exxaro

Exxaro Resources Limited

Reviewed condensed group financial statements and unreviewed production and sales volumes information for the year ended 31 December 2024

POWERING POSSIBILITY

Contents

Disclaimer

A range of financial and non-financial measures are used to assess our performance, including certain Alternative Performance Measures (APMs) that are not defined nor specified in International Financial Reporting Standards (IFRS® Accounting Standards) (as issued by the International Accounting Standards Board (IASB®)). Management uses APMs alongside IFRS Accounting Standards measures to improve comparability of information between reporting periods and business units. APMs are therefore not deemed to substitute nor replace reporting under IFRS Accounting Standards on the group's financial position, changes in equity, results of operations or cash flows. APMs are not uniformly defined by all companies, including those in Exxaro's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies and have not been reviewed nor reported on by Exxaro's external auditor.

The operational and financial information on which any forward-looking statements are based has not been reviewed nor reported on by Exxaro's external auditor. These forward-looking statements are based on management's current beliefs and expectations, which are subject to uncertainty and changes in circumstances, and involve risks that may affect Exxaro's operational and financial information. Exxaro undertakes no obligation to update nor reverse any forward-looking statements, whether as a result of new information or future developments.

Bastion

Highlights

Group financial performance

Revenue
R40.7 billion
up 5%

EBITDA
R10.4 billion
down 22%

Attributable earnings
R31.92 per share
down 32%

Cash generated by operations
R10.4 billion
down 22%

Final dividend
R8.66 per share

Headline earnings
R30.16 per share
down 36%

Sustainable operations

LTIFR OF 0.06

Operational performance

Coal product volumes
39.5 Mt

Coal sales volumes
39.4 Mt

Renewable energy generation
725 GWh

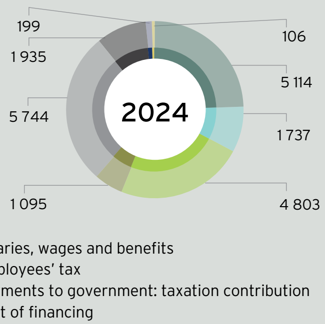
SIOC

Adjusted[1] equity-accounted income
R3.4 billion

[1] *Adjusted for headline earnings adjustments.*

Exxaro's share of final dividend declared
R1.7 billion

Value distribution (Rm)



Chief executive's message

For the year ended 31 December 2024

The past financial year has been marked by unprecedented events globally and we have navigated this with resilience. Our values of committed to excellence, empowered to grow and contribute, honest responsibility and teamwork have ensured that we deliver on our commitments to stakeholders.

In the 2024 financial year, we prioritised health and safety, ensuring that all our employees returned to their families safely, every day. Through incredible safety leadership, effective communication, consequence management, training, and risk management, our goal of achieving Zero-Harm remains attainable.

We are proud to report that for the year ended 31 December 2024 (FY24), the group achieved 28 consecutive months without any work-related fatalities. Our lost-time injury frequency rate (LTIFR) of 0.06 achieved in FY24, trended in the right direction from 0.07 per two-hundred thousand man-hours worked for the financial year ended 31 December 2023 (FY23).

Furthermore. we concluded a three-year coal wage agreement with all trade unions, demonstrating the existence of strong relationships built on trust and mutual respect.

Our Sustainable Growth and Impact Strategy remains intact. Supported by our five strategic objectives of transitioning at speed and scale, making our minerals and energy businesses thrive, empowering people to create an impact, to become a catalyst for economic growth and environmental stewardship, and to be carbon neutral by 2050, Exxaro is well positioned to win and will continue to power better lives in Africa and beyond for decades to come.

Our diversification strategy, which supports Exxaro's vision of resources powering a clean world, is gaining momentum. On 17 February 2025, Cennergi Holdings Proprietary Limited (Cennergi), a wholly owned subsidiary of Exxaro, in partnership with G7 Renewable Energies Proprietary Limited, reached financial close on the 140MW Karreebosch Wind Farm (RF) Proprietary Limited (Karreebosch) project. Karreebosch has secured a 20-year Power Purchase Agreement with Northam Platinum Limited. Cennergi acquired 80% of the share capital in Karreebosch as well as 50% of the share capital in Karreebosch Asset Management Proprietary Limited. The total project cost is estimated to be R4.7 billion which will in the 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 with limited recourse to the Exxaro balance sheet. This will add to Cennergi's existing 297MW gross capacity, bringing total gross capacity to 437MW. With this, Cennergi is well on track to realise its ambition to be a leading energy solutions business, with managed capacity of 1.6 gigawatt (GW) by 2030.

