11 137 599)	(5 071 913)	20 922 785
		2 000	94 254	8 131 857		1 359 878	(1 354 968)	8 136 767
		4 760		14 026 761	14 937 237	406 421	(2 576 092)	26 794 327
		2 000		8 447 652		3 269 860		11 717 512
	9 762 711	2 000	136 059	11 776 738		(7 874 297)		3 902 441
		2 000		10 456 838		2 626 831	(2 472 872)	10 610 797
				766 668		464 881		1 231 549
		2 000		4 943 986		665 118		5 609 104
				701 582				701 582
		2 000	131 555	4 600 489		479 896	(2 725 772)	2 354 613
		2 000	1 383 179	8 540 958		2 332 184		10 873 142
			926 836	2 229 103				2 229 103
		2 000		9 724 852		3 082 510	(2 298 672)	10 508 690
	9 762 711	20 760	2 671 883	84 347 484	14 937 237	6 813 282	(11 428 376)	94 669 627

1 *Includes leave days purchased as well as travel and acting allowances.*
2 *All incentive schemes are performance related and were approved by the board of directors.*
3 *Includes a mutual separation package.*
4 *Includes LTIFR rewards.*
5 *Includes leave encashments, sign-on bonuses and retention allowances.*
6 *Relates to the energy business VARP long-term incentive.*
7 *Amount recognised for share-based payment expenses, in terms of IFRS 2, in respect of equity-settled share-based payment schemes for services rendered during the year. The employee will only be entitled to the options once all vesting conditions have been met.*
8 *Appointed as CEO on 1 April 2025 and stepped down as independent non-executive director.*
9 *Resigned on 5 February 2025.*
10 *Resigned on 24 April 2025.*
11 *Appointed as designate executive head: sustainability on 1 November 2025. Remuneration from November 2025.*
12 *Appointed as executive head: commercial on 1 November 2025. Remuneration from November 2025.*
13 *Retired on 31 May 2025.*
14 *Appointed as executive head: coal on 1 November 2025. Remuneration from October 2025.*
15 *Retired on 15 May 2025.*
16 *Resigned on 15 September 2025.*

Retirement amounts relate to defined contribution retirement funds.

14.5 Directors' and prescribed officers' remuneration continued

14.5.2 Summary of remuneration continued

2024	NCOE/guaranteed remuneration plus circumstantial			Short-term incentives	Long-term incentives
	Basic salary R	Benefits and allowances[1] R	Retirement fund contributions R	Performance bonuses[2] R	Gains on management share schemes R
Executive directors					
Dr N Tsengwa[8]	8 551 807	330 488	665 091		13 910 110
PA Koppeschaar	6 353 469	262 198	508 121	4 010 572	8 318 829
Total executive directors' remuneration	14 905 276	592 686	1 173 212	4 010 572	22 228 939
Prescribed officers					
S Govender[9]	2 938 993	311 091	274 245	1 313 392	2 219 214
L Groenewald	4 950 085	212 973	496 690	4 514 049	3 507 115
RE Lilleike	4 459 427	55 833	323 570	2 724 180	
PK Masia	5 283 171		419 190		
JG Meyer	4 361 194	357 219	401 225	2 305 816	4 198 909
MH Nana[10]	2 072 179		161 157	916 388	
AT Ndoni[11]	3 018 327	159 836	220 722		2 259 892
TT Ratsheko[12]	2 605 792	48 254	162 293	997 402	1 896 597
JA Rock	4 098 884	210 598	301 110	2 076 548	
M Veti	4 339 876		383 438	2 042 298	4 517 623
Total prescribed officers' remuneration	38 127 928	1 355 804	3 143 640	16 890 073	18 599 350

2024	Fees for services R	Fees for services rendered to subsidiaries R	Total R
Non-executive directors			
GJ Fraser-Moleketi	1 495 520		1 495 520
KM Ireton	891 534		891 534
B Magara[13]	1 100 503		1 100 503
IN Malevu	707 165		707 165
B Mawasha	917 671		917 671
L Mbatha[14]	282 759	123 785	406 544
N Ketwa	1 147 289		1 147 289
Dr P Mnganga	1 121 908		1 121 908
VZ Mntambo	768 756	218 535	987 291
N Molope[15]	913 632		913 632
MLB Msimang	895 573		895 573
CJ Nxumalo	1 106 079		1 106 079
MG Qhena (Chairman)	2 397 450		2 397 450
PCCH Snyders	1 311 845		1 311 845
Total non-executive directors' remuneration	15 057 684	342 320	15 400 004

1 *Includes leave days purchased as well as travel and acting allowances.*
2 *All incentive schemes are performance related and were approved by the board of directors.*
3 *Includes a mutual separation package.*
4 *Includes long service awards and LTIFR rewards.*
5 *Includes leave encashments, sign-on bonuses and retention allowances.*
6 *Relates to the energy business VARP long-term incentive.*
7 *Amount recognised for share-based payment expenses, in terms of IFRS 2, in respect of equity-settled share-based payment schemes for services rendered during the year. The employee will only be entitled to the options once all vesting conditions have been met.*
8 *Resigned on 5 February 2025.*
9 *Appointed as acting chief coal operations officer on 15 November 2024. Remuneration information relates to the full year.*
10 *Appointed as group company secretary on 1 May 2024.*
11 *Resigned on 30 November 2024.*
12 *Appointed as acting chief strategic resilience and governance officer on 25 September 2024. Remuneration information relates to the full year.*
13 *Appointed as CEO on 1 April 2025 and stepped down as independent non-executive director.*
14 *Retired on 23 May 2024.*
15 *Appointed on 3 January 2024.*

Retirement amounts relate to defined contribution retirement funds.

	Other			Long-term incentives			
Exit payment paid[3] R	Recognition[4] R	Other[5] R	Total remuneration R	VARP expense[6] R	Share-based payment expense[7] R	Gains on management share schemes R	Total remuneration expense R
	4 260	15 879	23 477 635		11 885 251	(13 910 110)	21 452 776
	4 260		19 457 449		5 846 252	(8 318 829)	16 984 872
	8 520	15 879	42 935 084		17 731 503	(22 228 939)	38 437 648
	82 060		7 138 995		1 483 280	(2 219 214)	6 403 061
	4 260		13 685 172	1 728 524	179 395	(3 507 115)	12 085 976
			7 563 010		2 185 083		9 748 093
	4 260		5 706 621		5 435 663		11 142 284
	4 260		11 628 623		2 808 681	(4 198 909)	10 238 395
		2 420 000	5 569 724		264 036		5 833 760
1 884 174	4 260	2 114 268	9 661 479		(898 016)	(2 259 892)	6 503 571
	4 260		5 714 598		1 201 206	(1 896 597)	5 019 207
		1 383 179	8 070 319		1 432 369		9 502 688
	4 260		11 287 495		3 066 706	(4 517 623)	9 836 578
1 884 174	107 620	5 917 447	86 026 036	1 728 524	17 158 403	(18 599 350)	86 313 613

14.5.3 Directors' interests in Exxaro shares

	2025		2024	
At 31 December	Direct number	Indirect number	Direct number	Indirect number
Beneficial interests (number of shares)				
PA Koppeschaar	94 891	19 618	74 446	8 023
B Magara	12 345			
VZ Mntambo				4 448 839
Dr N Tsengwa			179 578	6 401

At 31 December	2025 %	2024 %
Percentages of direct and indirect shareholdings		
PA Koppeschaar	0.033	0.02
B Magara	0.004	
VZ Mntambo		1.27
Dr N Tsengwa		0.05

There have been no changes in the directors' interests in Exxaro shares between the end of the financial year 2025 and the date on which the annual financial statements were approved.

14.5 Directors' and prescribed officers' remuneration continued

14.5.4 Share options and restricted share awards

The following options and rights in shares in the company were exercised or are outstanding in favour of directors and prescribed officers of the company under the company's share option schemes:

Management share scheme – LTIP

2025	Rights held at 31 December[1] Number	Exercisable period	Proceeds if exercisable at 31 December[2] R	Pre-tax gain if exercisable at 31 December[2] R	Options exercised during the year Number	Shares forfeited[3] Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Executive directors									
B Magara	188 726	13/05/2028	33 781 954	33 781 954					
	188 726		33 781 954	33 781 954					
PA Koppeschaar		01/04/2025			32 757	9 059	146.88	4 811 348	13/05/2025
	51 829	01/04/2026	9 277 391	9 277 391					
	61 258	01/04/2027	10 965 182	10 965 182					
	75 319	13/05/2028	13 482 101	13 482 101					
	188 406		33 724 674	33 724 674	32 757	9 059		4 811 348	
Dr N Tsengwa		01/04/2025				14 224			
		01/04/2025				78 093			
		01/04/2026				112 157			
		01/04/2027				132 640			
						337 114			
Prescribed officers									
S Govender		01/04/2025			8 490	2 348	146.88	1 247 011	13/05/2025
	13 531	01/04/2026	2 422 049	2 422 049					
	15 993	01/04/2027	2 862 747	2 862 747					
	19 480	13/05/2028	3 486 920	3 486 920					
	49 004		8 771 716	8 771 716	8 490	2 348		1 247 011	
L Groenewald		01/04/2025			13 186	3 646	149.07	1 965 637	01/04/2025
					13 186	3 646		1 965 637	
RE Lilleike	38 223	01/10/2026	6 841 917	6 841 917					
	41 604	01/04/2027	7 447 116	7 447 116					
	50 915	13/05/2028	9 113 785	9 113 785					
	130 742		23 402 818	23 402 818					
PK Masia		01/04/2025				34 170			
		01/04/2025				34 170			
		01/04/2026				42 264			
		01/04/2027				49 954			
						160 558			
JG Meyer		01/04/2025			16 535	4 572	146.88	2 428 661	13/05/2025
	26 308	01/04/2026	4 709 132	4 709 132					
	31 094	01/04/2027	5 565 826	5 565 826					
	37 874	13/05/2028	6 779 446	6 779 446					
	95 276		17 054 404	17 054 404	16 535	4 572		2 428 661	
NM Monareng	33 060	01/11/2028	5 917 740	5 917 740					
	33 060		5 917 740	5 917 740					
MH Nana	12 417	01/05/2027	2 222 643	2 222 643					
	18 547	13/05/2028	3 319 913	3 319 913					
	30 964		5 542 556	5 542 556					
TT Ratsheko		01/04/2025			6 724	1 859	146.88	987 621	13/05/2025
		01/04/2026			5 929	4 779	147.04	871 800	01/06/2025
		01/04/2027			4 919	7 730	147.04	723 290	01/06/2025
		13/05/2028				15 407			
					17 572	29 775		2 582 711	
JA Rock	24 928	16/10/2026	4 462 112	4 462 112					
	27 591	01/04/2027	4 938 789	4 938 789					
	33 702	13/05/2028	6 032 658	6 032 658					
	86 221		15 433 559	15 433 559					
RC Shirindza	7 662	01/10/2028	1 371 498	1 371 498					
	7 662		1 371 498	1 371 498					
M Veti		01/04/2025			15 372	4 251	146.88	2 257 839	13/05/2025
	24 271	01/04/2026	4 344 509	4 344 509					
	28 687	01/04/2027	5 134 973	5 134 973					
	34 942	13/05/2028	6 254 618	6 254 618					
	87 900		15 734 100	15 734 100	15 372	4 251		2 257 839	

[1] *Option strike price is nil.*
[2] *Based on a share price of R179.00 which prevailed on 31 December 2025.*
[3] *Shares forfeited due to performance conditions not being fully met and shares forfeited due to resignation in the year.*

14.5 Directors' and prescribed officers' remuneration continued

14.5.4 Share options and restricted share awards continued

Management share scheme – LTIP continued

2024	Rights held at 31 December[1] Number	Exercisable period	Proceeds if exercisable at 31 December[2] R	Pre-tax gain if exercisable at 31 December[2] R	Options exercised during the year Number	Shares forfeited[4] Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Executive directors									
Dr N Tsengwa		01/04/2024			79 047	1 068	168.78	13 341 553	01/04/2024
	14 224	01/04/2025	2 246 681	2 246 681					
	78 093	01/04/2025	12 334 789	12 334 789					
	112 157	01/04/2026	17 715 198	17 715 198					
	132 640	01/04/2027	20 950 488	20 950 488					
	337 114		53 247 156	53 247 156	79 047	1 068		13 341 553	
PA Koppeschaar		01/04/2024			49 288	666	168.78	8 318 829	01/04/2024
	41 816	01/04/2025	6 604 837	6 604 837					
	51 829	01/04/2026	8 186 391	8 186 391					
	61 258	01/04/2027	9 675 701	9 675 701					
	154 903		24 466 929	24 466 929	49 288	666		8 318 829	
Prescribed officers									
S Govender		01/04/2024			12 775	172	168.78	2 156 165	01/04/2024
	10 838	01/04/2025	1 711 862	1 711 862					
	13 531	01/04/2026	2 137 221	2 137 221					
	15 993	01/04/2027	2 526 094	2 526 094					
	40 362		6 375 177	6 375 177	12 775	172		2 156 165	
L Groenewald		01/04/2024			18 920	255	168.78	3 193 318	01/04/2024
	16 832	01/04/2025	2 658 614	2 658 614					
	16 832		2 658 614	2 658 614	18 920	255		3 193 318	
RE Lilleike	38 223	01/10/2026	6 037 323	6 037 323					
	41 604	01/04/2027	6 571 352	6 571 352					
	79 827		12 608 675	12 608 675					
PK Masia	34 170	01/04/2025	5 397 152	5 397 152					
	34 170	01/04/2025	5 397 152	5 397 152					
	42 264	01/04/2026	6 675 599	6 675 599					
	49 954	01/04/2027	7 890 234	7 890 234					
	160 558		25 360 137	25 360 137					
JG Meyer		01/04/2024			24 878	336	168.78	4 198 909	01/04/2024
	21 107	01/04/2025	3 333 851	3 333 851					
	26 308	01/04/2026	4 155 349	4 155 349					
	31 094	01/04/2027	4 911 297	4 911 297					
	78 509		12 400 497	12 400 497	24 878	336		4 198 909	
MH Nana	12 417	01/05/2027	1 961 265	1 961 265					
	12 417		1 961 265	1 961 265					
AT Ndoni		01/11/2024			12 003	162	167.09	2 005 581	01/12/2024
		01/04/2025				9 296			
		01/04/2026				11 499			
		01/09/2026				8 481			
		01/04/2027				22 551			
					12 003	51 989		2 005 581	
TT Ratsheko		01/04/2024			10 118	136	168.78	1 707 716	01/04/2024
	8 583	01/04/2025	1 355 685	1 355 685					
	10 708	01/04/2026	1 691 329	1 691 329					
	12 649	01/04/2027	1 997 910	1 997 910					
	31 940		5 044 924	5 044 924	10 118	136		1 707 716	
JA Rock	24 928	16/10/2026	3 937 378	3 937 378					
	27 591	01/04/2027	4 357 998	4 357 998					
	52 519		8 295 376	8 295 376					
M Veti		01/04/2024			23 130	312	168.78	3 903 881	01/04/2024
	19 623	01/04/2025	3 099 453	3 099 453					
	24 271	01/04/2026	3 833 604	3 833 604					
	28 687	01/04/2027	4 531 112	4 531 112					
	72 581		11 464 169	11 464 169	23 130	312		3 903 881	

[1] *Option strike price is nil.*
[2] *Based on a share price of R157.95 which prevailed on 31 December 2024.*
[3] *Shares forfeited due to performance conditions not being fully met and shares forfeited due to resignation in the year.*

14.5 Directors' and prescribed officers' remuneration continued

14.5.4 Share options and restricted share awards continued

Management share scheme – DBP

2025	Rights held at 31 December[1] Number	Exercisable period	Proceeds if exercisable at 31 December[2] R	Pre-tax gain if exercisable at 31 December[2] R	Options exercised during the year Number	Shares forfeited[3] Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Executive directors									
PA Koppeschaar		21/09/2024			750		146.88	110 160	13/05/2025
		04/03/2025			1 024		146.88	150 405	13/05/2025
	6 249	31/03/2027	1 118 571	1 118 571					
	13 369	13/05/2028	2 393 051	2 393 051					
	19 618		3 511 622	3 511 622	1 774			260 565	
Dr N Tsengwa		31/03/2027				6 401			
						6 401			
Prescribed officers									
S Govender		31/03/2025			735		146.88	107 957	13/05/2025
					735			107 957	
L Groenewald		04/03/2025			1 004		156.19	156 815	14/03/2025
		31/03/2025			1 845		153.04	282 359	31/03/2025
					2 849			439 174	
PK Masia		31/03/2027				5 098			
						5 098			
JG Meyer		21/09/2024			301		146.88	44 211	13/05/2025
					301			44 211	
TT Ratsheko		04/03/2025			391		146.88	57 430	13/05/2025
		31/03/2025			583		146.88	85 631	13/05/2025
					974			143 061	
JA Rock	6 922	13/05/2028	1 239 038	1 239 038					
	6 922		1 239 038	1 239 038					
M Veti		21/09/2024			278		146.88	40 833	13/05/2025
	7 230	31/03/2026	1 294 170	1 294 170					
	3 316	31/03/2027	593 564	593 564					
	6 808	13/05/2028	1 218 632	1 218 632					
	17 354		3 106 366	3 106 366	278			40 833	

[1] *Option strike price is nil.*
[2] *Based on a share price of R179.00 which prevailed on 31 December 2025.*
[3] *Shares forfeited due to resignation in the year.*

