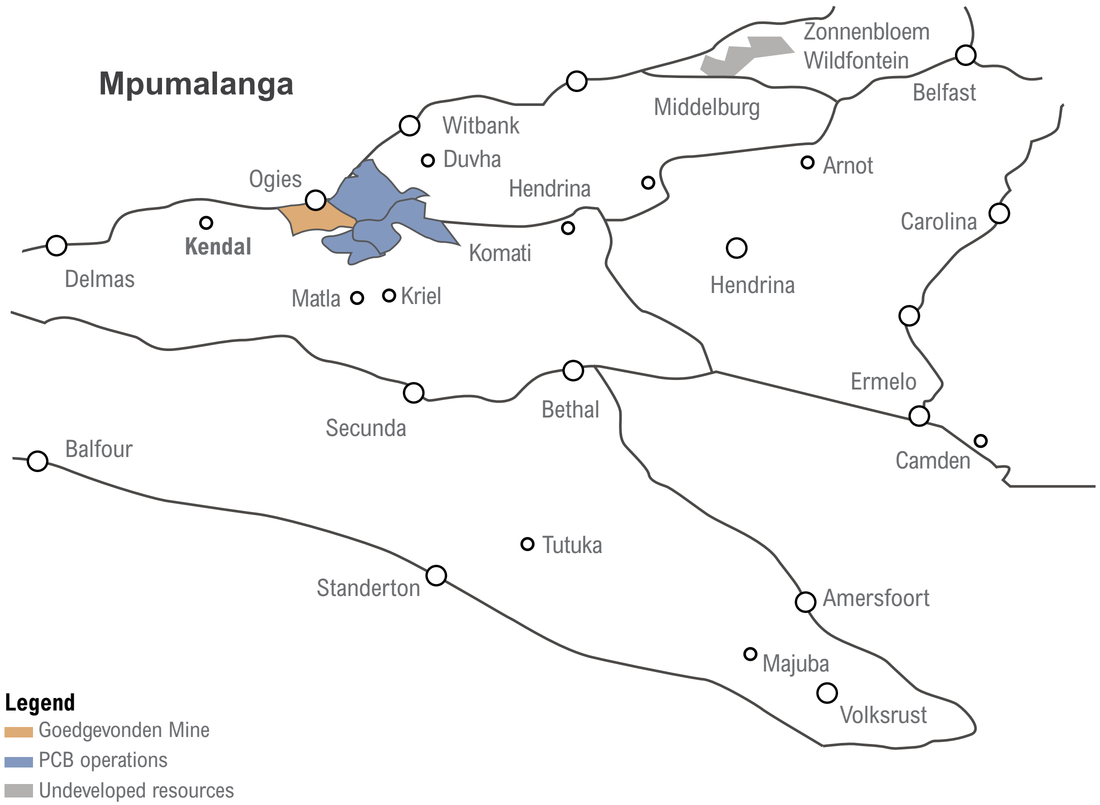
Operational reviews continued

South Africa



ARM Coal

Thando Mkatshana
Chief executive – ARM Technical Services

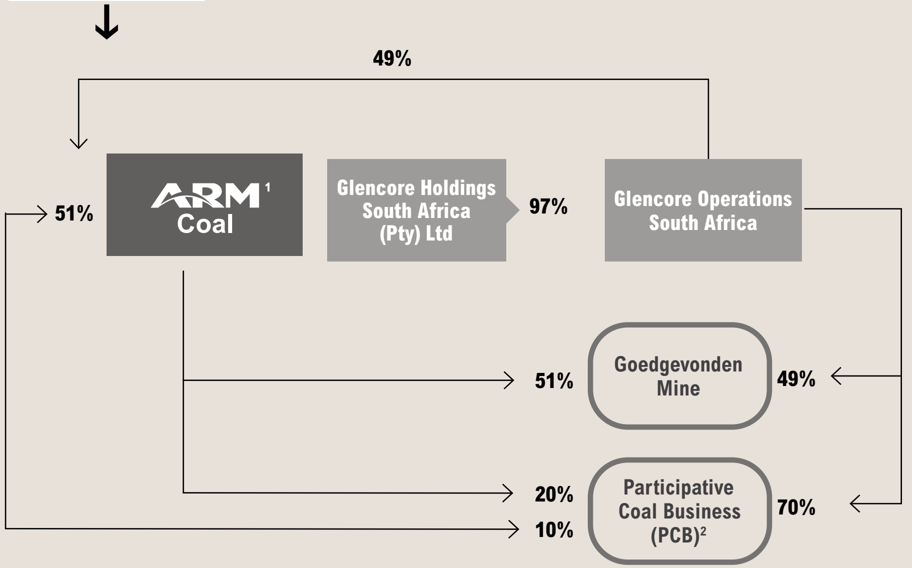
Key features for F2025
Dividends paid to ARM of **R462 million**
Realised coal prices **decreased by 8%**
GGV saleable production was **down 7%** and **PCB** was **down 9%** to align with logistics constraints