We are pleased to announce that Eyesizwe shareholders have signed a separate waiver and undertaking, in favour of, and enforceable by Eyesizwe, to maintain the current 30.81% shareholding in Exxaro until 2027. In terms of the waivers and undertakings, shareholders waived their options to dispose of any of the locked-in shares or make any request which will result in Eyesizwe having to dispose of the locked-in shares, in the previously stated agreed tranches, until 2027. This is a significant milestone which ensures that Exxaro retains its empowerment level and status as one of South Africa's largest and foremost black-empowered and diversified mining companies.

Our operations delivered a solid operational performance while navigating several external factors within the operating environment.

In line with our production guidance, overall coal production volumes, excluding buy-ins, reduced by 7% to 39.5Mt in FY24, from 42.3Mt in FY23. The decrease in production volumes was largely driven by lower Eskom demand at Grootegeluk mine. Belfast mine production improved by 21% to 3.5Mt in FY24 compared to 2.9Mt in FY23, after operating for the full year.

In line with guidance, overall coal sales volumes reduced by 3% to 39.4Mt in FY24 from 40.5Mt in FY23, mainly due to lower Eskom demand. Export sales increased by 37% to 7Mt from 5.1Mt in FY23, driven by the use of alternative distribution channels and Transnet Freight Rail (TFR) performance, which improved in the latter part of the year.

The benchmark API4 RBCT export price averaged US$105 per tonne in FY24, compared to US$121 per tonne in FY23, a decline of 13%. Despite the decline, Exxaro achieved a strong 95% price realisation in FY24 compared to 97% in FY23 owing to our effective market-to-resource optimisation initiatives.

Coal revenue increased by 6% to R39 115 million in FY24 compared to R36 945 million in FY23. The higher revenue was mainly due to higher export volumes and higher prices in the domestic market. However, we also experienced cost pressures driven by inflation, higher selling and distribution costs due to the use of alternate distribution channels, and increased operational and maintenance cost, primarily driven by higher volumes of overburden removal.

Cennergi's operating wind assets generated 725 GWh of electricity in FY24 compared to 727GWh in FY23. Revenue increased by 5% to R1 411 million from R1 345 million in FY23. Wind generation was in line with the December 2024 guidance of 729GWh.

Group revenue increased by 5% to R40 725 million from R38 698 million in FY23.

Group EBITDA decreased by 22% to R10 423 million from R13 399 million in FY23. This was mainly attributable to the 16% decrease in Coal EBITDA and a negative contribution from the Other operating segment.

Adjusted equity-accounted income decreased by 47% to R3 685 million in FY24 compared to R6 991 million in FY23. This was mainly driven by SIOC's adjusted equity-accounted income which reduced significantly due to lower iron ore prices and lower sales volumes.

As a result, headline earnings decreased by 36% to R7 298 million in FY24 from R11 327 million in FY23. This translates into headline earnings per share (HEPS) of 3 016 cents per share in FY24 compared to 4 681 cents per share in FY23.

Total capital expenditure decreased by 8% to R2 475 million from R2 699 million in FY23. The capex for FY24 comprised R2 146 million, mainly for coal sustaining capital, R302 million expansion capital for our Energy projects and R27 million intangible assets.

Given our cash generation, our net cash position was R16 309 million (excluding Energy's net debt) at 31 December 2024, compared to R14 834 million at 31 December 2023. This represents a 10% positive change year-on-year.

The board of directors approved a gross final cash dividend of 866 cents per share, for the year ended 31 December 2024 and resolved to embark on a share repurchase programme of R1.2 billion, subject to prevailing market conditions.

Our quality assets, strong technical expertise, leadership depth and our people that are empowered to create impact to ensure that we continue to deliver shareholder returns and stakeholder value year-in and year-out.

Riaan Koppeschaar
Acting chief executive officer and Financial director

Commentary

For the year ended 31 December 2024

Comments below are based on a comparison between the financial years ended 31 December 2024 and 2023 (FY24 and FY23), respectively. Any forward-looking financial information and/or performance measures contained in these results are the responsibility of the directors and have not been reviewed or reported on by Exxaro's independent external auditor.

Sustainable impact

To deliver on our strategic objectives of people empowered to create impact, reach carbon neutrality by 2050 and becoming a catalyst for economic growth and environmental stewardship, we incorporate responsible and sustainable business practices in everything we do. Not only do we aim to mitigate and manage our negative impact on natural resources, but we also contribute to enhancing ecosystem resilience and the lives of our employees and communities.

Safety

Our safety goal is to achieve Zero Harm by proactively managing safety priorities through the consistent implementation of Exxaro's five safety focus areas. These are incredible safety leadership, effective communication, training, zero tolerance and risk management.