14.5 Directors' and prescribed officers' remuneration continued

14.5.4 Share options and restricted share awards continued

Management share scheme – DBP continued

2024	Rights held at 31 December[1] Number	Exercisable period	Proceeds if exercisable at 31 December[2] R	Pre-tax gain if exercisable at 31 December[2] R	Options exercised during the year Number	Shares forfeited[3] Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Executive directors									
Dr N Tsengwa		19/03/2024			589		171.54	101 037	19/03/2024
		31/03/2024			2 770		168.78	467 521	31/03/2024
	6 401	31/03/2027	1 011 038	1 011 038					
	6 401		1 011 038	1 011 038	3 359			568 558	
PA Koppeschaar[4]	750	21/09/2024	118 463	118 463					
	1 024	04/03/2025	161 741	161 741					
	6 249	31/03/2027	987 030	987 030					
	8 023		1 267 234	1 267 234					
Prescribed officers									
S Govender		19/03/2024			179		171.54	30 706	19/03/2024
		31/08/2024			202		160.12	32 344	31/08/2024
	735	31/03/2025	116 093	116 093					
	735		116 093	116 093	381			63 050	
L Groenewald		19/03/2024			200		171.54	34 308	19/03/2024
		31/03/2024			1 275		168.78	215 195	31/03/2024
		21/09/2024			409		157.20	64 295	21/09/2024
	1 004	04/03/2025	158 582	158 582					
	1 845	31/03/2025	291 418	291 418					
	2 849		450 000	450 000	1 884			313 798	
PK Masia	5 098	31/03/2027	805 229	805 229					
	5 098		805 229	805 229					
JG Meyer[4]	301	21/09/2024	47 543	47 543					
	301		47 543	47 543					
AT Ndoni		04/03/2025				96			
		31/03/2026				1 676			
		31/03/2027				1 170			
						2 942			
TT Ratsheko		19/03/2024			144		171.54	24 702	19/03/2024
		31/03/2024			820		168.78	138 400	31/03/2024
		31/08/2024			161		160.12	25 779	31/08/2024
	391	04/03/2025	61 758	61 758					
	583	31/03/2025	92 085	92 085					
	974		153 843	153 843	1 125			188 881	
M Veti[4]		19/03/2024			449		171.54	77 021	19/03/2024
		31/03/2024			3 180		168.78	536 720	31/03/2024
	278	21/09/2024	43 910	43 910					
	7 230	31/03/2026	1 141 979	1 141 979					
	3 316	31/03/2027	523 762	523 762					
	10 824		1 709 651	1 709 651	3 629			613 741	

[1] *Option strike price is nil.*
[2] *Based on a share price of R157.95 which prevailed on 31 December 2024.*
[3] *Shares forfeited due to resignation in the year.*
[4] *Will be allowed to exercise the September 2024 tranche once being removed from the insider register.*

14.5 Directors' and prescribed officers' remuneration continued

14.5.4 Share options and restricted share awards continued

Management share scheme – BMP

2025	Rights held at 31 December Number	Exercisable period	Proceeds if exercisable at 31 December[1] R	Pre-tax gain if exercisable at 31 December[1] R	Options exercised during the year Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Prescribed officers								
L Groenewald		01/04/2025			1 149	149.07	171 281	01/04/2025
	1 149	01/04/2026	205 671	205 671				
	1 988	01/04/2026	355 852	355 852				
	1 988	01/04/2027	355 852	355 852				
	5 125		917 375	917 375	1 149		171 281	

[1] *Option strike price is nil.*
[2] *Based on a share price of R179.00 which prevailed on 31 December 2025.*

2024	Rights held at 31 December[1] Number	Exercisable period	Proceeds if exercisable at 31 December[2] R	Pre-tax gain if exercisable at 31 December[2] R	Options exercised during the year Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Prescribed officers								
L Groenewald	1 149	01/04/2025	181 485	181 485				
	1 149	01/04/2026	181 485	181 485				
	2 298		362 970	362 970				

[1] *Option strike price is nil.*
[2] *Based on a share price of R157.95 which prevailed on 31 December 2024.*

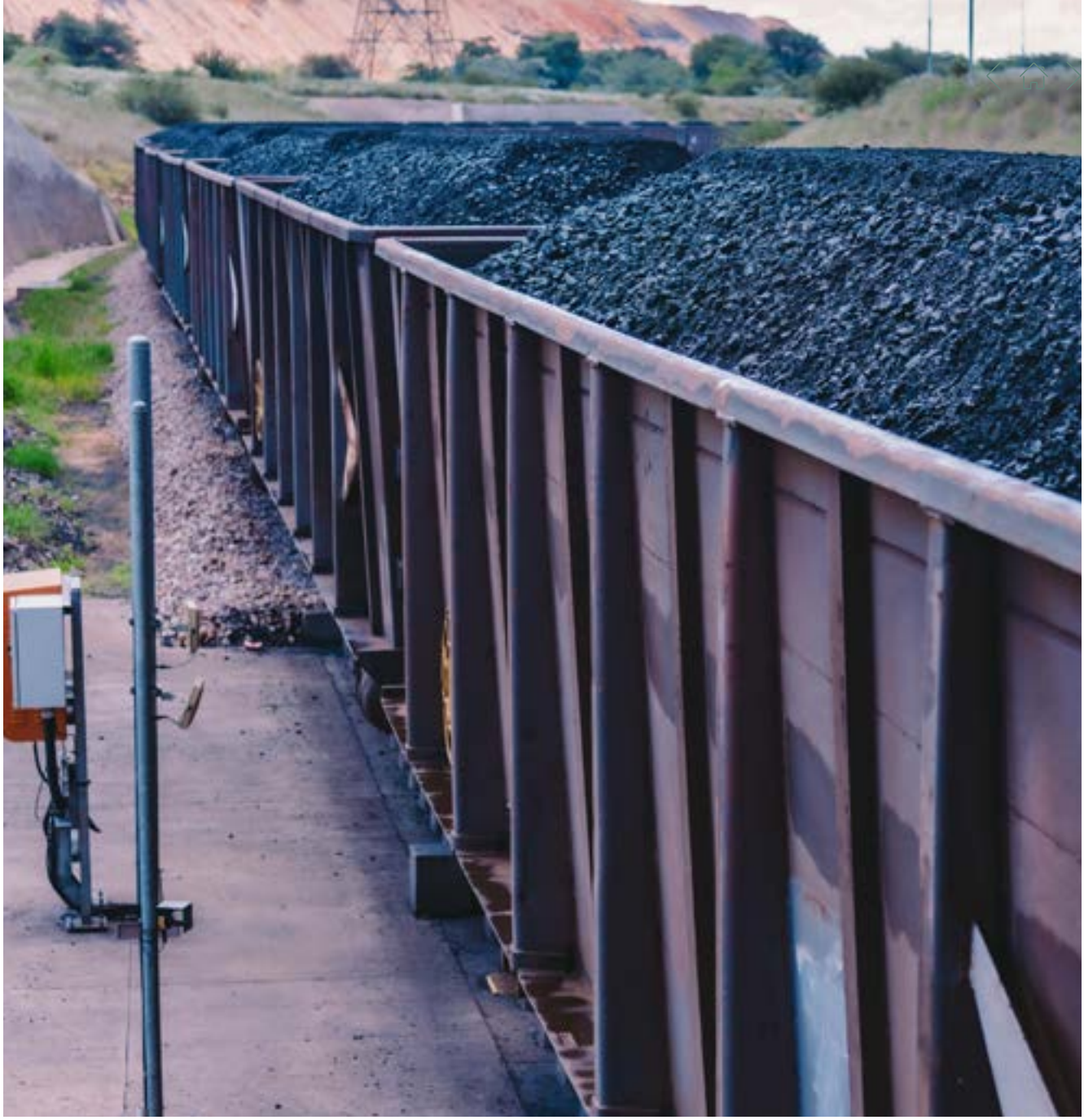
MSR portfolio shares

2025	Rights held at 31 December Number	Exercisable period	Proceeds if exercisable at 31 December[1] R	Pre-tax gain if exercisable at 31 December[1] R	MSR exercised during the year Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Prescribed officers								
JG Meyer	10 796	30/06/2026	1 932 484	1 932 484				
	21 798	30/06/2026	3 901 842	3 901 842				
	32 594		5 834 326	5 834 326				
M Veti	433	30/06/2026	77 507	77 507				
	1 730	30/06/2026	309 670	309 670				
	2 163		387 177	387 177				

[1] *Based on a share price of R179.00 which prevailed on 31 December 2025.*

2024	Rights held at 31 December Number	Exercisable period	Proceeds if exercisable at 31 December[1] R	Pre-tax gain if exercisable at 31 December[1] R	MSR exercised during the year Number	Sale price/ market price R	Pre-tax gain R	Date exercised
Prescribed officers								
JG Meyer	10 796	30/06/2026	1 705 228	1 705 228				
	21 798	30/06/2026	3 442 994	3 442 994				
	32 594		5 148 222	5 148 222				
AT Ndoni		31/10/2026			1 522	167.09	254 311	01/12/2024
					1 522		254 311	
M Veti	433	30/06/2026	68 392	68 392				
	1 730	30/06/2026	273 254	273 254				
	2 163		341 646	341 646				

[1] *Based on a share price of R157.95 which prevailed on 31 December 2024.*



15 Related parties

122 15.1 Related-party transactions

Chapter 15:
Related parties

15.1 Related-party transactions

Transactions with related parties are on terms that are not more nor less favourable than those arranged with independent third parties.

Shareholders

The principal shareholders of the company at 31 December 2025 are detailed in chapter 19, annexure 1.

Directors

Details relating to directors' emoluments and shareholdings (including options) in the company are disclosed in note 14.5.

Senior employees

Details relating to option and share transactions are disclosed in note 14.3.4.

Key management personnel

For Exxaro, other than the executive and non-executive directors and executive committee members, no other key management personnel were identified. Refer note 14.5 for details on directors' and prescribed officers' remuneration.

Subsidiaries

Details of transactions with and investments in subsidiaries are disclosed in chapter 17.

Structured and special purpose entities

The group has an interest in the following structured entities and special purpose entities which are consolidated unless otherwise indicated:

Entity	Nature of business
Exxaro Chairman's Fund[1,2]	Local social economic development
Exxaro Employee Empowerment Participation Scheme Trust	Employee share incentive trust
Exxaro Employee Empowerment Trust	Employee share incentive trust
Exxaro Environmental Rehabilitation Fund	Trust fund for mine closure
Exxaro Insurance Company Limited	Captive insurance company that provides certain non-life insurance cover to subsidiaries within the group
Exxaro Mountain Bike Academy NPC[1]	Local social economic development
Exxaro People Development Initiative NPC[1]	Local social economic development – bridging classes
Kumba Resources Management Share Trust	Management share incentive trust
Exxaro Employee Share Ownership Trust	Structured entity to hold shares in Exxaro ESOP SPV for the benefit of qualifying beneficiaries
Exxaro ESOP SPV RF Proprietary Limited	Structured entity to hold shares in Eyesizwe for the benefit of Exxaro ESOP Trust
Exxaro Aga Setshaba NPC[1]	Structured entity to benefit communities
Eyesizwe (RF) Proprietary Limited	Structured entity to hold the BEE shares
Matla and Arnot Rehabilitation Trust	Trust fund for mine closure

[1] *Non-profit organisation.*
[2] *Deregistered 24 July 2025.*

Associates and joint ventures

Details of associates and JVs are disclosed in chapter 9. Details of trading transactions and balances are summarised below.

	Group	
	2025 Rm	2024 Rm
Items of income/(expense) recognised during the year		
Sale goods and services rendered		
– Associates	73	2
– Joint ventures	48	49
Purchases of goods and services rendered		
– Associates	(154)	(149)
– Joint ventures	(1 587)	(1 751)
Outstanding balances at end of the year		
Included in trade and other receivables		
– Associates	30	23
– Joint ventures	5	16
Included in trade and other payables		
– Associates	(5)	(9)
– Joint ventures	(142)	(174)

16 Financial instruments

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16.1 Accounting policies relating to financial instruments

16.1.1 Financial assets

(i) Classification

Financial assets are classified in the following measurement categories:

- Those measured subsequently at fair value, either through OCI (FVOCI), or through profit or loss (FVPL)
- Those measured at amortised cost

The classification depends on the business model for managing the financial assets as well as the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether an irrevocable election has been made at the time of initial recognition to account for the equity investment at FVOCI.

Debt investments are reclassified when, and only when, the business model for managing those assets change.

(ii) Measurement

At initial recognition, a financial asset is measured at its fair value, plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

Debt instruments

Subsequent measurement of debt instruments depends on the business model applied for managing the asset and the cash flow characteristics of the asset. Currently there are two measurement categories into which debt instruments are classified, as summarised in the table below. There are no debt instruments classified as FVOCI.

Category	Relevant financial assets	Business model and cash flow characteristics	Movements in carrying amount	Derecognition	Impairment
Amortised cost	• Trade and other receivables • Other financial assets • Related party financial assets • ESD loans • Vendor finance loan • Cash and cash equivalents	Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI.	Interest income is included in finance income using the effective interest rate method. Foreign exchange gains and losses are recognised in profit or loss and presented in operating expenses.	Gains or losses arising on derecognition are recognised directly in profit or loss and presented in operating expenses.	Impairment losses are presented as a separate line item in the notes to the statement of comprehensive income. The impairment losses are considered to be immaterial and therefore have not been presented as a separate line on the face of the statement of comprehensive income.
FVPL	• Debt securities • Derivative financial assets	Financial assets that do not meet the criteria for amortised cost or FVOCI.	Gains and losses on a debt investment that is subsequently measured at FVPL are recognised in profit or loss and presented on a net basis within operating expenses in the period in which it arises. Interest income and dividends are recognised in profit or loss.	Gains or losses arising on derecognition are recognised directly in profit or loss and presented in operating expenses.	Not applicable as measured at fair value.

16.1 Accounting policies relating to financial instruments continued

16.1.1 Financial assets continued

(ii) Measurement continued

Equity instruments

Equity investments are subsequently measured at fair value. Management has elected to present fair value gains and losses on equity investments in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from these investments continue to be recognised in profit or loss as income from financial assets when the right to receive payment is established.

Changes in the fair value of financial assets at FVPL are recognised in operating expenses in the statements of comprehensive income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment

ECLs associated with debt instruments carried at amortised cost are assessed on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (ie the difference between the cash flows receivable in accordance with the contract and the cash flows that are expected to be received). ECLs are discounted at the effective interest rate of the financial asset.

ECL allowances are measured on either of the following bases:
- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument

For trade receivables, the simplified approach permitted by IFRS 9 *Financial Instruments* (IFRS 9) is applied, which requires lifetime ECLs to be recognised from initial recognition of the trade receivables. To measure the ECLs, trade receivables are grouped based on shared credit risk characteristics (corporate entities, SMEs and public sector entities) and the days past due to assess significant increase in credit risk. In addition, forward-looking macro-economic conditions and factors are considered when determining the ECLs for trade receivables, namely trading conditions in the relevant domestic markets and international coal market, relevant domestic prices and export coal prices as well as economic growth and inflationary outlook in the short term. Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan and a failure to make contractual payments for a period of greater than 120 days past due.

For other financial assets measured at amortised cost, the ECL is based on the 12-month ECL allowance or a lifetime ECL allowance. The 12-month ECL allowance is the portion of lifetime ECL allowances that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the ECL will be based on the lifetime ECL allowance.

Credit risk on a financial asset is assumed to have increased significantly if it is more than 30 days past due.

A financial asset is considered to be in default when contractual payments are 90 days past due. However, in certain cases, a financial asset is considered to be in default when internal or external information indicates that the outstanding contractual amounts are unlikely to be received in full before taking into account any credit enhancements held over the financial asset.

The financial assets measured at amortised cost are categorised as follows:

Category	Definition	Basis for recognition of ECL allowance
Performing	Counterparty has a low risk of default and a strong capacity to meet contractual cash flows of principal and/or interest (where applicable).	12-month ECLs: where the expected lifetime of a financial asset measured at amortised cost is less than 12 months, ECLs are measured based on its expected lifetime.
Under-performing	There is a significant increase in credit risk of the counterparty since initial recognition. A significant increase in credit risk is presumed if principal and/or interest (where applicable) payments are 30 to 90 days past due.	Lifetime ECLs
Non-performing	Counterparty has a high risk of default and there is a high probability that the counterparty will be unable to meet contractual cash flows of principal and/or interest (where applicable). There has been a further significant increase in credit risk since recognition. A further significant increase in credit risk is presumed if the principal and/or interest (where applicable) repayments are more than 90 days past due.	Lifetime ECLs
Write-off	There is no reasonable expectation that the principal and/or interest (where applicable) will be recovered. Management have exhausted all measures to collect contractual cash flows, including the assistance of debt collection agencies and failed repayment negotiation attempts.	Financial asset measured at amortised cost is written off.

16.1 Accounting policies relating to financial instruments continued

16.1.2 Derivative financial instruments

Derivative financial instruments, such as interest rate swaps and FECs, may be entered into to manage exposures to certain financial risks such as interest rate and foreign currency risks.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently remeasured to fair value at the end of each reporting period. The resulting gain or loss is recognised immediately in profit or loss unless the derivative is designated as a hedging instrument and found to be effective, in which event the timing of recognition in profit or loss depends on the nature of the hedge relationship.

On initial recognition, when the transaction price differs from the fair value of other observable current market transactions in the same instrument or based on the valuation technique whose variables include only data from observable markets, the difference between the transaction price and fair value is recognised immediately in profit or loss. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in profit or loss when the inputs become observable, namely, when the instrument is derecognised or over the life of the transaction.

Counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the fair value is known as the DVA.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless there is both a legally enforceable right and intention to offset.

A derivative that is not designated, nor found to be effective as a hedging instrument, is presented as a non-current financial asset or a non-current financial liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives not designated, nor found to be effective as a hedging instrument, are presented as current financial assets or current financial liabilities.

16.1.3 Hedge accounting

The group designate derivatives entered into under project financing arrangements as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges. Hedges of foreign exchange risk on such foreign firm commitments for capital purchases are accounted for as cash flow hedges.

At inception of the hedge relationship, the risk management objective and strategy for undertaking the hedged transactions, as well as the economic relationship between the hedging instruments and hedged items (including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items) is documented.