Significant points

- Increase in unit costs at GGV due to lower production volumes
- PCB unit costs increasing in line with inflation

Operational reviews continued

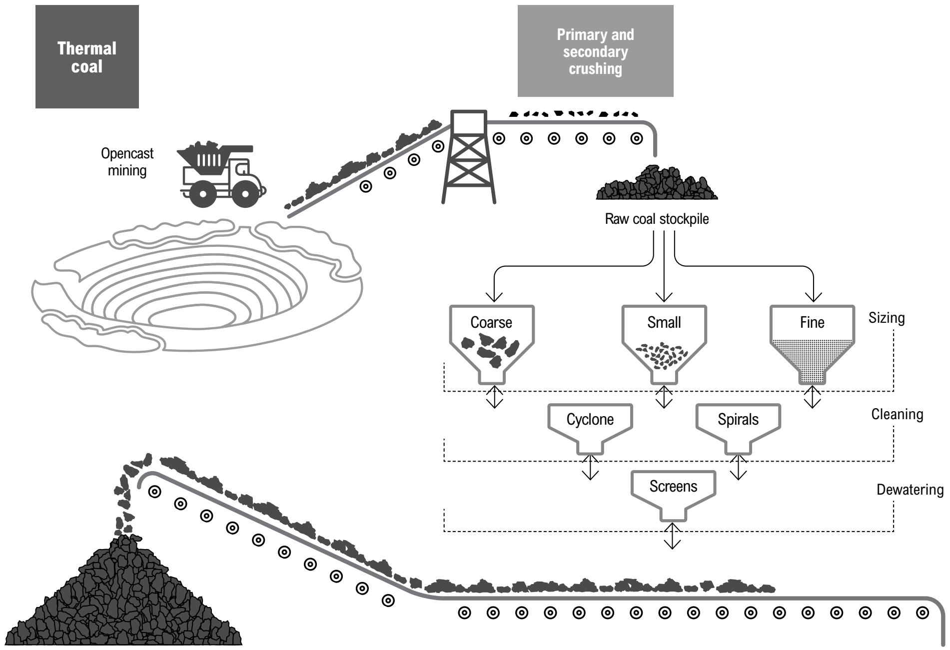
Structure



[1] ARM Coal holds:
- Access to Glencore Operations South Africa's interest and entitlement in the Richards Bay Coal Terminal (RBCT)
- An export entitlement of 3.2Mtpa in the phase V expansion at RBCT.

[2] Participative Coal Business (PCB) refers to the Impunzi and Tweefontein operations.

Production process



Operational reviews continued

ARM Coal continued

Scorecard

Goedgevonden Mine (GGV)

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Continued focus on containing unit cost escalations below inflation.	**Not achieved** • GGV unit cost increase of 14%.	• Continued focus on containing unit cost escalations below inflation.

Participative Coal Business (PCB)

F2025 OBJECTIVES	ACHIEVED/NOT ACHIEVED	F2026 OBJECTIVES
• Continued focus on containing unit cost escalations below inflation.	**Not achieved** • PCB unit cost increase in line with inflation.	• Continued focus on containing unit cost escalations below inflation.