At the end of the financial year, the group completed 28 consecutive months without work related fatalities. This is a significant milestone, not only highlighting the effectiveness of our strategy but also the dedication and commitment of all our employees to safety. Other notable fatality free years reached are:

- Leeuwpan has had zero fatalities since inception, 34 years ago
- FerroAlloys reached 27 years fatality free
- Mafube has had zero fatalities since inception, 20 years ago
- Grootegeluk recorded 12 years fatality free
- Cennergi has had zero fatalities since inception, 8 years ago
- Matla reached 8 years fatality free
- Belfast reached 2 years fatality free

We were honoured to be recognised at the 2024 Coal Safe Awards, which celebrate the efforts of the coal mining industry in upholding safety standards. Amongst other awards received, Exxaro won the 2024 best in class safety record award.

Our LTIFR for the group of 0.06 in FY24 was an improvement compared to 0.07 per two-hundred thousand man-hours worked in FY23. Our target remained at 0.05.

We continue to drive safety, remaining vigilant to prevent workplace incidents, and fostering a proactive safety culture that safeguards lives and enhances operational resilience. In line with this commitment, we will be rolling out our refreshed safety strategy and embedding it across the group during FY25.

People

Our people are at the heart of everything we do. Exxaro is championing diversity, equity and inclusion and has maintained its value proposition as an employer of choice.

As such, Exxaro has once again received recognition from the Top Employer Institute as a 2025 Top Employer, achieving exceptional performance in areas of business strategy, diversity, equity and inclusion, people strategy, and for our listening strategies.

We nurture talent through workforce planning, talent development, leadership capability, training, and succession planning, ensuring that we do not only address skills shortages but also build a robust and diverse talent pipeline.

In FY24, we invested over R400 million to develop our people through comprehensive training programs, leadership development initiatives and opportunities for continuous learning.

Sustainable impact continued

People continued

We have 82 graduates in our talent pipeline through our professionals in training programme, preparing graduates to meet current and future business needs while gaining practical on-the-job training. We are also supporting 56 university students through our bursary programme.

For the past six years, we have consistently achieved our Mining Charter III employment equity targets. In FY24, women made up 36%, while historically disadvantaged individuals made up 76% of our senior management. In middle management, 45% of our employees are women and 85% are historically disadvantaged individuals, while in junior management, 35% are women and 83% historically disadvantaged individuals.

In 2024 we also signed a new three-year coal wage agreement with all trade unions, demonstrating the existence of strong relations built on trust and mutual respect.

Climate change response strategy implementation

Climate change remains a priority for Exxaro, and we remain committed to lowering our carbon footprint, especially in a fast-changing legislative environment.

Our Decarbonisation Roadmap, which was approved by the board, comprises a comprehensive framework that summarises our key milestones and strategic initiatives necessary for Exxaro to achieve carbon neutrality by 2050. From a 2022 base, we are targeting 40% and 75% cumulative reduction in scope 1 and 2 emissions, in 2030 and 2040 respectively. We will achieve this through renewable energy initiatives as well as equipment and fleet optimisation technology.

We remain agile in our approach, and we will continue to regularly review and update our Roadmap in line with the evolving technological and innovation landscape.

The Just Transition, of which at Exxaro we prefer the term Impactful Transition, ensures fairness, equity, and inclusivity for all stakeholders, particularly the vulnerable and most impacted by climate change, while shifting to a low-carbon, sustainable economy.

Environmental performance

In FY24, we achieved carbon intensity of 4.12tCO_2e/kt TTM against our target of 4.2tCO_2e/kt TTM. This is an improvement of 6.4% from the FY23 carbon intensity of 4.4tCO_2e/kt TTM. Our water intensity of 142 l/t RoM was also within our 180 l/t RoM target, despite an increase from 105 l/t RoM recorded in FY23.

Our mine plans consider land management, mine closure and concurrent rehabilitation supported with financial provisions to ensure we honour our commitments. At the end of the financial year, our efforts on rehabilitation continued as we rehabilitated 477 hectares of disturbed land, increasing our rehabilitated land to 26% from 19% in FY23.

Encouragingly, we recorded zero level 2 and 3 environmental incidents during 2024. As catalysts for economic growth and environmental stewardship, we continue to explore strategic partnerships, adopting green technologies, and employing robust environmental management tools to drive continuous improvement and enhance sustainability.

Exxaro is committed to safeguarding biodiversity through targeted initiatives, including species relocation, wetland rehabilitation, invasive plant management, and implementing conservation programmes that protect the native flora and fauna across our operations. Our impacts on biodiversity are further enhanced by strategic partnerships with conservation organisations and communities.

Sustainable impact continued

Environmental performance continued

We are incorporating nature-based solutions that support carbon offset projects that promote climate resilience and biodiversity restoration. As part of a pilot project, a total of 16 000 Spekboom trees were planted at the Grootegeluk and Leeuwpan mines, to control and eradicate invasive alien species, while preventing soil erosion due to the Spekboom's soil binding properties.