The effectiveness of the hedging instrument offsetting changes in cash flows of the hedged item attributable to the hedged risk is assessed and documented at inception and on an ongoing basis. The hedge relationship is determined to be effective when all of the following requirements are met:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that is actually hedged and the quantity of the hedging instrument that is actually used to hedge that quantity of the hedged item

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the hedge ratio of the hedging relationship is adjusted (ie rebalances the hedge) so that it meets the qualifying criteria again.

The group designate only changes in the spot exchange rate as a hedged item for its foreign firm commitments. Changes in the forward element are recognised in OCI and accumulated in the cost of hedging reserve.

The full fair value of a derivative designated and found to be effective as a hedging instrument is classified as:

- A non-current financial asset or financial liability when the remaining maturity of the hedged item is more than 12 months or
- A current financial asset or financial liability when the remaining maturity of the hedged item is less than 12 months

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in OCI and accumulated in the cash flow hedge reserve within equity, but limited to the cumulative change in fair value of the hedged item from inception of the hedge. The cumulative change in fair value of the hedged item includes the portion of the designation date fair value (at acquisition date) of the hedged instrument that has been settled since the inception of the hedging relationship. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged expected transaction results in the recognition of a non-financial asset, the gains and losses previously recognised in OCI and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset. This transfer does not affect OCI. Furthermore, if it is expected that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Hedge accounting is discontinued only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in OCI and accumulated in the cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the expected transaction occurs. When the transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

16.1 Accounting policies relating to financial instruments continued

16.1.4 Loan commitments issued by the group and company

Undrawn loan commitments are commitments under which, over the duration of the commitment, the group and company are required to provide a loan with pre-specified terms to the counterparty. These contracts are in the scope of the ECL requirements of IFRS 9.

When estimating 12-month or lifetime ECLs for undrawn loan commitments, the group and company estimates the expected portion of the loan commitment that will be drawn down over 12 months or its expected life, respectively. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting. The cash shortfalls include the realisation of any collateral. The expected cash shortfalls are discounted at an approximation to the expected effective interest rate on the loan.

16.2 Judgements and assumptions made by management in applying the related accounting policies

In applying IFRS 9, management makes judgements and assumptions in determining the impairment losses to be recognised in relation to financial assets. The ECL allowances for financial assets are based on assumptions about risk of default and expected loss rates. Judgement is used in making these assumptions and selecting the inputs to the impairment calculation, based on past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The following judgements and assumptions were applied for trade and other receivables:

The trade and other receivables are categorised into public sector entities, corporate entities as well as SMEs. Intercompany debtors are classified as SMEs, and the same PD and LGD multipliers as used for external trade and other receivables are used to calculate intercompany ECLs. Where Exxaro company is indebted to related parties, Exxaro's external credit rating is used to determine its PD and LGD multipliers.

The table below sets out the PD and LGD multipliers used.

		Percentage of gross trade receivables %	PD %	LGD %
2025	Public sector entities	67	4.70	47.00
	Corporate entities	3	0.90 to 1.49	36.00
	SMEs	30	3.60	21.47
2024	Public sector entities	59	5.23	30.00
	Corporate entities	7	0.11 to 2.11	31.00
	SMEs	34	3.45	22.76

The following judgements and assumptions were applied for ESD loans:

The ESD loans are categorised as SMEs and the PD and LGD is determined on the basis similar to that of trade receivables for performing loans. ESD loans that are over 90 days outstanding are classified as non-performing and are provided for in full. These are non-interest-bearing loans granted to ESD applicants.

The table below sets out the PD and LGD multipliers used.

		Percentage of ESD loans %	PD %	LGD %
2025	Performing (SMEs)	43	3.60	21.47
	Non-performing	57	100.00	100.00
2024	Performing (SMEs)	40	3.45	22.76
	Non-performing	60	100.00	100.00

16.3 Financial instruments

16.3.1 Carrying amounts and fair value amounts of financial instruments

The tables below set out the group and company's classification of each category of financial assets and financial liabilities.

		Group				
At 31 December 2025	Note	Financial assets at FVOCI Rm	Financial assets/ (liabilities) at FVPL Rm	Financial assets/ (liabilities) at amortised cost Rm	Derivative financial assets/ (liabilities) designated as hedging instruments Rm	Total carrying amount Rm
Financial assets						
Non-current						
Financial assets, consisting of:	10.3.2	393	4 340	282		5 015
– Equity: unlisted – Chifeng		393				393
– Debt: unlisted – environmental rehabilitation funds			3 054			3 054
– Debt: unlisted – portfolio investments			577			577
– Debt: unlisted – deposit facilities			709			709
– ESD loans				58		58
– Vendor finance loan				45		45
– Other financial assets at amortised cost				179		179
Total non-current financial assets		393	4 340	282		5 015
Current						
Financial assets, consisting of:	10.3.2		1 166	93		1 259
– ESD loans				82		82
– Vendor finance loan				1		1
– Derivative financial assets			18			18
– Debt: unlisted – deposit facilities			1 148			1 148
– Intervention receivable				7		7
– Other financial assets at amortised cost				3		3
Trade and other receivables, consisting of:	6.2.3			4 283		4 283
– Trade receivables				4 067		4 067
– Other receivables				216		216
Cash and cash equivalents	6.2.5			23 690		23 690
Total current financial assets			1 166	28 066		29 232
Total financial assets		393	5 506	28 348		34 247
Financial liabilities						
Non-current						
Interest-bearing borrowings	12.1.3			(11 259)		(11 259)
Other payables	6.2.4			(11)		(11)
Financial liabilities, consisting of:	12.1.7				(398)	(398)
– Cash flow hedge derivatives: interest rate swaps					(342)	(342)
– Cash flow hedge derivatives: FECs					(56)	(56)
Total non-current financial liabilities				(11 270)	(398)	(11 668)
Current						
Interest-bearing borrowings	12.1.3			(938)		(938)
Trade and other payables	6.2.4			(3 897)		(3 897)
Financial liabilities, consisting of:	12.1.7				(22)	(22)
– Cash flow hedge derivatives: interest rate swaps					(22)	(22)
Total current financial liabilities				(4 835)	(22)	(4 857)
Total financial liabilities				(16 105)	(420)	(16 525)

Due to the short-term nature of the current financial assets and current financial liabilities, the carrying amount is assumed to be the same as the fair value.

The carrying amounts of non-current financial instruments measured at amortised cost approximate fair value due to the nature and terms of these instruments.

16.3 Financial instruments continued

16.3.1 Carrying amounts and fair value amounts of financial instruments continued

		Group				
At 31 December 2024	Note	Financial assets at FVOCI Rm	Financial assets at FVPL Rm	Financial assets/ (liabilities) at amortised cost Rm	Derivative financial assets/ (liabilities) designated as hedging instruments Rm	Total carrying amount Rm
Financial assets						
Non-current						
Financial assets, consisting of:	10.3.2	442	4 557	266	1	5 266
– Equity: unlisted – Chifeng		442				442
– Debt: unlisted – environmental rehabilitation funds			2 657			2 657
– Debt: unlisted – portfolio investments			513			513
– Debt: unlisted – deposit facilities			1 387			1 387
– Cash flow hedge derivatives: interest rate swaps					1	1
– ESD loans				68		68
– Vendor finance loan				80		80
– Other financial assets at amortised cost				118		118
Total non-current financial assets		442	4 557	266	1	5 266
Current						
Financial assets, consisting of:	10.3.2		2	157		159
– ESD loans				83		83
– Vendor finance loan				62		62
– Derivative financial assets			2			2
– Intervention receivable				8		8
– Investment deposits				4		4
Trade and other receivables, consisting of:	6.2.3			4 230		4 230
– Trade receivables				4 098		4 098
– Other receivables				132		132
Cash and cash equivalents	6.2.5			20 630		20 630
Total current financial assets			2	25 017		25 019
Total financial assets		442	4 559	25 283	1	30 285
Financial liabilities						
Non-current						
Interest-bearing borrowings	12.1.3			(7 344)		(7 344)
Other payables	6.2.4			(40)		(40)
Financial liabilities, consisting of:	12.1.7				(129)	(129)
– Cash flow hedge derivatives: interest rate swaps					(129)	(129)
Total non-current financial liabilities				(7 384)	(129)	(7 513)
Current						
Interest-bearing borrowings	12.1.3			(876)		(876)
Trade and other payables	6.2.4			(3 351)		(3 351)
Financial liabilities, consisting of:	12.1.7		(22)			(22)
– Derivative financial liabilities			(22)			(22)
Total current financial liabilities			(22)	(4 227)		(4 249)
Total financial liabilities			(22)	(11 611)	(129)	(11 762)

Due to the short-term nature of the current financial assets and current financial liabilities, the carrying amount is assumed to be the same as the fair value.

The carrying amounts of non-current financial instruments measured at amortised cost approximate fair value due to the nature and terms of these instruments.

16.3 Financial instruments continued

16.3.1 Carrying amounts and fair value amounts of financial instruments continued

		Company		
At 31 December 2025	Note	Financial assets at FVPL Rm	Financial assets/ (liabilities) at amortised cost Rm	Total carrying amount Rm
Financial assets				
Non-current				
Financial assets, consisting of:	10.3.2	46	4 638	4 684
– Debt: unlisted – environmental rehabilitation funds		46		46
– ESD loans			58	58
– Vendor finance loan			45	45
– Other financial assets at amortised cost			50	50
– Interest-bearing loans to subsidiaries			4 485	4 485
Total non-current financial assets		46	4 638	4 684
Current				
Financial assets, consisting of:	10.3.2		1 433	1 433
– ESD loans			82	82
– Vendor finance loan			1	1
– Other financial assets at amortised cost			3	3
– Interest-bearing loans to subsidiaries			429	429
– Non-interest-bearing loans to subsidiaries			918	918
Trade and other receivables, consisting of:	6.2.3		242	242
– Other receivables			10	10
– Indebtedness by subsidiaries			232	232
Cash and cash equivalents	6.2.5		20 500	20 500
Total current financial assets			22 175	22 175
Total financial assets		46	26 813	26 859
Financial liabilities				
Non-current				
Interest-bearing borrowings	12.1.3		(4 083)	(4 083)
Total non-current financial liabilities			(4 083)	(4 083)
Current				
Interest-bearing borrowings	12.1.3		(423)	(423)
Trade and other payables	6.2.4		(252)	(252)
Financial liabilities, consisting of:	12.1.7		(5 639)	(5 639)
– Non-interest-bearing loans from subsidiaries			(94)	(94)
– Treasury facilities with subsidiaries			(5 545)	(5 545)
Total current financial liabilities			(6 314)	(6 314)
Total financial liabilities			(10 397)	(10 397)

Due to the short-term nature of the current financial assets and current financial liabilities, the carrying amount is assumed to be the same as the fair value.

The carrying amounts of non-current financial instruments measured at amortised cost approximate fair value due to the nature and terms of these instruments.

16.3 Financial instruments continued

16.3.1 Carrying amounts and fair value amounts of financial instruments continued

		Company		
At 31 December 2024	Note	Financial assets at FVPL Rm	Financial assets/ (liabilities) at amortised cost Rm	Total carrying amount Rm
Financial assets				
Non-current				
Financial assets, consisting of:	10.3.2	42	2 648	2 690
– Debt: unlisted – environmental rehabilitation funds		42		42
– ESD loans			68	68
– Vendor finance loan			80	80
– Interest-bearing loans to subsidiaries			2 500	2 500
Total non-current financial assets		42	2 648	2 690
Current				
Financial assets, consisting of:	10.3.2		1 421	1 421
– ESD loans			83	83
– Vendor finance loan			62	62
– Investment deposits			4	4
– Interest-bearing loans to subsidiaries			502	502
– Non-interest-bearing loans to subsidiaries			701	701
– Treasury facilities with subsidiaries			69	69
Trade and other receivables, consisting of:	6.2.3		237	237
– Other receivables			15	15
– Indebtedness by subsidiaries			222	222
Cash and cash equivalents	6.2.5		17 300	17 300
Total current financial assets			18 958	18 958
Total financial assets		42	21 606	21 648
Financial liabilities				
Non-current				
Interest-bearing borrowings	12.1.3		(2 499)	(2 499)
Total non-current financial liabilities			(2 499)	(2 499)
Current				
Interest-bearing borrowings	12.1.3		(498)	(498)
Trade and other payables	6.2.4		(216)	(216)
Financial liabilities, consisting of:	12.1.7		(15 028)	(15 028)
– Non-interest-bearing loans from subsidiaries			(92)	(92)
– Treasury facilities with subsidiaries			(14 936)	(14 936)
Total current financial liabilities			(15 742)	(15 742)
Total financial liabilities			(18 241)	(18 241)

Due to the short-term nature of the current financial assets and current financial liabilities, the carrying amount is assumed to be the same as the fair value.

The carrying amounts of non-current financial instruments measured at amortised cost approximate fair value due to the nature and terms of these instruments.

16.3 Financial instruments continued

16.3.2 Fair values

16.3.2.1 Fair value hierarchy

Financial assets and financial liabilities at fair value have been categorised in the following hierarchy structure, based on the inputs used in the valuation technique:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities that can be accessed at the measurement date.
Level 2 - Inputs other than quoted prices included in Level 1 that are either directly or indirectly observable.
Level 3 - Inputs that are not based on observable market data (unobservable inputs).

	Group		
At 31 December 2025	Fair value Rm	Level 2 Rm	Level 3 Rm
Financial assets at FVOCI	393		393
Equity: unlisted – Chifeng	393		393
Financial assets at FVPL	5 488	5 488	
Non-current debt: unlisted – environmental rehabilitation funds	3 054	3 054	
Non-current debt: unlisted – portfolio investments	577	577	
Non-current debt: unlisted – deposit facilities	709	709	
Current debt: unlisted – deposit facilities	1 148	1 148	
Derivative financial assets	18	18	
Current derivative financial assets	18	18	
Derivative financial liabilities designated as hedging instruments	(420)	(420)	
Non-current cash flow hedge derivatives: interest rate swaps	(342)	(342)	
Current cash flow hedge derivatives: interest rate swaps	(22)	(22)	
Non-current cash flow hedge derivatives: FECs	(56)	(56)	
Net financial assets held at fair value	5 479	5 086	393

Reconciliation of Level 3 hierarchy	Chifeng Rm
At 31 December 2024	442
Movement during the year	
Losses recognised in OCI (pre-tax effect)[1]	(49)
At 31 December 2025	393

[1] *Tax on Chifeng amounts to R10.58 million.*

16.3 Financial instruments continued

16.3.2 Fair values continued

16.3.2.1 Fair value hierarchy continued

	Group		
At 31 December 2024	Fair value Rm	Level 2 Rm	Level 3 Rm
Financial assets at FVOCI	442		442
Equity: unlisted – Chifeng	442		442
Financial assets at FVPL	4 557	4 557	
Non-current debt: unlisted – environmental rehabilitation funds	2 657	2 657	
Non-current debt: unlisted – portfolio investments	513	513	
Non-current debt: unlisted – deposit facilities	1 387	1 387	
Derivative financial assets designated as hedging instruments	1	1	
Non-current cash flow hedge derivatives: interest rate swaps	1	1	
Derivative financial assets	2	2	
Current derivative financial assets	2	2	
Derivative financial liabilities designated as hedging instruments	(129)	(129)	
Non-current cash flow hedge derivatives: interest rate swaps	(129)	(129)	
Derivative financial liabilities	(22)	(22)	
Current derivative financial liabilities	(22)	(22)	
Net financial assets held at fair value	4 851	4 409	442

Reconciliation of Level 3 hierarchy	Chifeng Rm
At 31 December 2023	434
Movement during the year	
Gains recognised in OCI (pre-tax effect)[1]	8
At 31 December 2024	442

[1] *Tax on Chifeng amounts to R1.72 million.*

	Company	
At 31 December 2025	Fair value Rm	Level 2 Rm
Financial assets at FVPL	46	46
Non-current debt: unlisted – environmental rehabilitation funds	46	46
Financial assets held at fair value	46	46

	Company	
At 31 December 2024	Fair value Rm	Level 2 Rm
Financial assets at FVPL	42	42
Non-current debt: unlisted – environmental rehabilitation funds	42	42
Financial assets held at fair value	42	42

16.3 Financial instruments continued

16.3.2 Fair values continued

16.3.2.2 Transfers

Transfers between levels of the fair value hierarchy are recognised as at the end of the reporting period during which the transfer has occurred. There were no transfers between Level 1 and Level 2 nor between Level 2 and Level 3 of the fair value hierarchy.

16.3.2.3 Valuation process applied

The fair value computations of investments are performed by the corporate finance department, reporting to the finance director, on a six-monthly basis. The valuation reports are discussed with the chief operating decision maker and the audit committee in accordance with Exxaro's reporting governance.

16.3.2.4 Current derivative financial instruments

Level 2 fair values for simple over-the-counter derivative financial instruments are based on market quotes. These quotes are assessed for reasonableness by discounting estimated future cash flows using the market rate for similar instruments at measurement date.

16.3.2.5 Environmental rehabilitation funds, portfolio investments and deposit facilities

Level 2 fair values for debt instruments held in the environmental rehabilitation funds, portfolio investments and deposit facilities are based on quotes provided by the financial institutions at which the funds are invested at measurement date.

16.3.2.6 Cash flow hedge derivatives: interest rate swaps

Level 2 fair values for interest rate swaps are based on valuations provided by the financial institutions with whom the interest rate swaps have been entered into, and take into account credit risk. The valuations are assessed for reasonableness by discounting the estimated future cash flows based on observable ZAR swap curves.

16.3.2.7 Cash flow hedge derivatives: FECs

Level 2 fair values for hedge accounted FECs are based on valuations provided by the financial institutions with whom the FECs have been entered into, and take into account credit risk. The valuations are assessed for reasonableness by discounting the estimated future cash flows based on the relevant observable ZAR/foreign currency forward rates.

16.3.2.8 Valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as significant inputs used in the valuation models

Chifeng

Chifeng is classified within a Level 3 of the fair value hierarchy as there is no quoted market price or observable price available for this investment. This unlisted investment is valued as the present value of the estimated future cash flows, using a DCF model. The valuation technique is consistent to that used in previous reporting periods.