Thermal coal prices

GGV's average export price received declined 8% to US$82/tonne (F2024: US$89/tonne). PCB's average export price received was 12% lower at US$75/tonne (F2024: US$85/tonne).

Coal prices weakened in 2H F2025 driven by lower demand from China and India, due to weaker growth in electricity consumption and strong increases in power generation from renewable sources. Global demand was further impacted by geopolitical tensions and economic policy. Thermal coal demand continued to decline in European markets due to increased nuclear and renewable energy generation.

Contrastingly, in 2H F2025, coal demand grew in the United States as robust growth in electricity demand, combined with higher gas prices, drove up coal consumption for power generation.

Approximately 75% and 70% of export volumes at GGV and PCB mines comprised high-quality coal, respectively.

Financial performance

ARM Coal headline earnings decreased 88% to R47 million (F2024: R391 million), driven mainly by a reduction in the realised coal price as well as lower saleable volumes from GGV and PCB.

GGV Mine's headline earnings were R134 million (F2024: R331 million). PCB recorded a headline loss of R87 million (F2024: R60 million headline earnings).

Operational performance

Goedgevonden Mine

Due to the decrease in the coal price, trucking to other ports was significantly reduced in F2025, resulting in reduced export sales volumes. ARM attributable saleable production decreased 7% to 1.74 million tonnes (F2024: 1.87 million tonnes).

On-mine unit production costs per saleable tonne rose 14% to R634 per tonne (F2024: R555 per tonne) as a direct result of reduced saleable production.

Furthermore, unit costs in the current year were negatively impacted by decreased capitalisation of box cuts.

Participative Coal Business

Similar to GGV, due to the decrease in the coal price, trucking to other ports was significantly reduced in F2025, resulting in a reduction in export sales volumes.

Export sales volumes at PCB operations were 7% lower at 8.0 million tonnes (F2024: 8.6 million tonnes). Domestic sales volumes declined by 27% to 1.19 million tonnes (F2024: 1.63 million tonnes), largely due to decreased coal sales to Eskom.

ARM's attributable saleable production decreased by 9% to 1.89 million tonnes in F2025 (F2024: 2.07 million tonnes).

Unit production costs per saleable tonne rose 5% to R849 per tonne (F2024: R807 per tonne) as cost-saving initiatives reduced the impact of inflationary cost increases.

Operational reviews continued

Summary operational and financial indicators – 100% basis

Goedgevonden Mine

Ownership
ARM holds an effective 26% in Goedgevonden Mine and Glencore Operations South Africa owns 74%.

Management
Governed by a management committee controlled by ARM Coal, with four ARM representatives and three Glencore representatives. Operational management is contracted to Glencore.

Goedgevonden Mine

	Unit	F2025	F2024	F2023	F2022	F2021	F2020
Operational – 100% basis							
Production and sales							
Saleable production	Mt	**6.71**	7.18	6.63	6.33	5.79	6.77
Total thermal coal sales	Mt	**6.67**	7.29	6.58	6.4	5.79	6.53
Export thermal coal sales	Mt	**3.61**	4.15	3.93	3.93	3.89	4.29
Domestic thermal coal sales	Mt	**3.06**	3.14	2.65	2.47	1.9	2.25
Average received prices							
Export (FOB)[1]	US$/t	**81.89**	88.65	131.49	167.72	56.73	47.87
Domestic (FOT)[2]	R/t	**422.38**	402	416	371	354	305
Unit costs							
On-mine saleable cost per tonne	R/t	**634**	555	580	508	506	431
Financial – attributable							
Sales revenue	R million	**1 734**	2 120	2 674	2 847	1 058	1 056
Total costs	R million	**1 280**	1 442	1 456	1 323	896	1 000
Operating profit	R million	**453**	678	1 218	1 524	162	56
EBITDA	R million	**453**	639	1 234	349	348	264
Capital expenditure	R million	**261**	412	383	109	263	197
Cash operating profit	R million	**453**	678	1 218	1 524	148	56
Less:							
– Imputed interest expense[3]	R million	**(31)**	6	(73)	(120)	(170)	(160)
– Depreciation/amortisation	R million	**(264)**	(199)	(187)	(190)	(182)	(197)
– Re-measurement adjustments	R million	**(16)**	(19)	(13)	(786)	206	207
– Reversal of impairment/ (impairment loss)	R million	**(1)**	1	2	(4)	–	(559)
Profit/(loss) before tax	R million	**142**	467	947	433	2	(653)
Tax	R million	**(8)**	(136)	(407)	(435)	8	56
Headline earnings/(loss) attributable to ARM	R million	**134**	331	540	(2)	10	(38)