Exxaro's Manketti game reserve near the Grootegeluk mine partnered with the Cheetah Outreach Trust and Endangered Wildlife Trust to conduct a ground-breaking three-year census of the country's remaining free-roaming cheetah populations. This initiative aims to deepen our understanding of cheetah behaviour, habitat use and co-existence strategies that support the long-term conservation of these apex predators.

Social investment and development

Delivering meaningful socio-economic value is integral to Exxaro's purpose of powering better lives in Africa and beyond. Our efforts focus on addressing unemployment, enhancing education, and enabling infrastructure development to empower host communities and drive inclusive economic growth.

As at 31 December 2024, social investments amounted to R2.1 billion, of which R28 million was social investment spend by Cennergi, benefiting socio-economic development initiatives including education, welfare, agriculture development, and health.

The group's local procurement from black SMME supported 562 SMMEs through enterprise and supplier development initiatives in FY24.

We are making a meaningful impact in our host communities by investing in education. Our early childhood development programmes benefited more than 2 700 children, more than 40 registered early childhood development centers, and more than 180 teachers through professional training. We also successfully connected 27 schools in Mpumalanga and Limpopo with wi-fi networks and provided information and communications technology labs to 20 schools.

In January 2025, Exxaro handed over the newly built Martina Kekana school hall, a block of four classrooms and associated external upgrades to Nelsonskop Primary school in Lephalale, benefiting more than 1 580 children and teachers. At an investment of R20.3 million, the project boosted the local economy, through local company participation and job creation.

Macro-economic landscape

Nearly half of the world's population went to the voting polls in 2024, leading to major shifts in global and country specific politics. We also saw that evolving geopolitical and economic tensions are leading to increased fragmentation in the global economy. Inflation and monetary policy saw significant developments as global disinflation continued which prompted a pivot in monetary policy with central banks easing interest rates to boost economic activity.

In South Africa, the peaceful completion of the 29 May 2024 general election and the formation of the Government of National Unity, led to improved local consumer and global investor sentiment, fostering cautious optimism for improved economic growth.

Macro-economic landscape continued

Coal markets and commodity price

The coal market in 2024 started on a bearish note in 1Q24 following trends from late 2023. This was primarily due to sufficient coal supply in key markets such as India, Japan, South Korea and Taiwan, with lower gas prices making it a more competitive alternative in Europe. However, geopolitical factors played a significant role in lifting prices higher, alongside the TFR derailment in 1Q24 and early 2Q24.

The resurgence in Indian demand was primarily maintained due to its strong economic growth, despite a brief decline between July and September 2024 due to high stockpiles of South African coal, the monsoon season, low domestic coal prices and low steel prices. European demand faced headwinds from strong renewable energy generation, revision of coal phase-out targets and cheaper gas prices.

Japanese and South Korean demand remained steady, with Japan continuing to benefit from a diverse energy mix (gas, renewables, nuclear, and coal), but the restart of several nuclear plants posed a risk to coal demand.

The benchmark API4 RBCT export price averaged US$105 per tonne in FY24, compared to US$121 per tonne in FY23, a decline of 13%.

The South African domestic market demand remained resilient in 2H24 despite macro-economic impacts affecting domestic end users. In the Waterberg region, Eskom's coal offtake improved slightly, but operational challenges at the power stations continued to impact its ability to consistently take coal from Grootegeluk mine.

Coal logistics and infrastructure

Rail operations continued to face ongoing disruptions, including cable theft, vandalism, unavailability of locomotives and wagons and infrastructure degradation. Additionally, three derailments affected TFR volume throughput in 1H24. Despite these challenges and rail execution volatility, TFR's performance to the Richards Bay Coal Terminal improved, increasing to 51.9Mtpa (FY23: 47.9Mtpa), with a better performance recorded in 2H24.

Group financial results

Comparability of results

To enhance the comparability of results between the two reporting years, we have adjusted our earnings for non-recurring items (referred to as non-core adjustments) to report on adjusted financial results. The non-core adjustments in both FY24 and FY23 are consistent with the headline earnings adjustments (refer to note 4).

Group revenue and EBITDA

	Revenue			EBITDA[1]		
R million	FY24	FY23	% change	FY24	FY23	% change
Coal	39 115	36 945	6	10 236	12 213	(16)
Energy	1 411	1 345	5	1 031	1 023	1
Ferrous	190	398	(52)	(45)	83	(>100)
Other[2]	9	10	(10)	(799)	80	(>100)
Total	40 725	38 698	5	10 423	13 399	(22)

[1] *EBITDA is calculated by adjusting net operating profit before tax with depreciation, amortisation, impairment charges or impairment reversals, and net losses or gains on disposal of assets and investments (including translation differences recycled to profit or loss). Refer to note 6 for key numbers used in the calculation of EBITDA.*
[2] *Relates mainly to the corporate office and smaller operations (refer to note 6).*

For the year ended 31 December 2024

Group financial results continued

Group revenue and EBITDA continued

Group revenue increased by 5% to R40 725 million (FY23: R38 698 million), primarily due to a 6% increase in Coal revenue and a 5% increase in Energy revenue.