The significant observable and unobservable inputs used in the fair value measurement of the investment in Chifeng are rand/RMB exchange rate, RMB/US$ exchange rate, zinc LME price, production volumes, operational costs and the discount rate.

At 31 December 2025	Inputs	Sensitivity of inputs and fair value measurement[1]	Sensitivity analysis of a 10% increase in the inputs is demonstrated below[2] Rm
Observable inputs			
Rand/RMB exchange rate	R2.36/RMB1	Weakening of the rand to the RMB	39
RMB/US$ exchange rate	RMB6.60 to RMB7.11/US$1	Weakening of the RMB to the US$	118
Zinc LME price (US$ per tonne in real terms)	US$2 520.37 to US$2 615.33	Increase in price of zinc concentrate	118
Unobservable inputs			
Production volumes	390 386.5 tonnes to 477 719.5 tonnes	Increase in production volumes	96
Operational costs (US$ million per annum in real terms)	US$75.75 to US$78.54	Decrease in operations costs	(22)
Discount rate	10.54%	Decrease in the discount rate	(25)

[1] *Change in observable or unobservable input which will result in an increase in the fair value measurement.*
[2] *A 10% decrease in the respective inputs would have an equal but opposite effect on the above, on the basis that all other variables remain constant.*

16.3 Financial instruments continued

16.3.2 Fair values continued

16.3.2.8 Valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as significant inputs used in the valuation models continued

Chifeng continued

At 31 December 2024	Inputs	Sensitivity of inputs and fair value measurement[1]	Sensitivity analysis of a 10% increase in the inputs is demonstrated below[2] Rm
Observable inputs			
Rand/RMB exchange rate	R2.59/RMB1	Weakening of the rand to the RMB	44
RMB/US$ exchange rate	RMB6.43 to RMB7.04/US$1	Weakening of the RMB to the US$	123
Zinc LME price (US$ per tonne in real terms)	US$2 500 to US$2 660.02	Increase in price of zinc concentrate	123
Unobservable inputs			
Production volumes	447 719.5 tonnes	Increase in production volumes	27
Operational costs (US$ million per annum in real terms)	US$71.47 to US$75.17	Decrease in operations costs	(96)
Discount rate	10.54%	Decrease in the discount rate	(26)

[1] *Change in observable or unobservable input which will result in an increase in the fair value measurement.*
[2] *A 10% decrease in the respective inputs would have an equal but opposite effect on the above, on the basis that all other variables remain constant.*

Inter-relationships

Any inter-relationships between unobservable inputs is not considered to have a significant impact within the range of reasonably possible alternative assumptions for both reporting periods.

16.3.3 Risk management

16.3.3.1 Financial risk management

The group's corporate treasury function predominantly provides financial risk management services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the group through internal risk reports which analyse exposure by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The group's objectives, policies and processes for measuring and managing these risks are detailed below.

The group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of derivative financial instruments is governed by the group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, commodity price risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess funds. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis and the results are reported to the audit committee.

Financial instruments, including derivative financial instruments, are not entered into nor traded for speculative purposes rather, financial instruments are entered into to manage and reduce the possible adverse impact on earnings and cash flows of changes in interest rates and foreign currency exchange rates.

Capital management

In managing its capital, the group focuses on a prudent gearing position, return on shareholders' equity (ROCE) and the level of dividends to shareholders. The group's policy is to cover its annual net funding requirements through long-term loan facilities with maturities spread over time. Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect profit or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The group's activities expose it primarily to the financial risks of changes in the environmental rehabilitation funds, portfolio investment and deposit facilities quoted prices (refer note 16.3.3.2.1), foreign currency exchange rates (refer note 16.3.3.2.2) and interest rates (refer note 16.3.3.2.3). The group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risks and interest rate risks, including:

- Currency FECs, currency options and currency swap agreements to manage the exchange rate risk arising on the export of coal and import of capital expenditure
- Interest rate swaps and interest rate forwards to manage interest rate risk on the interest-bearing borrowings

16.3.3.2.1 Price risk management

The group's exposure to equity price risk arises from investments held by and classified either as at FVOCI or at FVPL. Currently, the group's exposure to equity price risk is not considered to be significant as Chifeng is seen as a non-core investment.

The group's exposure to price risk in relation to quoted prices of the environmental rehabilitation funds, portfolio investments and deposit facilities is not considered a significant risk as the funds are invested with reputable financial institutions in accordance with a strict mandate to ensure capital preservation and growth. The funds are held for strategic purposes rather than trading purposes.

16.3.3.2.2 Foreign currency risk management

Certain transactions are denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The currency in which transactions are entered into is mainly denominated in US dollar, euro and Australian dollar.

Exchange rate exposures are managed within approved policy parameters utilising FECs, currency options and currency swap agreements.

The group maintains a predominantly covered exchange rate position in respect of foreign balances (if any) and imported capital equipment resulting in these exposures being minimal. Trade-related import exposures are managed through the use of economic hedges arising from export revenue as well as through FECs. Trade-related export exposures are hedged using FECs and currency options with specific focus on short-term receivables. Any open exposure to foreign currency risk on these balances is insignificant as the turnaround time is generally less than 30 days. Foreign denominated capital purchases funded by ZAR denominated project financing arrangements are hedged using FECs.

Uncovered cash and cash equivalents as at 31 December 2025 amount to US$76.44 million (2024: US$71.22 million).

Monetary items have been translated at the closing rate at the last day of the reporting period.

The FECs which are used to hedge foreign currency exposure mostly have a maturity of less than one year from the reporting date. When necessary, FECs are rolled over at maturity.

The following significant exchange rates applied during the year:

	2025			2024		
	Average spot rate	Average achieved rate	Closing spot rate	Average spot rate	Average achieved rate	Closing spot rate
US$	17.86	18.33	16.51	18.32	18.80	18.87
€	20.17		19.39	19.82		19.53
AU$	11.54		11.02	12.10		11.68

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.2 Foreign currency risk management continued

Hedge accounting: Cash flow hedges – forward exchange contracts

FECs are designated as hedging instruments in cash flow hedges of expected US dollar and Chinese CNY capital purchases. Additionally, cash held in US dollar for purposes of settling the final purchase transactions are in certain circumstances designated as part of the hedging relationship. These transactions are highly probable, and relate to the group's commitments under construction projects subject to project financing arrangements.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the FECs match the terms of the expected highly probable expected transactions (ie, notional amount and expected payment date). The group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the FECs are identical to the hedged risk components. To test the hedge effectiveness, the group uses the "dollar offset method" and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. Hedge ineffectiveness can arise from:

- Existence of day one fair value of the hedging instrument
- A significant change in the credit risk during the period of the hedge
- Changes in the amount or timing of the payments to the contractor
- The forward element inherent in each FEC and
- Effects of foreign currency basis spread

The group is holding the following FECs and US$ bank balances associated with the hedging relationship:

	2025			
	0 to 6 months	6 to 12 months	1 to 2 years	Total
US$ denominated cash and cash equivalents (in Rm)	109			109
US$ denominated FEC notional amount (in Rm)	42	22	6	70
Average forward rate (ZAR/US$)	19.10	19.46	19.72	19.26
CNY denominated FEC notional amount (in Rm)	258	135	38	431
Average forward rate (ZAR/CNY)	2.68	2.77	2.83	2.72

	2024			
	0 to 6 months	6 to 12 months	1 to 2 years	Total
US$ denominated cash and cash equivalents (in Rm)	381			381

Financial performance effects of hedging recognised during the year:

			Group	
For the year ended 31 December	Line item in which recognised	Note	2025 Rm	2024 Rm
Transfer to property, plant and equipment	Assets under construction	10.1.3	59	17

Financial position effect of hedging instruments and hedging items

		Group	
At 31 December	Note	2025 Rm	2024 Rm
Hedging instruments: Outstanding US$ and CNY buy FECs and US$ cash available to settle the transaction			
Nominal amount		610	391
Carrying amount		53	381
– Non-current financial liability	12.1.7	(56)	
– US$ denominated cash and cash equivalents		109	381
Cumulative loss in fair value used for calculating hedge ineffectiveness		(73)	(10)
Hedged items: Cash flows on US$ and CNY capital purchases			
Nominal amount		610	391
Carrying amount in cash flow hedge reserve		46	(3)
Carrying amount in cost of hedge reserve		27	14
Cumulative loss in fair value used for calculating hedge ineffectiveness		(73)	(10)

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.2 Foreign currency risk management continued

Hedge accounting: Cash flow hedges – forward exchange contracts continued

Cost of hedging and cash flow hedge reserves composition:

	Group			
	Cost of hedging reserve		Cash flow hedge reserves	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Reserves relating to foreign currency risk exposure	(20)	(10)	(35)	2
– Gross	(27)	(14)	(48)	3
– Deferred tax thereon	7	4	13	(1)
Reserves relating to interest rate risk exposure			(229)	(26)
– Gross			(313)	(35)
– Deferred tax thereon			84	9
Balance of share of movements of equity-accounted investees			(42)	(87)
Balance of NCI share of reserves	16	3	83	(1)
Total	(4)	(7)	(223)	(112)

Movement analysis of cash flow hedge reserves relating to foreign currency risk exposure:

	Group			
	Gross			
	Cost of hedge Rm	Cash flow hedge – spot foreign exchange component Rm	Tax Rm	Net Rm
At 31 December 2023	(12)	(8)	5	(15)
Movement during the year				
Change in fair value of FEC recognised in OCI	(7)	(1)	2	(6)
Transferred to property, plant and equipment	5	12	(4)	13
At 31 December 2024	(14)	3	3	(8)
Movement during the year				
Change in fair value of FEC recognised in OCI	(45)	(78)	33	(90)
Transferred to property, plant and equipment	32	27	(16)	43
At 31 December 2025	(27)	(48)	20	(55)

16.3.3.2.3 Interest rate risk management

The group is exposed to interest rate risk as it borrows and deposits funds at floating interest rates on the money market and extended bank borrowings. The group's main interest rate risk arises from long-term borrowings with floating rates, which expose the group to cash flow interest rate risk. The risk is managed by undertaking controlled management of the interest structures of the investments and borrowings, maintaining an appropriate mix between fixed and floating interest rate facilities in line with the interest rate expectations. The group also uses interest rate swaps and interest rate forwards to manage the interest rate risk exposure.

When the contractual terms of the borrowings and covenants thereof require the use of hedging instruments to mitigate the risk of fluctuations of the underlying interest rate risk cash flow exposure and the impact on profit or loss of specific projects being financed, the group looks to apply hedge accounting where an effective hedge relationship is expected and to the extent that such exposure poses a real risk to the achievement of the loan covenants.

The financial institutions chosen are subject to compliance with the relevant regulatory bodies.

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.3 Interest rate risk management continued

Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The group has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The group's main IBOR exposure at 31 December 2025 was indexed to JIBAR.

The South African Reserve Bank (SARB) indicated its intention to move away from JIBAR and to create an alternative reference rate for South Africa. On 3 December 2025, the SARB announced that JIBAR will be permanently discontinued immediately after its final publication on 31 December 2026. All JIBAR tenors will cease to be provided and will be considered non-representative as of that date.

In 2022, the SARB and the Market Practitioners Group (MPG) designated ZARONIA as the preferred successor rate to JIBAR. Since then, the MPG has worked closely with regulators, market infrastructure providers and industry associations to ensure a smooth transition to ZARONIA. To assist market participants, the MPG has produced reference materials, including recommended market conventions, fallback language and the JIBAR transition plan.

The group's corporate treasury function monitors and manages the group's transition to alternative rates. The group's corporate treasury function evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

Non-derivative financial liabilities

The group's IBOR exposures to non-derivative financial liabilities as at 31 December 2025 were the secured project financing and unsecured loan facility indexed to JIBAR. Refer note 12.1.3.

Derivatives

The group holds interest rate swaps for risk management purposes that are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to JIBAR. Refer note 16.3.3.2.3.2.

Hedge accounting

The group's hedged items and hedging instruments as at the reporting date are indexed to JIBAR. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with counterparties as usual. Refer note 16.3.3.2.3.2.

There is uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. As a result, the group continues to apply the amendments to IFRS 9 issued in September 2019 (Phase 1) to those hedging relationships. Upon the transition to ZARONIA, the group will perform the necessary economic equivalent assessments and effectiveness tests as well as updating the hedge documentation for the changes.

16.3.3.2.3.1 Loan facility

The loan facility are entered into at floating interest rates.

The interest rate repricing profile for the loan facility is summarised below for group and company:

	1 to 6 months Rm	Total borrowings Rm
At 31 December 2025		
Non-current interest-bearing borrowings: loan facility	(4 083)	(4 083)
Current interest-bearing borrowings: loan facility	(423)	(423)
Total interest-bearing borrowings: loan facility	(4 506)	(4 506)
Percentage profile (%)	100	100
At 31 December 2024		
Non-current interest-bearing borrowings: loan facility	(2 499)	(2 499)
Current interest-bearing borrowings: loan facility	(498)	(498)
Total interest-bearing borrowings: loan facility	(2 997)	(2 997)
Percentage profile (%)	100	100

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.3 Interest rate risk management continued

16.3.3.2.3.1 Loan facility continued

Interest rate sensitivity

The following table reflects the potential impact on earnings, given an increase in interest rates of 50 basis points:

	2025 Rm	2024 Rm
Impact on earnings: loss	(23)	(15)

A decrease in interest rates of 50 basis points would have an equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

16.3.3.2.3.2 Project financing

The group is exposed to the risk of variability in future interest payments on the project financing, attributable to fluctuations in 3-month JIBAR, during operations phase, and 1-month JIBAR during the construction phase. The designated hedged items are the group of expected floating interest rate cash flows arising from the project financing, up to the notional amount of each interest rate swap, over the term of the hedging relationship. The notional amounts per interest rate swap match up to the designated exposure being hedged.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instruments and the hedged items. This will effectively result in recognising interest expense at a fixed interest rate for the hedged project financing.

The exposure profile is summarised as follows:

	Group			
	Percentage exposure			
At 31 December	**2025 %**	**2024 %**	**2025 Rm**	**2024 Rm**
Project financing nominal amount	100	100	(7 691)	(5 223)
– Linked to fixed rate	2	3	(118)	(127)
– Linked to floating rate	98	98	(7 573)	(5 096)
Project financing nominal amount linked to floating rate	98	98	(7 573)	(5 096)
Interest rate swap notional amount (swap floating rate to fixed rate)	(93)	(74)	7 187	3 872
Effective floating rate exposure on project financing	5	24	(386)	(1 224)

Interest rate sensitivity

The following table reflects the potential impact on earnings and equity, given an increase in interest rates of 50 basis points:

	Group	
Impact	**2025 Rm**	**2024 Rm**
Increase in finance costs	2	6
Increase in equity	16	28

A decrease in interest rates of 50 basis points would have an equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.3 Interest rate risk management continued

16.3.3.2.3.2 Project financing continued

Hedge accounting: Cash flow hedges – interest rate swaps

Hedge effectiveness

The group has assumed certain interest rate swaps from its business combination with Cennergi, as well as entered into new interest rate swaps for further project financing arrangements that have similar critical terms as the hedged item, such as reference rates, reset dates, payment dates, maturities and notional amounts. The group does not hedge 100% of its project financing, therefore the hedged item is identified as a proportion of the outstanding project financing up to the notional amount of the interest rate swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge effectiveness is determined at the inception of the hedge relationships, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged items and hedging instruments.

Hedge ineffectiveness for interest rate swaps is assessed frequently. It may occur due to:
- The DVA on the interest rate swaps which is not matched by the project financing
- Differences in critical terms between the interest rate swaps and project financing
- Changes to amounts or timing of drawdowns during construction phase

The recognised ineffectiveness in 2025 amounted to R10 million (2024: R12 million) and is mainly as a result of the DVA. Credit valuation adjustments are not considered due to the terms of the underlying loans, which allow for set-off.

The interest rate swaps require settlement of net interest receivable or payable every six months during the operations phase, and every 1-month during construction phase. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

The following tables detail the financial position and performance of the interest rate swap contracts outstanding at the end of the reporting period and their related hedged items.

Financial performance effects of hedging recognised during the year

			Group	
For the year ended 31 December	Line item in which recognised	Note	2025 Rm	2024 Rm
Fair value losses resulting from hedge ineffectiveness	Operating expenses	6.1.3	(10)	(12)
Fair value (losses)/gains on settlement of underlying swap (reclassified from OCI)	Finance costs	12.1.2	(25)	26

Hedging instruments and hedged items

		Group	
At 31 December	Note	2025 Rm	2024 Rm
Hedged items: Cash flows on floating rate project financing linked to JIBAR			
Nominal amount		7 187	3 872
Carrying amount in cash flow hedge reserve		(313)	(35)
Cumulative losses in fair value used for calculating hedge ineffectiveness		323	47
Hedging instruments: Outstanding receive floating, pay fixed contracts			
Nominal amount		7 187	3 872
Carrying amount		(364)	(128)
– Non-current financial asset	10.3.2		1
– Non-current financial liability	12.1.7	(342)	(129)
– Current financial liability	12.1.7	(22)	
Cumulative losses in fair value used for calculating hedge ineffectiveness		(412)	(203)

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.2 Market risk management continued

16.3.3.2.3 Interest rate risk management continued

16.3.3.2.3.2 Project financing continued

Hedge accounting: Cash flow hedges – interest rate swaps continued

Hedging reserves

Cash flow hedge reserves composition:

	Group	
At 31 December	2025 Rm	2024 Rm
Cash flow hedge reserve – interest rate swaps	(229)	(26)
– Gross	(313)	(35)
– Deferred tax thereon	84	9
Cash flow hedge reserve – spot element of FECs	(35)	2
– Gross	(48)	3
– Deferred tax thereon	13	(1)
Balance of share of movements of equity-accounted investees	(42)	(87)
Balance of NCI share of financial instruments revaluation reserve	83	(1)
Cash flow hedge reserves	(223)	(112)

Movement analysis of cash flow hedge reserve – interest rate swaps:

	Group		
	Gross Rm	Tax Rm	Net Rm
At 31 December 2023	17	(5)	12
Movement during the year			
Change in fair value of interest rate swaps recognised in OCI	(26)	7	(19)
Reclassified from OCI to profit or loss in finance costs	(26)	7	(19)
At 31 December 2024	(35)	9	(26)
Movement during the year			
Change in fair value of interest rate swaps recognised in OCI	(303)	82	(221)
Reclassified from OCI to profit or loss in finance costs	25	(7)	18
At 31 December 2025	(313)	84	(229)

16.3.3.3 Liquidity risk management

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements.