1 *FOB: free-on-board.*
2 *FOT: free-on-truck.*
3 *Post-restructuring the ARM Coal loans, the interest expense on these loans is imputed.*

Operational reviews continued

ARM Coal continued

Summary operational and financial indicators – 100% basis

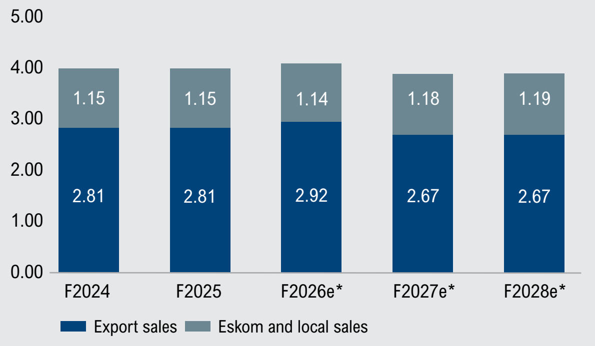
PCB operations

Ownership
ARM holds effective 20.2% in PCB, Glencore owns the remaining 79.8%.

Management
Governed by supervisory committee with five Glencore representatives and three ARM representatives. Operational management contracted to Glencore.

Outlook sales volumes – 100% basis

Sales volumes (million tonnes) (attributable)



* *F2026, F2027 and F2028 are estimated volumes.*

	Unit	F2025	F2024	F2023	F2022	F2021	F2020
Operational – 100% basis							
Production and sales							
Saleable production	Mt	**9.36**	10.27	10.01	10.18	11.58	13.34
Impunzi	Mt	**3.57**	4.51	4.76	4.72	4.85	6.10
Tweefontein	Mt	**5.79**	5.76	5.25	5.46	6.73	7.24
Total thermal coal sales	Mt	**9.15**	10.21	10.09	10.83	10.90	13.46
Export thermal coal sales	Mt	**7.96**	8.58	9.12	9.79	8.00	7.73
Domestic thermal coal sales	Mt	**1.19**	1.63	0.98	1.04	2.90	5.74
Average received prices							
Export (FOB)[1]	US$/t	**75.49**	85.09	133.34	160.54	56.97	50.54
Domestic (FOT)[2]	R/t	**762**	701	810	558	678	666
Unit costs							
On-mine saleable cost per tonne	R/t	**849**	807	815	633	520	484
Financial – attributable							
Sales revenue	R million	**2 388**	2 991	4 524	4 946	1 815	2 008
Total costs	R million	**1 976**	2 299	2 483	2 146	1 516	1 702
Operating profit	R million	**412**	691	2 041	2 801	299	306
EBITDA	R million	**526**	689	1 462	2 833	378	304
Capital expenditure	R million	**437**	452	356	228	248	425
Cash operating profit	R million	**412**	691	2 041	2 801	299	304
Less:							
– Interest paid[3]	R million	**–**	–	–	(87)	(104)	(118)
– Depreciation/amortisation	R million	**(527)**	(606)	(657)	(702)	(569)	(479)
– Re-measurement adjustments	R million	**–**	–	–	(490)	36	278
Reversal of impairment/(impairment loss)	R million		–	–	748	–	(1 121)
Profit/(loss) before tax	R million	**120**	82	1 384	2 270	(338)	(1 138)
Tax	R million	**33**	(22)	(389)	(588)	78	51
Headline (loss)/earnings attributable to ARM	R million	**(87)**	60	995	933	(260)	36

1 *FOB: free-on-board.*
2 *FOT: free-on-truck.*
3 *Post-restructuring the ARM Coal loans, the interest expense on these loans is imputed.*