Group EBITDA declined by 22% to R10 423 million (FY23: R13 399 million), mainly attributable to a 16% decrease in Coal EBITDA and a negative contribution from the Other operating segment, which is discussed further under each business segment.

Adjusted equity-accounted income

	Adjusted equity-accounted income/(loss)			Dividends received		
R million	**FY24**	**FY23**	**% change**	**FY24**	**FY23**	**% change**
Coal: Mafube	243	510	(52)	130	1 525	(91)
Coal: RBCT	(6)	(8)	25			
Ferrous: SIOC	3 383	6 157	(45)	3 741	3 386	10
Other: Black Mountain	65	332	(80)			
Total	3 685	6 991	(47)	3 871	4 911	(21)

Group earnings

Headline earnings decreased by 36% to R7 298 million (FY23: R11 327 million), mainly driven by the 22% decrease in group EBITDA and a 47% decrease in adjusted equity-accounted income. SIOC's adjusted equity-accounted income declined by 45%, mainly due to lower iron ore prices and lower sales volumes. Mafube's adjusted equity-accounted income declined by 52%, owing largely to lower coal export prices.

The weighted average number of shares remained unchanged at 242 million, translating into a headline earnings per share of 3 016 cents per share (FY23: 4 681 cents per share).

Cash flow and capex

Cash generated by our operations amounted to R10 432 million (FY23: R13 307 million), and dividends received from our equity-accounted investments totalled R3 871 million (FY23: R4 911 million). These cash inflows were sufficient to cover our capital expenditure, taxation, and ordinary dividends paid.

Total capex decreased by 8% to R2 475 million (FY23: R2 699 million). The capex for FY24 comprised R2 146 million mainly for coal sustaining capital, R302 million expansion capital for our Energy projects and R27 million intangible assets.

Debt exposure

Our good cash generation increased our net cash position to R16 309 million (excluding Energy's net debt) as at 31 December 2024, compared to a net cash position of R14 834 million at 31 December 2023.

Coal business performance

Unreviewed coal production and sales volumes

'000 tonnes	Production FY24	Production FY23	Production % change	Sales FY24	Sales FY23	Sales % change
Thermal	37 068	39 824	(7)	38 662	39 842	(3)
Commercial – Waterberg	23 554	26 099	(10)	23 304	24 924	(6)
Commercial – Mpumalanga	7 656	7 715	(1)	2 496	3 794	(34)
Exports				7 008	5 109	37
Tied[1]	5 858	6 010	(3)	5 854	6 015	(3)
Metallurgical	2 473	2 465		695	684	2
Commercial – Waterberg	2 473	2 465	<1	695	684	2
Total coal (excluding buy-ins)	39 541	42 289	(6)	39 357	40 526	(3)
Thermal coal buy-ins	2	175	(99)			
Total coal (including buy-ins)	39 543	42 464	(7)	39 357	40 526	(3)

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

Thermal Coal

Commercial Waterberg

Production at Grootegeluk decreased by 2.5Mt (10%) to match Eskom's lower demand and manage full stockpiles.

The decrease in **sales** of 1.6Mt (6%) was due to the lower offtake from Eskom (1.3Mt) resulting from maintenance outages affecting production at both the Matimba and Medupi power stations, as well as full stockpiles. However, offtake improved in the latter half of the year.

Commercial Mpumalanga

Thermal coal **production** decreased by 59kt (1%) compared to FY23 due to:
- A decrease in production at Leeuwpan of 794kt (24%) following a change in mining sequence that favoured the production of RB3 product

The decrease was partly offset by:
- An increase in production at Belfast of 609kt (21%) after fully transitioning to the new mining contractor and achieving a higher yield
- Higher buy-ins from Mafube JV of 126kt (8%), mainly due to increased equipment availability and better blasting fragmentation

The commercial Mpumalanga mines' thermal coal sales decreased by 1.3Mt (34%), mainly due to:
- Belfast selling 981kt (73%) less coal domestically as more coal was channelled to the export market
- Lower sales at Leeuwpan of 435kt (20%), as lower demand was experienced for sized products as well as lower sales to Arcelor Mittal South Africa Limited (AMSA), partly offset by increased sales to Eskom

The decrease was partly offset by:
- An increase in sales of middlings at Mafube of 118kt (39%), which were sold domestically due to logistical constraints

Coal business performance continued

Unreviewed coal production and sales volumes continued

Exports

Export **sales** increased by 1.9Mt (37%), as we were able to use alternative distribution channels and the improved TFR performance in the latter part of the year.