The group manages liquidity risk by monitoring forecast cash flows in compliance with loan covenants and ensuring that adequate unutilised borrowing facilities are maintained.

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.3 Liquidity risk management continued

Borrowing capacity is determined by the board of directors, from time to time.

	Note	Group 2025 Rm	Group 2024 Rm
Amount approved		69 969	67 484
Total borrowings	12.1.3	(12 197)	(8 220)
Unutilised borrowing capacity		57 772	59 264

The group's capital base and the borrowing powers of the company and the group were set at 125% of shareholders' funds (equity attributable to owners of the parent) for both the 2025 and 2024 financial years.

Standard payment terms for the majority of trade payables is the end of the month following the month in which the goods are received or services are rendered. A number of trade payables do, however, have shorter contracted payment periods.

To avoid incurring interest on late payments, financial risk management policies and procedures are entrenched to ensure the timeous matching of orders placed with goods received notes or services acceptances and invoices.

16.3.3.3.1 Maturity profile of financial instruments

Contractual cash flows for financial instruments which are subject to floating interest rates are based on the closing floating interest rate at reporting date.

The following tables detail the contractual maturities of certain financial assets and financial liabilities:

	Group					
			Maturity			
At 31 December 2025	**Carrying amount Rm**	**Contractual cash flows Rm**	**0 to 12 months Rm**	**1 to 2 years Rm**	**2 to 5 years Rm**	**More than 5 years Rm**
Financial assets						
ESD loans	140	140	82	38	20	
Vendor finance loan	46	76	7	6	63	
Intervention receivable	7	7	7			
Other financial assets at amortised cost[1]	53	66	3		11	52
Derivative financial assets	18	18	18			
Lease receivables	19	21	14	7		
Trade and other receivables	4 283	4 283	4 283			
Cash and cash equivalents	23 690	23 690	23 690			
Total financial assets	28 256	28 301	28 104	51	94	52
Percentage profile (%)		100	99		1	
Financial liabilities						
Interest-bearing borrowings	(12 197)	(20 661)	(2 051)	(1 974)	(8 547)	(8 089)
– Loan facility	(4 506)	(6 078)	(808)	(744)	(4 526)	
– Project financing	(7 691)	(14 583)	(1 243)	(1 230)	(4 021)	(8 089)
Lease liabilities	(779)	(1 253)	(123)	(121)	(377)	(632)
Non-current other payables	(11)	(11)		(11)		
Trade and other payables	(3 897)	(3 897)	(3 897)			
Cash flow hedge derivatives: interest rate swaps	(364)	(413)	(93)	(70)	(195)	(55)
Cash flow hedge derivatives: FECs	(56)	(57)	(52)	(5)		
Total financial liabilities	(17 304)	(26 292)	(6 216)	(2 181)	(9 119)	(8 776)
Percentage profile (%)		100	24	8	35	33
Liquidity gap identified[2]	10 952	2 009	21 888	(2 130)	(9 025)	(8 724)

[1] *Excludes the environmental rehabilitation funds at amortised cost of R129 million.*
[2] *The liquidity gap identified will be funded by cash generated from operations and the undrawn facilities in place.*

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.3 Liquidity risk management continued

16.3.3.3.1 Maturity profile of financial instruments continued

	Group					
			Maturity			
At 31 December 2024	Carrying amount Rm	Contractual cash flows Rm	0 to 12 months Rm	1 to 2 years Rm	2 to 5 years Rm	More than 5 years Rm
Financial assets[1]						
ESD loans	151	151	83	48	20	
Vendor finance loan	142	160	71	53	36	
Intervention receivable	8	8	8			
Investment deposits	4	4	4			
Cash flow hedge derivatives: interest rate swaps	1					
Derivative financial assets	2	2	2			
Lease receivables	29	34	14	14	6	
Trade and other receivables	4 230	4 230	4 230			
Cash and cash equivalents	20 630	20 630	20 630			
Total financial assets	25 197	25 219	25 042	115	62	
Percentage profile (%)		100	99	1		
Financial liabilities						
Interest-bearing borrowings	(8 220)	(12 061)	(1 737)	(3 558)	(3 257)	(3 509)
– Loan facility	(2 997)	(3 370)	(785)	(2 585)		
– Project financing	(5 223)	(8 691)	(952)	(973)	(3 257)	(3 509)
Lease liabilities	(430)	(659)	(101)	(109)	(266)	(183)
Non-current other payables	(40)	(40)		(3)	(37)	
Trade and other payables	(3 351)	(3 352)	(3 352)			
Cash flow hedge derivatives: interest rate swaps	(129)	(157)	(55)	(42)	(57)	(3)
Derivative financial liabilities	(22)	(22)	(22)			
Total financial liabilities	(12 192)	(16 291)	(5 267)	(3 712)	(3 617)	(3 695)
Percentage profile (%)		100	32	23	22	23
Liquidity gap identified[2]	13 005	8 928	19 775	(3 597)	(3 555)	(3 695)

[1] *Excludes the environmental rehabilitation funds at amortised cost of R118 million.*
[2] *The liquidity gap identified will be funded by cash generated from operations and the undrawn facilities in place.*

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.3 Liquidity risk management continued

16.3.3.3.1 Maturity profile of financial instruments continued

	Company					
			Maturity			
At 31 December 2025	Carrying amount Rm	Contractual cash flows Rm	0 to 12 months Rm	1 to 2 years Rm	2 to 5 years Rm	More than 5 years Rm
Financial assets						
ESD loans	140	140	82	38	20	
Vendor finance loan	46	76	7	6	63	
Other financial assets at amortised cost	53	66	3		11	52
Trade and other receivables	242	242	242			
Cash and cash equivalents	20 500	20 500	20 500			
Non-interest-bearing loans to subsidiaries	918	918	918			
Interest-bearing loans to subsidiaries	4 914	6 954	842	776	4 619	717
Total financial assets	26 813	28 896	22 594	820	4 713	769
Percentage profile (%)		100	78	3	16	3
Financial liabilities						
Interest-bearing borrowings	(4 506)	(6 078)	(808)	(744)	(4 526)	
– Loan facility	(4 506)	(6 078)	(808)	(744)	(4 526)	
Lease liabilities	(685)	(1 013)	(110)	(111)	(350)	(442)
Trade and other payables	(252)	(252)	(252)			
Non-interest-bearing loans from subsidiaries[1]	(94)	(94)	(94)			
Treasury facilities with subsidiaries	(5 545)	(5 545)	(5 545)			
Total financial liabilities	(11 082)	(12 982)	(6 809)	(855)	(4 876)	(442)
Percentage profile (%)		100	52	7	38	3
Liquidity gap identified	15 731	15 914	15 785	(35)	(163)	327

[1] *The majority of the non-interest-bearing loans from subsidiaries are not expected to be called upon in the foreseeable future.*

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.3 Liquidity risk management continued

16.3.3.3.1 Maturity profile of financial instruments continued

	Company				
			Maturity		
At 31 December 2024	Carrying amount Rm	Contractual cash flows Rm	0 to 12 months Rm	1 to 2 years Rm	2 to 5 years Rm
Financial assets					
ESD loans	151	151	83	48	20
Vendor finance loan	142	160	71	53	36
Investment deposits	4	4	4		
Trade and other receivables	237	237	237		
Cash and cash equivalents	17 300	17 300	17 300		
Non-interest-bearing loans to subsidiaries	701	701	701		
Interest-bearing loans to subsidiaries	3 002	3 379	792	2 587	
Treasury facilities with subsidiaries	69	69	69		
Total financial assets	21 606	22 001	19 257	2 688	56
Percentage profile (%)		100	88	12	
Financial liabilities					
Interest-bearing borrowings	(2 997)	(3 370)	(785)	(2 585)	
– Loan facility	(2 997)	(3 370)	(785)	(2 585)	
Lease liabilities	(342)	(429)	(91)	(99)	(239)
Trade and other payables	(216)	(216)	(216)		
Non-interest-bearing loans from subsidiaries[1]	(92)	(92)	(92)		
Treasury facilities with subsidiaries	(14 936)	(14 936)	(14 936)		
Total financial liabilities	(18 583)	(19 043)	(16 120)	(2 684)	(239)
Percentage profile (%)		100	85	14	1
Liquidity gap identified	3 023	2 958	3 137	4	(183)

[1] *The majority of the non-interest-bearing loans from subsidiaries are not expected to be called upon in the foreseeable future.*

16.3.3.4 Credit risk management

Credit risk relates to potential default by counterparties on debt instruments such as cash and cash equivalents, loans, investments, trade receivables and other receivables.

The group limits its counterparty exposure arising from money market and derivative instruments by only dealing with well established financial institutions of high-credit standing. The group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded are spread among approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the audit committee annually.

Trade receivables consist of a number of customers with whom Exxaro has long-standing relationships. A high portion of term supply arrangements exists with such customers resulting in limited credit exposure which exposure is limited by performing customer creditworthiness or country risk assessments.

The group strives to enter into sales contracts with customers which stipulate the required payment terms. It is expected of each customer that these payment terms are adhered to. Where trade receivables balances become past due, the normal recovery procedures are followed to recover the debt, where applicable new payment terms may be arranged to ensure that the debt is fully recovered.

Exxaro has concentration risk as a result of its exposure to one major customer. This is, however, not considered significant as the customer adheres to the stipulated payment terms.

Exxaro establishes an allowance for non-recoverability or impairment that represents its estimate of ECLs in respect of trade receivables, other receivables, loans, cash and cash equivalents and investments. The main components of these allowances are a 12-month ECL component that results from possible default events within the 12 months after the reporting date and a lifetime ECL component that results from all possible default events over the expected life of a financial instrument.

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. None of the financial assets were held as collateral for any security provided.

Detail of the trade receivables credit risk exposure:

	Group	
At 31 December	2025 %	2024 %
By geographical area		
RSA	79	70
Europe	10	6
Asia	11	21
USA		3
Total	100	100
By industry		
Public utilities	46	59
Mining	28	2
Manufacturing		1
Merchants	22	31
Food and beverage	1	
Steel	2	6
Cement	1	1
Total	100	100

Detailed impairment analysis of financial assets measured at amortised cost:

	Group		
At 31 December 2025	Total Rm	Performing Rm	Non-performing Rm
ESD loans	140	140	
– Non-current – gross	88	59	29
– Non-current – impairment allowances	(30)	(1)	(29)
– Current – gross	241	83	158
– Current – impairment allowances	(159)	(1)	(158)
Vendor finance loan	46	46	
– Non-current – gross	45	45	
– Current – gross	1	1	
Intervention receivable	7	7	
– Current – gross	7	7	
Other financial assets at amortised cost	182	182	
– Non-current – gross	179	179	
– Current – gross	5	3	2
– Current – impairment allowances	(2)		(2)
Lease receivables[1]	19	19	
– Non-current – gross	6	6	
– Current – gross	13	13	
Trade receivables	4 067	4 061	6
– Gross	4 187	4 079	108
– Impairment allowances	(120)	(18)	(102)
Other receivables	216	215	1
– Gross	219	215	4
– Impairment allowances	(3)		(3)
Cash and cash equivalents	23 690	23 690	
Total financial assets at amortised cost	28 367	28 360	7

[1] *Lease receivables are within the scope of the impairment requirements of IFRS 9.*

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.1 Exposure to credit risk continued

	Group			
At 31 December 2024	Total Rm	Performing Rm	Under-performing Rm	Non-performing Rm
ESD loans	151	151		
– Non-current – gross	131	68		63
– Non-current – impairment allowances	(63)			(63)
– Current – gross	247	84		163
– Current – impairment allowances	(164)	(1)		(163)
Vendor finance loan	142		142	
– Non-current – gross	81		81	
– Non-current – impairment allowance	(1)		(1)	
– Current – gross	63		63	
– Current – impairment allowance	(1)		(1)	
Intervention receivable	8	8		
– Current – gross	8	8		
Investment deposits	4	4		
– Current – gross	4	4		
Other financial assets at amortised cost	118	118		
– Non-current – gross	118	118		
– Current – gross	4			4
– Current – impairment allowances	(4)			(4)
Lease receivables[1]	29	29		
– Non-current – gross	18	18		
– Current – gross	11	11		
Trade receivables	4 098	4 093		5
– Gross	4 214	4 105		109
– Impairment allowances	(116)	(12)		(104)
Other receivables	132	131		1
– Gross	140	131		9
– Impairment allowances	(8)			(8)
Cash and cash equivalents	20 630	20 630		
Total financial assets at amortised cost	25 312	25 164	142	6

[1] *Lease receivables are within the scope of the impairment requirements of IFRS 9.*

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.1 Exposure to credit risk continued

	Company		
At 31 December 2025	Total Rm	Performing Rm	Non-performing Rm
ESD loans	140	140	
– Non-current – gross	88	59	29
– Non-current – impairment allowances	(30)	(1)	(29)
– Current – gross	241	83	158
– Current – impairment allowances	(159)	(1)	(158)
Vendor finance loan	46	46	
– Non-current – gross	45	45	
– Current – gross	1	1	
Other financial assets at amortised cost	53	53	
– Non-current – gross	50	50	
– Current – gross	5	3	2
– Current – impairment allowances	(2)		(2)
Other receivables	10	10	
– Gross	11	10	1
– Impairment allowances	(1)		(1)
Indebtedness by subsidiaries	232	232	
– Gross	233	233	
– Impairment allowances	(1)	(1)	
Non-interest-bearing loans to subsidiaries	918	918	
– Current – gross	980	926	54
– Current – impairment allowances	(62)	(8)	(54)
Interest-bearing loans to subsidiaries	4 914	4 914	
– Non-current – gross	4 485	4 485	
– Current – gross	429	429	
Treasury facilities with subsidiaries			
– Gross	6		6
– Impairment allowances	(6)		(6)
Cash and cash equivalents	20 500	20 500	
Total financial assets at amortised cost	26 813	26 813	

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.1 Exposure to credit risk continued

	Company			
At 31 December 2024	Total Rm	Performing Rm	Under-performing Rm	Non-performing Rm
ESD loans	151	151		
– Non-current – gross	131	68		63
– Non-current – impairment allowances	(63)			(63)
– Current – gross	247	84		163
– Current – impairment allowances	(164)	(1)		(163)
Vendor finance loan	142		142	
– Non-current – gross	81		81	
– Non-current – impairment allowance	(1)		(1)	
– Current – gross	63		63	
– Current – impairment allowance	(1)		(1)	
Investment deposit	4	4		
– Current – gross	4	4		
Other financial assets at amortised cost				
– Current – gross	4			4
– Current – impairment allowances	(4)			(4)
Other receivables	15	15		
– Gross	18	15		3
– Impairment allowances	(3)			(3)
Indebtedness by subsidiaries	222	222		
– Gross	223	223		
– Impairment allowances	(1)	(1)		
Non-interest-bearing loans to subsidiaries	701	700		1
– Current – gross	760	706		54
– Current – impairment allowances	(59)	(6)		(53)
Interest-bearing loans to subsidiaries	3 002	3 002		
– Non-current – gross	2 500	2 500		
– Current – gross	502	502		
Treasury facilities with subsidiaries	69	69		
– Gross	415	69		346
– Impairment allowances	(346)			(346)
Cash and cash equivalents	17 300	17 300		
Total financial assets at amortised cost	21 606	21 463	142	1

16.3.3.4.2 Trade and other receivables age analysis

	Group				
		Current		Past due	
At 31 December 2025	Total Rm	1 to 30 days Rm	31 to 60 days Rm	91 to 180 days Rm	>180 days Rm
Trade receivables	4 067	4 062			5
– Gross	4 187	4 079		7	101
– Impairment allowances	(120)	(17)		(7)	(96)
Other receivables	216	164	51		1
– Gross	219	164	51	1	3
– Impairment allowances	(3)			(1)	(2)
Total carrying amount of trade and other receivables	4 283	4 226	51		6

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.2 Trade and other receivables age analysis continued

	Group					
		Current		Past due		
At 31 December 2024	Total Rm	1 to 30 days Rm	31 to 60 days Rm	61 to 90 days Rm	91 to 180 days Rm	>180 days Rm
Trade receivables	4 098	4 094			4	
– Gross	4 214	4 105			13	96
– Impairment allowances	(116)	(11)			(9)	(96)
Other receivables	132	121	5	4		2
– Gross	140	121	6	4	3	6
– Impairment allowances	(8)		(1)		(3)	(4)
Total carrying amount of trade and other receivables	4 230	4 215	5	4	4	2

	Company		
		Current	Past due
At 31 December 2025	Total Rm	1 to 30 days Rm	>180 days Rm
Other receivables	10	10	
– Gross	11	10	1
– Impairment allowances	(1)		(1)
Indebtedness by subsidiaries	232	232	
– Gross	233	233	
– Impairment allowances	(1)	(1)	
Total carrying amount of trade and other receivables	242	242	

	Company		
		Current	Past due
At 31 December 2024	Total Rm	1 to 30 days Rm	91 to 180 days Rm
Other receivables	15	15	
– Gross	18	16	2
– Impairment allowances	(3)	(1)	(2)
Indebtedness by subsidiaries	222	222	
– Gross	223	223	
– Impairment allowances	(1)	(1)	
Total carrying amount of trade and other receivables	237	237	

16.3 Financial instruments continued

16.3.3 Risk management continued

16.3.3.4 Credit risk management continued

16.3.3.4.3 Credit quality of financial assets

The credit quality of cash and cash equivalents has been assessed by reference to external credit ratings available from Fitch, Standard & Poor's and Global credit rating.

	Group		Company	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Cash and cash equivalents				
Fitch ratings				
F1+	4 432	3 013	4 052	2 690
Standard & Poor's ratings				
A-1+	15 288	14 117	12 948	11 110
A-1	470			
Global credit rating				
AA(za)	1 000	1 000	1 000	1 000
AA-(za)	500		500	
AA+(za)	2 000	2 500	2 000	2 500
Total cash and cash equivalents	23 690	20 630	20 500	17 300

Fitch ratings
F1 Highest credit quality

"+" denotes any exceptionally strong credit feature

Standard & Poor's
A-1+ Highest certainty of payment

A-1 Very high certainty of payment

Global credit ratings
AA(za) Very strong financial security characteristics relative to other issuers in the same country

AA+(za) Very strong financial security characteristics relative to other issuers in the same country

AA-(za) Very strong financial security characteristics relative to other issuers in the same country

16.3.3.4.4 Collateral

No collateral was held by the group as security, nor any other enhancements over the financial assets during the years ended 31 December 2025 and 31 December 2024.

Guarantees

The group did not obtain financial or non-financial assets by taking possession of collateral it holds as security or calling on guarantees during the financial year ended 31 December 2025 and 31 December 2024. The guarantees issued relate to operational liabilities (refer note 13.4.1 on contingent liabilities).

16.3.4 Loan commitments

Loan commitments have been granted to the following parties:

	Group		Company	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Total loan commitments	14	38	419	38
ESD applicants[1]	14	38	14	38
Cennergi Holdings[2]			405	
Undrawn loan commitment	14	38	36	38
ESD applicants[1]	14	38	14	38
Cennergi Holdings[2]			22	

[1] *Loans approved and awarded to successful ESD applicants.*
[2] *Loan facility granted in relation to LSP SPV.*

17 Subsidiaries

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Chapter 17:
Subsidiaries

17.1. Accounting policies relating to subsidiaries

17.1.1 Subsidiaries

The results of subsidiaries are included for the duration of the period in which the group exercises control over its subsidiaries. All intercompany transactions and resultant profits or losses between group companies are eliminated on consolidation. Where necessary, accounting policies for subsidiaries are changed to ensure consistency with the policies adopted by the group. If it is not practical to change the policies, the appropriate adjustments are made on consolidation to ensure consistency within the group.

The results of structured entities that, in substance, are controlled by the group, are consolidated.

The company carries its investments in subsidiaries at cost, including transaction costs and initial fair value measurements of contingent consideration arising on acquisition date, less accumulated impairment losses. Subsequent fair value remeasurements of the contingent consideration are recognised in profit or loss.

Investments in share-based payments

Exxaro has an agreement with its subsidiary companies to charge the subsidiaries for the equity compensation share schemes (refer Chapter 14) granted to the subsidiaries' employees.

The movement in equity in the company's financial statements relating to the recharge of the share-based payments of subsidiaries is accounted for against investments in subsidiaries and is eliminated on consolidation for group reporting purposes.

Foreign operations

The results and financial position of all the group entities (none of which have the currency of a hyper-inflationary economy at or for the year ended 31 December 2025 and 2024) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities at rates of exchange ruling at the reporting date
- Equity items are translated at historical rates
- Income, expenditure and cash flow items at weighted average rates
- Goodwill and fair value adjustments arising on acquisition at rates of exchange ruling at the reporting date

Exchange differences on translation are accounted for in OCI. These differences will be recognised in profit or loss upon realisation of the underlying operation.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (ie the reporting entity's interest in the net assets of that operation) are taken to OCI. When a foreign operation is sold, exchange differences that were recorded in OCI are recognised in profit or loss.

Changes in ownership interest(s) in subsidiaries without change in control

Transactions with NCIs that do not result in loss of control are accounted for as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired in the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on the acquisition of NCI are also recognised in equity.

17.2 Significant judgements and assumptions made by management in applying the related accounting policies

17.2.1 Control assessment for consolidation of subsidiaries

In applying IFRS 10 *Consolidated Financial Statements* management has applied judgement in assessing whether Exxaro has control over certain entities where the percentage shareholding does not provide control. Specifically:

Eyesizwe

Exxaro has control over Eyesizwe even though the group only holds a 24.9% (2024: 24.9%) equity interest in Eyesizwe which is made up of the company's equity interest of 14.9% and a further 10% held equally by Exxaro ESOP SPV and Exxaro Aga Setshaba NPC. Eyesizwe was created and designed for the sole purpose of providing Exxaro with BEE credentials and as a structure to hold Exxaro shares. The implementation of the Replacement BEE Transaction protects the stability of Exxaro's operations reinforcing the sustainability of relationships with key stakeholders, equips Exxaro for growth by positioning Exxaro with market-leading empowerment credentials in the South African mining sector and creates long-term value for shareholders.

Exxaro is able to direct the strategic direction of Eyesizwe and, as per the transaction agreements, Eyesizwe's MoI may not be amended or replaced without Exxaro's prior written consent. All these points indicate that Exxaro has been involved from the inception of the Replacement BEE Transaction to ensure that the design and operation of Eyesizwe achieves the purpose for which it was created. Additionally, Eyesizwe cannot dispose of Exxaro shares without the prior consent of Exxaro. Exxaro has significant exposure to the variable returns of Eyesizwe, through the creation and maintenance of the BEE credentials during the lock-in period as well as through the equity investment held by Exxaro in Eyesizwe. All these factors have been considered in determining that, even though Exxaro does not have majority voting rights in Eyesizwe, it still has control over Eyesizwe and consolidates the results of Eyesizwe in the group results of Exxaro.

KAM

Exxaro has control over KAM and not joint control, despite holding a 50% equity interest in KAM. This is as a result of Exxaro having an additional voting right through the nominated chairperson in the event of a deadlock.

17.2.2 Non-controlling interests

Eyesizwe NCI

As part of the Replacement BEE Transaction, implemented in 2017, Eyesizwe was incorporated and established as the empowerment vehicle to hold 30% of Exxaro shares. A portion of the 30% acquired interest was financed by means of an issue of Eyesizwe preference shares to various financial institutions. The shares held by Eyesizwe in Exxaro were provided as security for these preference shares.

The outstanding preference share obligation was settled early by Eyesizwe during October 2019 as a result of the dividends which were received from Exxaro. This has resulted in Eyesizwe's other shareholders (IDC and Eyesizwe SPV Proprietary Limited) becoming true equity shareholders as they are now exposed to both upside and downside risk in relation to the Exxaro shares.

From an Exxaro group perspective this resulted in the recognition of NCIs for Eyesizwe's other shareholders. On initial recognition the NCI in Eyesizwe was recognised at the net asset value of the consolidated Eyesizwe results. Subsequent to initial recognition, the NCI shares in the movement of profit or loss and OCI.

Cennergi group NCI

In 2020, Cennergi, as the acquiree, had outstanding share-based payment transactions that Exxaro, as the acquirer, did not replace, cancel or exchange as part of the acquisition. The share-based payment transactions had vested and was therefore accounted for as part of NCI in the Cennergi group acquisition and measured at their market-based measure in terms of IFRS 2 *Share-based Payment* (IFRS 2). These arrangements were viewed as in-substance share options with the minorities, as the minorities were not exposed to downside risk nor benefit, until such time as the underlying shareholder financing of the arrangements had been settled.

Subsequently, the in-substance share option holders in Tsitsikamma SPV and Amakhala SPV have become true equity shareholders as they are now exposed to both upside and downside risk in relation to the Tsitsikamma SPV and Amakhala SPV shares respectively. The NCI of Tsitsikamma SPV and Amakhala SPV has been recognised at the net asset value at the date on which the in-substance share options were exercised. Subsequent to initial recognition, the NCI shares in the movement of profit or loss and OCI.

17.3 Transactions with subsidiaries

17.3.1 Revenue

For the year ended 31 December	Note	Company 2025 Rm	Company 2024 Rm
Corporate management services rendered to the following subsidiaries:	6.1.2	1 643	1 634
Exxaro Coal Proprietary Limited		1 085	1 116
Exxaro Coal Mpumalanga Proprietary Limited		527	459
Other subsidiaries		31	59
Dividend revenue from the following subsidiaries:	6.1.2	16 728	5 120
Cennergi Holdings Proprietary Limited		2	
Exxaro Coal Proprietary Limited[1]		16 453	4 719
Eyesizwe (RF) Proprietary Limited		273	374
Rocsi Holdings Proprietary Limited[1]			27
Interest revenue from the following subsidiaries:	6.1.2	291	386
From interest-bearing back-to-back loans receivable with:		283	377
– Cennergi Holdings Proprietary Limited		2	
– Exxaro Coal Proprietary Limited		281	377
From interest-bearing acquisition loans receivable with:			1
– Exxaro Aga Setshaba NPC			1
From treasury facilities receivable with:		8	8
– Exxaro Coal Proprietary Limited		4	
– Other subsidiaries		4	8

[1] *Relates to dividends in specie settled via the ZAR treasury facilities payable.*

17.3 Transactions with subsidiaries continued

17.3.2 Finance costs

For the year ended 31 December	Note	Company 2025 Rm	Company 2024 Rm
Interest expense on treasury facilities payable with:	12.1.2	(959)	(1 212)
Exxaro Coal Proprietary Limited		(741)	(967)
Exxaro Coal Mpumalanga Proprietary Limited		(218)	(245)

17.4 Summary of investments in subsidiaries

At 31 December	Company Gross carrying amount 2025 Rm	Company Gross carrying amount 2024 Rm	Company Accumulated impairment losses[1] 2025 Rm	Company Accumulated impairment losses[1] 2024 Rm	Company Net carrying amount 2025 Rm	Company Net carrying amount 2024 Rm
Unlisted subsidiaries equity shares	11 427	10 907	(3 134)	(2 776)	8 293	8 131
Share-based payments	254	237			254	237
Investments in subsidiaries	11 681	11 144	(3 134)	(2 776)	8 547	8 368

[1] *The accumulated impairment losses relates to:*
- *Exxaro Australia Holdings Proprietary Limited of R2 744 million (2024: R2 744 million)*
- *Exxaro Holdings Proprietary Limited of R67 million (2024: R26 million)*
- *Rocsi Holdings Proprietary Limited of R6 million (2024: R6 million) and Ferroland Proprietary Limited of R317 million (2024: nil) (refer note 8.4).*

17.5 Summary of indebtedness by/(to) subsidiaries

		Company					
		Gross carrying amount		Impairment allowances		Net carrying amount	
At 31 December	Note	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Indebtedness by subsidiaries							
Non-current		4 485	2 500			4 485	2 500
Interest-bearing loans receivable[1]	10.3.2	4 485	2 500			4 485	2 500
Current		1 648	1 900	(69)	(406)	1 579	1 494
Interest-bearing loans receivable[1]	10.3.2	429	502			429	502
Non-interest-bearing loans receivable[2]	10.3.2	980	760	(62)	(59)	918	701
Interest-bearing treasury facilities receivable[3]		6	415	(6)	(346)		69
– ZAR treasury facilities receivable	10.3.2	6	415	(6)	(346)		69
Indebtedness by subsidiaries	6.2.3	233	223	(1)	(1)	232	222
Total indebtedness by subsidiaries		6 133	4 400	(69)	(406)	6 064	3 994
Indebtedness to subsidiaries							
Current		(5 639)	(15 028)			(5 639)	(15 028)
Non-interest-bearing loans payable	12.1.7	(94)	(92)			(94)	(92)
Interest-bearing treasury facilities payable	12.1.7	(5 545)	(14 936)			(5 545)	(14 936)
– ZAR treasury facilities payable		(4 391)	(13 987)			(4 391)	(13 987)
– US$ treasury facilities payable		(1 154)	(949)			(1 154)	(949)
Total indebtedness to subsidiaries		(5 639)	(15 028)			(5 639)	(15 028)
Net indebtedness to subsidiaries		494	(10 628)	(69)	(406)	425	(11 034)

[1] *The credit risk relating to these subsidiary parties is considered very low and therefore seen as performing. There have been no changes to this assessment as these parties are continuously performing against contractual terms and are in a good liquidity position. The ECL has been considered to be immaterial.*
[2] *Relates mainly to impairment allowances on Gravelotte Iron Ore Company Proprietary Limited of R54 million (2024: R53 million).*
[3] *In 2025 the interest-bearing treasury facility with FerroAlloys of R66.3 million and with Ferroland of R375.5 million were capitalised as an additional investment and the impairment allowances on both were reversed. Relates to an impairment allowance on Ferroland Grondtrust Proprietary Limited of R346 million in 2024.*

Terms and conditions of indebtedness

Non-interest bearing loans

The loans are unsecured, have no fixed terms of repayment and are repayable within one month of a demand notice.

Interest-bearing treasury facilities

Treasury facilities are unsecured, have no fixed terms of repayment and are repayable on demand. Interest is charged at money market rates.

Indebtedness (trade related)

Certain subsidiaries are charged corporate management service fees which are repayable within 30 days.

17.5 Summary of indebtedness by/(to) subsidiaries continued

Terms and conditions of indebtedness continued

Interest-bearing loans receivable

Interest-bearing loans receivable, and their redemption profiles, comprise:

	Company					
	Project funding loan receivable		Back-to-back loans receivable		Net carrying amount	
At 31 December	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Exxaro Coal Proprietary Limited[1]			4 529	3 002	4 529	3 002
Cennergi Holdings Proprietary Limited[2]	385				385	
Total unsecured loans	385		4 529	3 002	4 914	3 002
Summary by financial year of redemption:						
Less than six months			229	277	229	277
Six to 12 months			200	225	200	225
Between one and two years			400	2 500	400	2 500
Between two and three years			400		400	
Between three and four years			400		400	
Between four and five years			2 900		2 900	
More than five years	385				385	
Total unsecured loans	385		4 529	3 002	4 914	3 002

[1] *The back-to-back loans receivable have similar terms as agreed with external lenders (excluding the project financing) except for interest, which is charged based on 3-month JIBAR plus a margin. Refer note 12.1.4 for detailed terms and conditions of the external borrowings, excluding the project financing. The fixed margin percentage at the end of the reporting period on the back-to-back loans is summarised as follows:*
Revolving credit facility: 2.40% (2024: 2.76%)
Bullet term loan facility: 2.20% (2024: 2.51%)
Amortised term loan facility: 2.05% (2024: 2.41%)

[2] *The project funding loan receivable bears interest at 12-month JIBAR and is repayable if and when funds are available but by no later than 31 December 2042.*

17.6 Detailed analysis of investments in subsidiaries and indebtedness by/(to) subsidiaries

	Country[2]	Nature of business[3]	Investment in subsidiaries: Investment in shares[1] 2025 R	Investment in subsidiaries: Investment in shares[1] 2024 Rm	Investment in subsidiaries: Investment in share-based payments 2025 Rm	Investment in subsidiaries: Investment in share-based payments 2024 Rm
Direct investments						
Cennergi Holdings Proprietary Limited	RSA	H	2 437 330 416	2 437 330 416		
Colonna Properties Proprietary Limited	RSA	B	2 518 966	2 518 966		
Exxaro Australia Holdings Proprietary Limited	AUS	H	803 932 214	803 932 214		
Exxaro Base Metals and Industrial Minerals Holdings Proprietary Limited	RSA	H	1	1		
Exxaro Chairman's Fund[4]	RSA	S				
Exxaro Coal Proprietary Limited	RSA	M	1 868 325 864	1 868 325 864	58	44
Exxaro Employee Empowerment Participation Scheme Trust[5]	RSA	S				
Exxaro Employee Empowerment Trust[5]	RSA	S				
Exxaro Environmental Rehabilitation Fund	RSA	S				
Exxaro ESOP SPV RF Proprietary Limited	RSA	S	100	100		
Exxaro FerroAlloys Proprietary Limited[6]	RSA	A		1		2
Exxaro Foundation[7]	RSA	S				
Exxaro Holdings Proprietary Limited[8]	RSA	H	392 492 040	433 575 451		
Exxaro Insurance Company Limited[9]	RSA	I	1 247 000 000	1 102 000 000		
Exxaro Aga Setshaba NPC	RSA	E				
Exxaro Minerals Proprietary Limited[10]	RSA	H				
Exxaro Mountain Bike Academy NPC	RSA	E				
Exxaro People Development Initiative NPC[5]	RSA	E				
Exxaro Properties (Groenkloof) Proprietary Limited[5]	RSA	B	1	1		
Eyesizwe (RF) Proprietary Limited (2025: 14.86%) (2024: 14.86%)	RSA	S	1 482 907 923	1 482 907 923		
Ferroland Grondtrust Proprietary Limited[11]	RSA	F	58 673 336	2	5	5
Gravelotte Iron Ore Company Proprietary Limited	RSA	B	1	1		
Kumba Resources Management Share Trust	RSA	S				
Rocsi Holdings Proprietary Limited[12]	RSA	H				
Total direct investments in subsidiaries			8 293 180 862	8 130 590 940	63	51

1 *At 100% holding except where otherwise indicated.*
2 *Country of incorporation: RSA — Republic of South Africa, AUS — Australia, SW — Switzerland.*
3 *M — Mining, B — Property, C — Service, E — Not for profit company, F — Farming, H — Holdings, I — Insurance, A — Manufacturing, P — Exploration, S — Structured entity, MIC – Mines in closure, R - Renewable energy.*
4 *Deregistered on 24 July 2025.*
5 *Entity in process of liquidation or deregistration.*
6 *In 2025 there was a share subscription for cash of R12 million and a share subscription funded by loan capitalisation of R66 million. On 31 October 2025 the entity was disposed of. Refer note 8.3.*
7 *Deregistered on 13 March 2024.*
8 *In 2025 an impairment charge on investment in subsidiary of R41 million was recognised.*
9 *Share subscriptions for cash amounting to R145 million (2024: R290 million).*
10 *Entity incorporated as holding company for future minerals acquisitions.*
11 *During the year there was a share subscription funded by loan capitalisation amounting to R375.5 million. The investment in subsidiary was further impaired by R317 million in 2025.*
12 *In 2024, a return of capital was declared and the company is in the process of liquidation.*