Exxaro's export evacuation through RBCT increased to 5.2Mtpa (FY23: 4.6Mtpa), despite continued disruptions. Additionally, export evacuation using alternate channels increased to 1.8Mtpa (FY23: 479kt) through the use of alternative routes and ports to fulfil market demand.

Tied

Coal production and sales at Matla decreased by 152kt (3%) and 161kt (3%), respectively. The lower production was due to the stopping of the short wall in April 2024.

Metallurgical Coal

Grootegeluk's metallurgical coal production increased by 8kt to match offtake. Sales increased by 11kt (2%) due to increased demand for semi-soft coking coal.

Coal revenue and EBITDA

	Revenue			EBITDA		
R million	**FY24**	**FY23**	**% change**	**FY24**	**FY23**	**% change**
Commercial – Waterberg	22 563	22 496	<1	10 116	11 702	(14)
Commercial – Mpumalanga	9 893	8 666	14	246	997	(75)
Tied[1]	6 659	5 783	15	175	179	(2)
Other				(301)	(665)	(55)
Coal	39 115	36 945	6	10 236	12 213	(16)

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

Coal revenue increased 6% to R39 115 million (FY23: R36 945 million). The higher revenue from commercial mines was mainly due to higher export volumes, albeit at a lower realised average export price of US$100 per tonne (FY23: US$117 per tonne). Despite the decline, Exxaro achieved a strong 95% price realisation in FY24 compared to 97% in FY23 owing to our effective market-to-resource optimisation initiatives.

Higher domestic sales prices were not sufficient to offset the lower domestic volumes.

Coal EBITDA decreased by 16% mainly due to:
- Higher selling and distribution costs (-R1.4 billion), as we used alternative distribution channels
- Higher operational costs (-R1.2 billion), mainly due to higher contractor costs driven by higher volumes of overburden, higher consumables and higher maintenance costs
- Lower selling prices (-R815 million)
- Cost inflationary pressures (-R605 million), driven mainly by employee cost increases above the PPI inflation rate
- Negative environmental rehabilitation provision movements (-R293 million)

The decrease was partly offset by:
- Higher sales volumes (+R2.2 billion)
- Lower buy-in costs from Mafube JV due to the lower prices (+R100 million)

Coal business performance continued

Coal equity-accounted investments

Adjusted equity-accounted income from Mafube JV decreased by 52% to R243 million (FY23: R510 million), mainly due to lower export prices.

Coal capex and projects

R million	FY24	FY23	% change
Sustaining	2 080	2 433	(15)
Commercial – Waterberg	1 812	2 217	(18)
Commercial – Mpumalanga	268	201	33
Other		15	(100)
Total coal capex	2 080	2 433	(15)

The coal business's capex decreased by 15%, driven by lower sustaining capital spend at Grootegeluk for the Backfill phase 3 and the timing of the haul track replacement strategy.

Energy business performance

Cennergi's operating wind assets generated 725GWh of electricity (FY23: 727GWh), with revenue increasing by 5% to R1 411 million (FY23: R1 345 million). Wind generation was in line with the December 2024 guidance of 729GWh.

EBITDA margin on the operating wind assets remained consistent at 80% (FY23: 80%), underpinned by the long-term offtake agreements with Eskom.

Construction of the 68MW Lephalale solar project (LSP) at Grootegeluk is ongoing, with commercial operations anticipated in mid-2025.

Cennergi's operating wind assets project financing of R4 073 million (FY23: R4 348 million) will be fully settled by 2031, while the LSP project financing of R1 150 million (FY23: R477 million) will be fully settled by 2042. The project financing has no recourse to the Exxaro balance sheet and is hedged through interest rate swaps.

Ferrous business performance

The Ferrous business comprises our FerroAlloys operation. Due to lower offtake from customers, production was curbed to manage full stockpiles, resulting in an EBITDA loss of R45 million, compared to an EBITDA profit of R83 million in FY23. Exxaro has made significant progress in disposing of our entire shareholding in Exxaro FerroAlloys Proprietary Limited, with the signing of a sale and purchase agreement expected to be concluded in FY25.

Equity-accounted investment

The 45% decrease in adjusted equity-accounted income from SIOC to R3 383 million (FY23: R6 157 million) was driven by lower iron ore prices and sales volumes.