	Type of indebtedness	Total indebtedness receivable/(payable)			
		Total indebtedness by		(Total indebtedness to)	
		2025 Rm	2024 Rm	2025 Rm	2024 Rm
Direct investments					
Cennergi Holdings Proprietary Limited	Total	505	115	(2)	(2)
	– Interest-bearing	385			
	– Non-interest-bearing	120	115		
	– Current indebtedness			(2)	(2)
Colonna Properties Proprietary Limited					
Exxaro Australia Holdings Proprietary Limited					
Exxaro Base Metals and Industrial Minerals Holdings Proprietary Limited	Non-interest-bearing	217	217		
Exxaro Chairman's Fund[4]					
Exxaro Coal Proprietary Limited	Total	4 666	3 130	(4 397)	(11 579)
	– Interest-bearing	4 529	3 002		
	– Treasury facility			(4 397)	(11 579)
	– Current indebtedness	137	128		
Exxaro Employee Empowerment Participation Scheme Trust[5]					
Exxaro Employee Empowerment Trust[5]					
Exxaro Environmental Rehabilitation Fund					
Exxaro ESOP SPV RF Proprietary Limited					
Exxaro FerroAlloys Proprietary Limited[6]	Total		72		
	– Treasury facility		67		
	– Current indebtedness		5		
Exxaro Foundation[7]					
Exxaro Holdings Proprietary Limited[8]	Non-interest-bearing			(6)	(6)
Exxaro Insurance Company Limited[9]					
Exxaro Aga Setshaba NPC					
Exxaro Minerals Proprietary Limited[10]					
Exxaro Mountain Bike Academy NPC					
Exxaro People Development Initiative NPC[5]					
Exxaro Properties (Groenkloof) Proprietary Limited[5]					
Eyesizwe (RF) Proprietary Limited (2025: 14.86%) (2024: 14.86%)					
Ferroland Grondtrust Proprietary Limited[11]	Total		5		
	– Treasury facility		2		
	– Current indebtedness		3		
Gravelotte Iron Ore Company Proprietary Limited					
Kumba Resources Management Share Trust	Non-interest-bearing			(86)	(84)
Rocsi Holdings Proprietary Limited[12]	Non-interest-bearing				
Total direct investments in subsidiaries		5 388	3 539	(4 491)	(11 671)

	Country[2]	Nature of business[3]	Investment in subsidiaries			
			Investment in shares[1]		Investment in share-based payments	
			2025 R	2024 Rm	2025 Rm	2024 Rm
Indirect investments						
Amakhala Emoyeni RF Proprietary Limited (95%)	RSA	R				
Coastal Coal Proprietary Limited	RSA	MIC			1	1
Cennergi Proprietary Limited	RSA	H				
Cennergi Services Proprietary Limited	RSA	C				
Lephalale Solar Proprietary Limited	RSA	R				
Lephalale Solar II Proprietary Limited[4]	RSA	R				
Lephalale Solar III Proprietary Limited[4]	RSA	R				
K2021699383 (South Africa) Proprietary Limited[4]	RSA	R				
Icarus Solar Power Plant (RF) Proprietary Limited[5]	RSA	R				
Karreeebosch Asset Management Proprietary Limited (50%)[6]	RSA	C				
Karreebosch Mbane Proprietary Limited[4]	RSA	H				
Karreebosch SAN Proprietary Limited[4]	RSA	H				
Karreebosch Wind Farm RF Proprietary Limited (80%)[6]	RSA	R				
ManganExx Proprietary Limited[7]	RSA	H				
Matla and Arnot Rehabilitation Trust	RSA	S				
Exxaro Australia Proprietary Limited	AUS	P				
Exxaro Coal Mpumalanga Proprietary Limited	RSA	M			192	188
Exxaro International Trading AG	SW	C			(2)	(3)
Exxaro Reductants Proprietary Limited[8]	RSA	A				
The Vryheid (Natal) Railway Coal and Iron Company Proprietary Limited	RSA	MIC				
Exxaro Employee Share Ownership Trust	RSA	S				
Tsitsikamma RF Proprietary Limited (75%)	RSA	R				
Total indirect investment in subsidiaries					191	186
Total investment in subsidiaries			8 293 180 862	8 130 590 940	254	237

1 *At 100% holding except where otherwise indicated.*
2 *Country of incorporation: RSA — Republic of South Africa, AUS — Australia, SW — Switzerland.*
3 *M — Mining, B — Property, C — Service, E — Not for profit company, F — Farming, H — Holdings, I — Insurance, A — Manufacturing, P — Exploration, S — Structured entity, MIC – Mines in closure, R - Renewable energy.*
4 *Entity reserved for future renewable energy projects.*
5 *Entity acquired holding a single asset renewable energy development project.*
6 *Entities acquired as part of the Karreebosch project acquisition. Refer note 8.5.*
7 *Entity incorporated as holding company for the select manganese assets acquisitions.*
8 *Entity in process of liquidation or registration.*

		Total indebtedness receivable/(payable)			
		Total indebtedness by		(Total indebtedness to)	
	Type of indebtedness	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Indirect investments					
Amakhala Emoyeni RF Proprietary Limited (95%)					
Coastal Coal Proprietary Limited	Non-interest-bearing	386	287		
Cennergi Proprietary Limited					
Cennergi Services Proprietary Limited					
Lephalale Solar Proprietary Limited					
Lephalale Solar II Proprietary Limited[4]					
Lephalale Solar III Proprietary Limited[4]					
K2021699383 (South Africa) Proprietary Limited[4]					
Icarus Solar Power Plant (RF) Proprietary Limited[5]					
Karreebosch Asset Management Proprietary Limited (50%)[6]					
Karreebosch Mbane Proprietary Limited[4]					
Karreebosch SAN Proprietary Limited[4]					
Karreebosch Wind Farm RF Proprietary Limited (80%)[6]					
ManganExx Proprietary Limited[7]	Non-interest-bearing	92			
Matla and Arnot Rehabilitation Trust					
Exxaro Australia Proprietary Limited					
Exxaro Coal Mpumalanga Proprietary Limited	Total	94	86	(1 148)	(3 357)
	– Treasury facility			(1 148)	(3 357)
	– Current indebtedness	94	86		
Exxaro International Trading AG					
Exxaro Reductants Proprietary Limited[5]					
The Vryheid (Natal) Railway Coal and Iron Company Proprietary Limited	Non-interest-bearing	103	82		
Exxaro Employee Share Ownership Trust					
Tsitsikamma RF Proprietary Limited (75%)					
Total indirect investment in subsidiaries		676	455	(1 148)	(3 357)
Total investment in subsidiaries		6 064	3 994	(5 639)	(15 028)

17.7 Non-controlling interests

17.7.1 Composition and analysis of non-controlling interests

Subsidiaries with non-controlling interests	Nature of business	Principal place of business	Voting power of non-controlling interests 2025 %	Voting power of non-controlling interests 2024 %
Subsidiaries with equity shareholders				
Eyesizwe	BEE structured entity	Gauteng	75.14	75.14
Tsitsikamma SPV	Renewable energy	Eastern Cape	25.00	25.00
Amakhala SPV	Renewable energy	Eastern Cape	5.00	5.00
Karreebosch SPV[1]	Renewable energy	Northern Cape	20.00	
KAM[2]	Renewable energy	Western Cape	50.00	

[1] *Minority shareholder of Karreebosch SPV that was acquired on 17 February 2025.*
[2] *Minority shareholder of KAM that was acquired on 17 February 2025.*

	Profit allocated to NCI		OCI allocated to NCI		Dividends and distributions paid to NCI		Accumulated NCI	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Subsidiaries with equity shareholders								
Eyesizwe	2 264	2 318	(115)	(22)	(1 382)	(1 893)	15 010	14 243
Tsitsikamma SPV	27	25	(4)	(3)	(31)	(39)	255	263
Amakhala SPV	4	3	(1)	(1)	(6)	(3)	54	57
Karreebosch SPV			(45)				(45)	
KAM	1						1	
Total NCIs	2 296	2 346	(165)	(26)	(1 419)	(1 935)	15 275	14 563

Movement analysis of NCI	NCI equity shareholders 2025 Rm	NCI equity shareholders 2024 Rm	NCI share option holders 2025 Rm	NCI share option holders 2024 Rm	Total NCI 2025 Rm	Total NCI 2024 Rm
At beginning of the year	14 563	14 119		41	14 563	14 160
Total comprehensive income	2 131	2 320			2 131	2 320
Share of profit for the year	2 296	2 346			2 296	2 346
Share of OCI for the year	(165)	(26)			(165)	(26)
Transactions with owners of subsidiary companies	(1 419)	(1 935)			(1 419)	(1 935)
Dividends paid	(1 419)	(1 935)			(1 419)	(1 935)
Changes in ownership interest		59		(41)		18
Initial recognition of NCI equity shareholder[1]		59		(41)		18
- Derecognise share option[1]				(41)		
At end of the year	15 275	14 563			15 275	14 563

[1] *On 30 April 2024, the share option holders of Amakhala SPV exercised their share options becoming true equity shareholders.*

17.7 Non-controlling interests continued

17.7.2 Summarised financial information of non-controlling interests

The summarised financial information set out below relates to the subsidiaries in which NCI share.

At 31 December	KAM 2025 Rm	Karree-bosch SPV 2025 Rm	Amakhala SPV 2025 Rm	Amakhala SPV 2024 Rm	Tsitsikamma SPV 2025 Rm	Tsitsikamma SPV 2024 Rm	Eyesizwe 2025 Rm	Eyesizwe 2024 Rm
Statements of financial position								
Non-current assets		2 602	3 671	3 867	2 840	2 986	19 709	18 622
Current assets	2	287	318	359	257	229	14	47
Total assets	2	2 889	3 989	4 226	3 097	3 215	19 723	18 669
Non-current liabilities		3 018	2 605	2 857	1 865	1 993		
Current liabilities	1	65	305	223	212	171	3	3
Total liabilities	1	3 083	2 910	3 080	2 077	2 164	3	3
Net assets/(liabilities)	1	(194)	1 079	1 146	1 020	1 051	19 720	18 666
Accumulated NCIs	1	(45)	54	57	255	263	15 010	14 243

For the periods ended 31 December	KAM 10 months 2025 Rm	Karree-bosch SPV 10 months 2025 Rm	Amakhala SPV 12 months 2025 Rm	Amakhala SPV 8 months 2024 Rm	Tsitsikamma SPV 12 months 2025 Rm	Tsitsikamma SPV 12 months 2024 Rm	Eyesizwe 12 months 2025 Rm	Eyesizwe 12 months 2024 Rm
Statements of comprehensive income								
Revenue	16		787	580	623	611		
Net operating profit/(loss)	1	(2)	373	287	303	308	(35)	(14)
Income from equity-accounted investments							3 050	3 098
Net (finance costs)/income			(267)	(178)	(150)	(168)	2	2
Income tax benefit/(expense)		1	(34)	(35)	(45)	(42)	(1)	(1)
Profit/(loss) for the year	1	(1)	72	74	108	98	3 016	3 085
Other comprehensive loss		(225)	(18)	(31)	(15)	(11)	(154)	(29)
Total comprehensive income/(loss) for the year	1	(226)	54	43	93	87	2 862	3 056
Profit/(loss) attributable to:	1	(1)	72	74	108	98	3 016	3 085
Owners of the parent		(1)	68	71	81	73	752	767
Non-controlling interests	1		4	3	27	25	2 264	2 318
Other comprehensive loss attributable to:		(225)	(18)	(31)	(15)	(11)	(154)	(29)
Owners of the parent		(180)	(17)	(30)	(11)	(8)	(39)	(7)
Non-controlling interests		(45)	(1)	(1)	(4)	(3)	(115)	(22)
Total comprehensive income/(loss) attributable to:	1	(226)	54	43	93	87	2 862	3 056
Owners of the parent		(181)	51	41	70	65	713	760
Non-controlling interests	1	(45)	3	2	23	22	2 149	2 296
Statements of cash flows								
Cash flows from operating activities	2	(98)	270	115	280	284	(33)	(12)
Cash flows from investing activities		(2 401)					1 839	2 559
Cash flows from financing activities		2 559	(314)	(253)	(279)	(278)	(1 839)	(2 519)
Net increase/(decrease) in cash and cash equivalents	2	60	(44)	(138)	1	6	(33)	28
Dividends paid to non-controlling interests			(6)	(3)	(31)	(39)	(1 382)	(1 893)

18 Compliance

167 18.1 Basis of preparation
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Chapter 18:
Compliance

18.1 Basis of preparation

18.1.1 Statement of compliance

The group (consolidated) and the company (separate) annual financial statements as at and for the year ended 31 December 2025 have been prepared under the supervision of Mr PA Koppeschaar CA(SA), SAICA registration number: 00038621.

The material accounting policies of Exxaro Resources Limited (the company) and its entities (the group) as well as the disclosures made in these annual financial statements for the year ended 31 December 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) (as issued by the International Accounting Standards Board (IASB®)), the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), the Financial Pronouncements (as issued by the Financial Reporting Standards Council), the Companies Act (applicable to companies reporting under IFRS Accounting Standards) and the JSE Listings Requirements.

18.1.2 Basis of measurement

The financial statements are prepared on the historical cost basis, except for the revaluation to fair value of financial instruments, share-based payments and biological assets. The financial statements are prepared on the going-concern basis.

The financial statements are presented in South African rand, which is the company's functional and presentation currency. However, the group measures the transactions of each of its material operations using the functional currency determined for that specific entity, which, in most instances, is the currency of the primary economic environment in which the operation conducts its business.

Management considers key financial metrics and loan covenant compliance in its approved medium-term budgets, together with its existing term facilities, to conclude that the going concern assumption used in compiling the financial statements is relevant.

The material accounting policies applied for 2025 are consistent with those applied in 2024, except for the adoption of new or amended standards as set out below.

18.1.3 Basis of consolidation

The group financial statements present the consolidated financial position and changes therein, operating results and cash flow information of the company and its subsidiaries as those of a single entity.

18.1.4 Judgements and key assumptions made by management in applying accounting policies

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to exercise its judgement in the process of applying the accounting policies. Such judgements, apart from those involving estimates, have been made by management. Details of these judgements have been included within the relevant chapters. Additionally, the use of certain critical accounting estimates is required. Key assumptions concerning the future, and other key sources of estimation uncertainty at the financial year end, may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year if the assumption or estimation changes significantly. Details of key assumptions and key sources of estimation uncertainty have been included within the relevant chapters.

18.2 Adoption of new, amended and revised standards and interpretations

18.2.1 New, amended and revised standards adopted during 2025

Exxaro has applied changes to IFRS Accounting Standards that are mandatorily effective for reporting periods beginning on or after 1 January 2025. The changes and their impact on Exxaro are summarised below. Overall, the adoption of these amendments did not impact the recognition nor measurement of the amounts reported in these financial statements.

IFRS Accounting Standard	Key requirements
IAS 21 *The Effects of Changes in Foreign Exchange Rates* – Lack of exchangeability	The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The effect of the implementation of these amendments will have no impact as Exxaro is not exposed to lack of exchangeability in foreign currency.

18.2 Adoption of new, amended and revised standards and interpretations continued

18.2.2 New, amended and revised standards not yet adopted

New IFRS Accounting Standards, amendments to IFRS Accounting Standards and interpretations issued, that are not yet effective on 31 December 2025, have not been early adopted. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date. The group continuously evaluates the impact of these standards and amendments. The assessments of the effect of the implementation of these new, amended or revised IFRS Accounting Standards are ongoing.

IFRS Accounting Standard	Key requirements	Mandatory application date
IFRS 7 *Financial Instruments: Disclosure* and IFRS 9 *Financial Instruments* – Classification and Measurement of Financial Instruments	These amendments: • Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system • Clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion • Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of ESG targets) • Make updates to the disclosures for equity instruments designated at FVOCI The effect of the implementation of these amendments are not expected to have a material impact.	1 January 2026
IFRS 7 *Financial Instruments: Disclosure* and IFRS 9 *Financial Instruments* – Contracts Referencing Nature-dependent Electricity	These amendments: • Clarify how the own-use requirements should be applied • allow hedge accounting when these contracts are used as hedging instruments • introduce new disclosure requirements to give investors a clearer understanding of the impact of these contracts on an entity's financial performance and cash flows The effect of the implementation of these amendments are not expected to have a material impact.	1 January 2026
Annual improvements – Volume 11	Annual improvements include only those amendments that clarify wording in IFRS Accounting Standards or address relatively minor unintended consequences, oversights, or conflicts within existing requirements. The current annual improvements cycle includes amendments to IFRS 7 *Financial Instruments: Disclosure* (including its implementation guidance), IFRS 9 *Financial Instruments*, IFRS 10 *Consolidated Financial Statements*, and IAS 7 *Statement of Cash Flows*. The effect of the implementation of these amendments is not expected to have a material impact.	1 January 2026
IFRS 18 *Presentation and Disclosure in Financial Statements* (IFRS 18)	IFRS 18 replaces IAS 1 *Presentation of Financial Statements*, which sets out presentation and base disclosure requirements for financial statements. IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies: • Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses, namely operating, investing and financing, to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit • Enhanced transparency of management defined performance measures with a requirement for companies to disclose explanations of those company-specific measures that are related to the income statement • More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses An analysis has been performed to identify items which are required to be classified within the investing and financing categories. The accounting systems are being updated to reflect newly created accounts and configurations changes arising from this analysis. A detailed analysis is currently being performed for items to be included in the operating category, including the appropriate aggregation and disaggregation of these items. In addition, the requirements related to management-defined performance measures are also being considered.	1 January 2027

18.2 Adoption of new, amended and revised standards and interpretations continued

18.2.2 New, amended and revised standards not yet adopted continued

IFRS Accounting Standard	Key requirements	Mandatory application date
IFRS 19 *Subsidiaries without Public Accountability: Disclosures* (IFRS 19)	IFRS 19 is a voluntary standard that applies to entities without public accountability, but whose parents prepare consolidated financial statements under the IFRS Accounting Standards. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. A subsidiary is eligible if: • It does not have public accountability • It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards IFRS 19 is not applicable to the Exxaro group or company as the instruments are publicly traded, but will be considered for the subsidiary entities within the Exxaro group.	1 January 2027
IAS 21 *The Effects of Changes in Foreign Exchange Rates* – Translation to a hyperinflationary presentation currency	The amendment specifies the translation procedures to be applied when an entity's presentation currency is that of a hyperinflationary economy. The entity applies the amendments if its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy. The amendment aims to improve the usefulness of the resulting information in a cost-effective manner. The effect of the implementation of these amendments will have no impact as Exxaro does not have any entities operating in a hyperinflationary economy.	1 January 2027

18.3 Events after the reporting period

Subsequent to 31 December 2025, the following notable event occurred:

Details of the final dividend declared are provided in note 5.5.

Acquisition of select manganese assets

As part of Exxaro's SG&I strategy to diversify into energy transition minerals, Exxaro pursued opportunities in the manganese sector. On 13 May 2025, Exxaro (through ManganExx Proprietary Limited), entered into two separate agreements with Ntsimbintle Holdings and OMH (collectively the Sellers), respectively, to acquire the shares and certain corresponding claims held by the Sellers in and against various investee companies.

On 27 February 2026, the transactions became effective, except for the acquisition of the interest in the Mokala Mine (through an interest in Mokala Manganese Proprietary Limited) which is subject to further conditions precedent still to be fulfilled.

On the effective date, Exxaro acquired interests in the following manganese assets for approximately R10.6 billion:
- 100% of Ntsimbintle Mining
- 100% of NMT
- 19.99% of Jupiter Mines
- 9% of Hotazel as well as Hotazel Sales Claims

The acquisition gives Exxaro a footprint in the manganese sector, positioning the group as a globally relevant producer with exposure to long-life, high-quality assets situated in the Kalahari Manganese Field, one of the world's most significant manganese regions.

At the time of approving the group and company annual financial statements 2025, Exxaro was still in the process of completing the accounting assessment and valuation of the manganese assets against the requirements of IFRS 3 *Business Combinations* and other relevant IFRS Accounting Standards. The group will recognise the acquired interests and related financial impacts in its financial statements for the reporting period ending 31 December 2026.

The directors are not aware of any other significant matter or circumstance arising after the reporting period up to the date of this report, not otherwise dealt with in this report.

New Matla Coal Supply Agreement

On 2 April 2026, Exxaro announced that its wholly owned subsidiary, Exxaro Coal Mpumalanga Proprietary Limited, successfully concluded a new long-term Coal Supply Agreement (CSA) (New CSA) with Eskom to supply coal from Matla Colliery to Eskom, effective 01 April 2026 until 30 November 2043. The New CSA replaces the original CSA.

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Annexure 1: Shareholder analysis

1.1 Exxaro public and non-public shareholding 2025

Shareholder type	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
Non-public shareholders	12	0.042	108 202 887	31.64
Eyesizwe	1	0.003	107 612 026	31.47
Kumba Management Share Trust	1	0.003	158 218	0.05
Directors				
– PA Koppeschaar[1]	1	0.003	114 509	0.03
– B Magara[1]	1	0.003	12 345	0.00
Prescribed officers[1]	5	0.020	232 996	0.07
Subsidiary directors[1]	2	0.007	68 553	0.02
Share option scheme trustees[1]	1	0.003	4 240	0.00
Public shareholders	29 458	99.958	233 710 787	68.36
Total	29 470	100.000	341 913 674	100.00

[1] *Includes direct and DBP shareholding.*

1.2 Registered shareholder spread

In accordance with the Listings Requirements, the following table confirms the spread of registered shareholders at 31 December 2025:

Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued share capital
1 to 1 000 shares	26 079	88.49	3 461 454	1.01
1 001 to 10 000 shares	2 310	7.84	8 666 842	2.54
10 001 to 100 000 shares	818	2.78	23 503 116	6.87
100 001 to 1 000 000 shares	227	0.77	68 431 731	20.02
1 000 001 shares and above	36	0.12	237 850 531	69.56
Total	29 470	100.00	341 913 674	100.00

1.3 Substantial investment management and beneficial interests above 5%

Through regular analysis of Strate registered holdings, and pursuant to the provisions of section 56 of the Companies Act, the following shareholders held 5% or more (directly and indirectly) of the issued share capital as at 31 December 2025:

Shareholder spread	Number of shares	% of issued share capital
Investment management shareholdings		
Eyesizwe	107 612 026	31.47
Public Investment Corporation (PIC)	34 820 829	10.18
Allan Gray Proprietary Limited	31 064 539	9.09
M&G Investment Managers Proprietary Limited	30 322 030	8.87
Total	203 819 424	59.61
Beneficial shareholdings		
Eyesizwe	107 612 026	31.47
Government Employees Pension Fund	46 218 840	13.52
Total	153 830 866	44.99

Annexure 2: Definitions

The following definitions are to be used in a group context:

Attributable cash flow per ordinary share	Cash flow from operating activities after adjusting for participation of NCIs therein, divided by the weighted average number of ordinary shares in issue during the year.
Attributable earnings	Earnings attributable to owners of the parent (Exxaro) which is determined by deducting earnings attributable to non-controlling shareholders from total earnings of the group.
Capital employed	Total equity plus net debt minus both non-current financial assets and other non-current assets.
Current ratio	Total current assets divided by total current liabilities.
Dividend cover: Adjusted Group Earnings	Adjusted Group Earnings divided by dividends paid (excluding the pass through of the SIOC dividend).
Dividend yield	Dividends per ordinary share divided by closing share price per ordinary share.
Earnings per ordinary share:	**Attributable earnings basis** Attributable earnings divided by the weighted average number of ordinary shares in issue (net of treasury shares) during the year. **Headline earnings basis** Headline earnings divided by the weighted average number of ordinary shares in issue (net of treasury shares) during the year.
EBIT	Net operating profit before interest, tax, impairment charges or impairment reversals and net losses or gains on the disposal of assets and investments (including translation differences recycled to profit or loss).
EBITDA	Net operating profit before interest, tax, depreciation, amortisation, impairment charges or impairment reversals and net losses or gains on the disposal of assets and investments (including translation differences recycled to profit or loss).
Effective interest rate	The rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.
Financial cost cover: EBIT cover	EBIT divided by net financing costs.
Financial cost cover: EBITDA cover	EBITDA divided by net financing costs.
Good leavers	A participant whose employment with employer companies is terminated due to: (i) the Participant's: • retrenchment • retirement • death • serious disability or incapacitation • promotion out of the relevant qualifying category; or (ii) the employer company ceasing to form part of the employer companies, provided that any transfer of employment by a participant to another employer company shall not be deemed to constitute any terminations of employment by a participant with the employer companies.
Headline earnings	Earnings attributable to owners of the parent (Exxaro) adjusted for gains or losses on items of a capital nature, recognising the tax and NCIs impact on these adjustments.
Headline earnings yield	Headline earnings per ordinary share divided by the closing share price on the JSE.
Interest-bearing debt	Sum of interest-bearing borrowings and lease liabilities. The calculations include the respective items classified as non-current liabilities held-for-sale.
Invested capital	Total equity, interest-bearing debt, non-current provisions and net deferred tax less cash and cash equivalents.

Annexure 2: Definitions continued

Materiality	Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that primary users of general purpose financial statements make, on the basis of those financial statements, which provide financial information about the reporting entity. Materiality is determined on a case-by-case basis depending on the facts and circumstances pertaining to the item, transaction, adjustment, information or event (matter) taking into account both qualitative and quantitative factors.
Net assets	Total assets less total liabilities less NCIs which equates to equity of owners of the parent (Exxaro).
Net debt or cash	Net debt or cash is calculated as the sum of interest-bearing borrowings, lease liabilities and overdraft less cash and cash equivalents. The calculations include the respective items classified as non-current assets and liabilities held-for-sale.
Net debt to equity ratio	Net debt or cash as a percentage of total equity.
Net operating profit	Net operating profit or loss equals revenue less operating expenses, major once-off expense items and impairment charges of non-current operating assets, plus impairment reversals of non-current operating assets and major non-recurring income items. Major non-recurring items which relate to significant corporate activities are presented separately on the statement of comprehensive income between operating profit or loss and net operating profit or loss.
Non-core items	Gains and losses adjusted in the calculation of headline earnings.
Number of years to repay interest-bearing debt	Interest-bearing debt divided by cash flow from operating activities.
Operating margin	Net operating profit as a percentage of revenue.
Operating profit	Operating profit or loss equals revenue less operating expenses before impairment charges or impairment reversals of non-current operating assets and major non-recurring items.
Operating segments	An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses; and whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources allocated to the segment and assess its performance; and for which discrete financial information is available.
Return on capital employed	Net operating profit plus income from non-equity-accounted investments plus income from equity-accounted investments, as a percentage of average capital employed.
Return on invested capital	Net operating profit plus income from non-equity-accounted investments plus income from equity-accounted investments, as a percentage of the average invested capital.
Return on net assets	Net operating profit plus income from non-equity-accounted investments plus income from equity-accounted investments, as a percentage of the average net assets.
Return on ordinary shareholders' equity:	**Attributable earnings** Attributable earnings as a percentage of average equity attributable to owners of the parent (Exxaro). **Headline earnings** Headline earnings as a percentage of average equity attributable to owners of the parent (Exxaro).
Revenue per employee	Revenue divided by the average number of employees during the year.
Total asset turnover	Revenue divided by average total assets.
WANOS calculation	The number of shares in issue at the beginning of the year, increased by shares issued during the year, decreased by share repurchases during the year and treasury shares, weighted on a time basis for the period in which they have participated in the earnings of the group. In the case of shares issued pursuant to a share capitalisation award in lieu of dividends, the participation of such shares is deemed to be from the date of issue.

Annexure 3: Administration

Registered office

Exxaro Resources Limited
The conneXXion
263B West Avenue
Die Hoewes, Centurion, 0157
South Africa
Telephone +27 12 307 5000

Company registration number: 2000/011076/06
JSE share code: EXX
ISIN code: ZAE000084992
Bond issuer code: EXXI

Group Company Secretary

MH Nana

Independent external auditor

KPMG Inc.
KPMG Crescent
85 Empire Road
Parktown, 2913

Commercial bankers

ABSA Bank Limited

Corporate legal advisers

Inlexso Proprietary Limited

Lead equity sponsor and debt sponsor

ABSA Bank Limited (acting through its Corporate and Investment Bank Division)
ABSA Sandton North Campus
15 Alice Lane
Sandton, 2196

Joint equity sponsor

Tamela Holdings Proprietary Limited
First floor, Golden Oak House, Ballyoaks Office Park
35 Ballyclare drive
Bryanston, 2021

Transfer secretaries

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, Sandton
2196

Prepared under the supervision of:

PA Koppeschaar CA(SA)
SAICA registration number: 0038621

Annexure 4: Shareholders' diary

Financial year end	31 December
Annual general meeting	May
Reports and accounts published	
Announcement of annual results	March
Integrated report and annual financial statements	April
Interim report for the six months ended 30 June	August
Distributions	
Final dividend declaration	March
Final dividend payment	April/May
Interim dividend declaration	August
Interim divided payment	September/October

Glossary

Adjusted Group Earnings	Group adjusted net profit after tax (excluding SIOC adjusted equity-accounting income) less NCI of Exxaro subsidiaries (excluding NCI of Eyesizwe)
AGM	Annual general meeting
Amakhala SPV	Amakhala Emoyeni RE Project 1 (RF) Proprietary Limited
API4	All publications index 4 (FOB Richards Bay 6000/kcal/kg)
AU$	Australian dollar
AUS	Australia
BEE	Black economic empowerment
BEE Parties	External shareholders of Eyesizwe
Black Mountain	Black Mountain Mining Proprietary Limited
BMP	Bonus Matching Plan
BU(s)	Business unit(s)
Capex	Capital expenditure
Cennergi	Exxaro's branded energy business
Cennergi Holdings	Cennergi Holdings Proprietary Limited
CEO	Chief Executive Officer
CFR	Cost and freight
CGU	Cash-generating unit
Chifeng	Chifeng NFC Zinc Co. Limited
CNY	Chinese Yuan
COD	Commercial operation date
Companies Act	Companies Act of South Africa No 71 of 2008, as amended
CPI	Consumer price index
DBP	Deferred bonus plan
DCF	Discounted cash flow
DMPR	Department of Mineral and Petroleum Resources
DVA	Debit value adjustment
EBITDA	Net operating profit before interest, tax, depreciation, amortisation, impairment charges or impairment reversals and net losses or gains on the disposal of assets and investments (including translation differences recycled to profit or loss)
ECC	Exxaro Coal Central Proprietary Limited or ECC group of companies
ECL(s)	Expected credit loss(es)
ESD	Enterprise and supplier development
ESG	Environment, social and governance
Everseed	Everseed Energy Proprietary Limited
Exxaro	Exxaro Resources Limited (the group or the company)
Exxaro ESOP SPV	Exxaro ESOP SPV RF Proprietary Limited
Eyesizwe	Eyesizwe (RF) Proprietary Limited, a special purpose private company which has a 31.47% (2024: 30.81%) shareholding in Exxaro
FCTR	Foreign currency translation reserve
FEC(s)	Forward exchange contract(s)
FerroAlloys	Exxaro FerroAlloys Proprietary Limited
Ferroland	Ferroland Grondtrust Proprietary Limited
Financial close	Date of notification that the financing parties were satisfied that the conditions precedent to the financing agreements were either fulfilled, waived or deferred
FOB	Free on board
FPR	NEMA Financial provisioning regulations, 2015

FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
G7	G7 Renewable Energies Proprietary Limited
GAM	Global Asset Management Limited
GDP	Gross domestic product
GIS	Group incentive scheme
GJ	gigajoules
GWh	Gigawatt hour(s)
HEPS	Headline earnings per share
Hotazel	Hotazel Manganese Mines Proprietary Limited
IAS	International Accounting Standard(s)
IASB	International Accounting Standards Board
IFRIC	IFRS Interpretations Committee
IFRS(s)	International Financial Reporting Standard(s) (as issued by the IASB)
Insect Technology	Insect Technology Group Holdings UK Limited
JIBAR	Johannesburg Interbank Average Rate
JSE	JSE Limited
Jupiter Mines	Jupiter Mines Limited
JV	Joint venture
KAM	Karreebosch Asset Management Proprietary Limited
Karreebosch	Karreebosch Wind Farm
Karreebosch SPV	Karreebosch Wind Farm (RF) Proprietary Limited
kcal	Kilocalorie
King IV™	King IV Report on Corporate Governance™ for South Africa, 2016[1]
King V™	King V Report on Corporate Governance™ for South Africa, 2025[1]
KPI(s)	Key performance indicator(s)
KPMG	KPMG Inc.
kt	Kilo tonne(s)
$KtCO_2eq$	Kilo tonnes of carbon dioxide equivalent
LGD	Loss given default
LightApp	LightApp Technologies Limited
LME	London Metal Exchange
LoM	Life of mine
LOS	Line of sight incentive
LSP	Lephalale Solar Photovoltaic Project
LSP SPV	Lephalale Solar Proprietary Limited
LTIFR	Lost-time injury frequency rate
LTIP	Long-term incentive plan
Mafube	Mafube Coal Proprietary Limited
MoI	Memorandum of Incorporation
MPRDA	Mineral and Petroleum Resources Development Act 28 of 2002
Mt	Million tonne(s)

[1] *Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.*

Mtpa	Million tonnes per annum
MSR	Minimum shareholding requirement
MW	Megawatt(s)
NCI(s)	Non-controlling interest(s)
NCOE	Notional cost of employment
NEMA	National Environmental Management Act, 1998
NMT	Ntsimbintle Marketing and Trading Private Limited
NPC	Not-for-profit company
Ntsimbintle Holdings	Ntsimbintle Holdings Proprietary Limited
Ntsimbintle Mining	Ntsimbintle Mining Proprietary Limited
OCI	Other comprehensive income
OMH	OMH (Mauritius) Corp
Operational EBITDA	EBITDA from the Amakhala SPV and Tsitsikamma SPV operating wind assets
PD	Probability of default
PIC	Public Investment Corporation
PPI	Producer Price Index
Prime Rate	South African prime bank rate
PwC	PricewaterhouseCoopers Incorporated
RBCT	Richards Bay Coal Terminal Proprietary Limited
Replacement BEE Transaction	BEE transaction which was implemented in 2017 and resulted in Exxaro being held 30% by HDSAs
Rbn	Rand billion
Rm	Rand million
RMB	Chinese renminbi
ROCE	Return on capital employed
RoM	Run-of-mine
RSA	Republic of South Africa
SAICA	South African Institute of Chartered Accountants
SAMREC Code	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves
SARB	South African Reserve Bank
SARS	South African Revenue Service
SENS	Securities Exchange News Service
SIOC	Sishen Iron Ore Company Proprietary Limited
SPPI	Solely payments of principal and interest
SSCC	Semi-soft coking coal
STI	Short-term incentives
$tCO_2e/ktTTM$	Tonnes(t) of carbon dioxide (CO_2) equivalent (e) per 1 000 total tonnes mined (TTM)
TFR	Transnet Freight Rail, a division of Transnet SOC Limited
Thungela	Thungela Resources Limited, through its subsidiary South Africa Coal Operations Proprietary Limited
Tsitsikamma SPV	Tsitsikamma Community Wind Farm Proprietary Limited

TSR	Total shareholder return
UK	United Kingdom
US	United States of America
US$	United States dollar
VAT	Value Added Tax
WANOS	Weighted average number of shares
ZARONIA	South African Rand Overnight Index Average