In August 2024, we received an interim dividend of R1 634 million from our investment in SIOC. In February 2025, SIOC declared a final dividend to its shareholders. Exxaro's share of the dividend amounts to R1 732 million, which is R98 million higher than the interim dividend received. The dividend will be accounted for in 1H25.

Other business performance

The Other segment mainly comprises costs related to the corporate office and smaller operations. The Other operating segment reflected an EBITDA loss of R799 million (FY23: R80 million EBITDA profit). The key reasons for the variance are:

- Higher insurance costs mainly due to the prior year including a once-off benefit of R375 million resulting from the accounting treatment of the new insurance product entered into, not recurring in FY24
- Costs incurred to advance our growth and diversification strategy (R192 million)
- Expenses related to our social impact strategy (R119 million)

Equity-accounted investment

The R267 million decrease in adjusted equity-accounted income from Black Mountain to R65 million (FY23: R332 million) was mainly due to production challenges resulting in lower production and sales volumes.

Mining authorisations and rights

Two licences are currently being processed for the Matla mine:

- The mining right licence which expires in March 2025, was submitted to the Department of Mineral Resources and Energy in September 2024
- The Water Use license submitted in 4Q24 to the DWS

As previously reported, Mafube submitted detailed designs for the discard dump's lining with the high-density polyethylene liner required by the DWS for the water use license. The DWS granted the water use license on 16 October 2024.

In 4Q24, Exxaro applied for an amendment to the Belfast water use license. The granting of this amendment will ensure alignment between the license and operational activities.

Coal Resources and Coal Reserves

Our total attributable Coal Resource decreased by ~1%, primarily due to mining depletion. The successful completion of annual exploration campaigns at Mafube and Matla, including a 3D geophysical seismic survey at our Moranbah South coal project (a joint operation with Anglo Coal (Grosvenor) Proprietary Limited), increased confidence levels, leading to positive movements within the Coal Resource categories.

Our total attributable Coal Reserve decreased by ~3%, primarily due to mining depletion and revised market assumptions. Material decreases in Coal Reserves were recorded at Leeuwpan mine (11%) and Belfast mine (15%), primarily due to mining depletion, whereas a decrease at Matla mine (17%) was due to mining depletion and a decision to adjust the Coal Reserve quality cut-off, removing lower coal-quality mining blocks within the life of mine plan.

Both Coal Resource and Coal Reserve lead Competent Persons are in the full-time employment of Exxaro: Henk Lingenfelder (Bachelor of Science: geology (Honours), Certified Professional Natural Scientist, Pr Sci Nat: 400038/11) as the group manager: mineral asset management (MAM) and Chris Ballot (Bachelor of Engineering (mining), Engineering Council of South Africa (ECSA), 20060040) as the group manager: mine technical services. Both persons have approved the information, in writing in advance of this publication.

Events after the reporting period

Subsequent to 31 December 2024, the following events occurred:

Energy business – Karreebosch project

On 17 February 2025 Cennergi Holdings (Cennergi Holdings), a wholly owned subsidiary of Exxaro, in partnership with G7 Renewable Energies Proprietary Limited, reached financial close on the 140MW Karreebosch Wind Farm (RF) Proprietary Limited (Karreebosch) project. Karreebosch has a 20-year

Power Purchase Agreement with Northam Platinum Limited. Cennergi Holdings acquired 80% of the share capital in Karreebosch as well as 50% of the share capital in Karreebosch Asset Management Proprietary Limited. The total project cost is expected to be R4.7 billion which will in the majority be funded with project financing by Nedbank, Absa Bank, and Standard Bank with the financial structure set up to ensure long-term sustainability, as well as with limited recourse to the Exxaro balance sheet.

Outlook 1H25

Economic context

As we move into 2025, the global economic landscape remains uncertain, with geopolitical tensions and policy shifts continuing to evolve. While these international developments will undoubtedly have an impact on our business, our focus remains firmly on the factors within our control.

The formation of the Government of National Unity has improved sentiment, fostering a sense of cautious optimism for economic growth. We are seeing positive developments, such as increased private investment in renewables, Eskom's progress on maintenance and transmission upgrades, and accelerated reforms in ports and rails.

Furthermore, the new two-pot retirement system is expected to ease household debt and boost consumer spend from late 2024 into 2025. In 2024, South Africa's real GDP grew 0.6%, driven by a strong fourth quarter after downward pressures faced in earlier quarters. We are hopeful that the momentum will continue into 2025.

Commodity markets and price

The seaborne thermal coal demand is expected to be influenced by geopolitical factors and energy security needs. Domestically, any improvement in the local economic environment is likely to boost coal demand from local end users, particularly as Eskom works to address its operational challenges. Infrastructure challenges remain, as evidenced by the recent railway breakdown on the Richards Bay Coal Terminal Waterberg line due to heavy rainfall. We will continue to actively explore all available routes to market to meet customer demand and unlock value.

This continuous rise in iron ore supply and exports remains the key limiting factor for seaborne iron ore prices, affecting the performance of Exxaro's SIOC investment. While major miners' supply is increasing, overall Chinese demand remains relatively flat. However, towards the end of 2024, there was a rise in steel and iron ore demand from non-property sectors. Early signs indicate that the Chinese government's interventions are beginning to yield results, evidenced by the manufacturing and services sectors moving into expansionary territory, assisted by improved steel mill margins.

Operational performance

Our business is still impacted by commodity prices, domestic structural challenges and developments, coal offtake and both the global and domestic geopolitical environment. We provide the following guidance for the 2025 financial year:

- Coal production and sales to be within the range of 39.5Mt to 43.7Mt
- Exports sales to be between 6.65Mt and 7.35Mt
- We have kept our coal sustaining capex guidance unchanged between
- R2.5 billion and R3 billion
- Due to anticipated commissioning of our Lephalale Solar Plant, our energy generation guidance increases, and we expect it to be within the range of 780GWh to 810GWh, which consists of full year wind generation and half year solar generation guidance.

Final dividend and share repurchase programme

The group has consistently maintained that when determining the level of dividend pay-out and, therefore, the dividend cover, cognisance needs to be taken of the current state of the industry, Exxaro's capital expenditure requirements, and other relevant commitments. This is particularly relevant in the challenging economic environment, including the impact of the logistical challenges.

For the year ended 31 December 2024

Final dividend and share repurchase programme continued

The board of directors has declared a final cash dividend comprising:
- 2.5 times Adjusted Group Earnings
- Pass through of the SIOC dividend of R1.7 billion

Notice is hereby given that a gross final cash dividend, number 44 of 866 cents per share, for the year ended 31 December 2024, was declared from income reserves and is payable to shareholders of ordinary shares on 12 May 2025.

For details of the final dividend, please refer to note 5 of the reviewed condensed group financial statements for the year ended 31 December 2024. The details will also be published on our website at www.exxaro.com.

Salient dates for payment of the final dividend are:

• Last day to trade cum dividend on the JSE	Tuesday, 6 May 2025
• First trading day ex-dividend on the JSE	Wednesday, 7 May 2025
• Record date	Friday, 9 May 2025
• Payment date	Monday, 12 May 2025

No share certificates may be dematerialised or re-materialised between Wednesday, 7 May 2025 and Friday, 9 May 2025, both days inclusive. Dividends for certificated shareholders will be transferred electronically to their bank accounts on the payment date. Shareholders who hold dematerialised shares will have their accounts credited at their central securities depository participant or broker on Monday, 12 May 2025.

Given the net cash position at 31 December 2024 of R16 309 million (excluding Energy net debt), in addition to the final dividend declared, the board of directors has approved a R1.2 billion share repurchase programme, subject to prevailing market conditions, and JSE Listings Requirements.

General

Additional information on financial and operational results for the year ended 31 December 2024 and the accompanying presentation can be accessed on our website at www.exxaro.com.

On behalf of the board of directors

Mvuleni Geoff Qhena
Chairman

Riaan Koppeschaar
Acting chief executive officer and Finance director

13 March 2025

Exxaro Resources Limited

Reviewed condensed group financial statements for the year ended 31 December 2024

exxaro

POWERING POSSIBILITY

Condensed group statement of comprehensive income

For the year ended 31 December

	2024 Reviewed Rm	2023 Audited Rm
Revenue (note 7)	40 725	38 698
Operating expenses (note 8)	(33 118)	(28 071)
Net operating profit	7 607	10 627
Finance income (note 10)	1 786	1 570
Finance costs (note 10)	(1 216)	(1 252)
Income from financial assets		2
Share of income of equity-accounted investments (note 11)	4 270	6 987
Profit before tax	12 447	17 934
Income tax expense	(2 377)	(3 231)
Profit for the year	10 070	14 703
Other comprehensive (loss)/income, net of tax	(99)	200
Items that will not be reclassified to profit or loss	14	(29)
– Remeasurement of retirement employee obligations	6	
– Changes in fair value of equity investments at FVOCI	6	(31)
– Share of OCI of equity-accounted investments	2	2
Items that may subsequently be reclassified to profit or loss	(94)	244
– Unrealised exchange differences on translation of foreign operations	11	88
– Changes in fair value on cash flow hedges	(20)	(44)
– Changes in fair value on costs of hedging	(5)	(9)
– Share of OCI of equity-accounted investments	(80)	209
Items that have subsequently been reclassified to profit or loss	(19)	(15)
– Recycling of changes in fair value on cash flow hedges	(19)	(15)
Total comprehensive income for the year	9 971	14 903
Profit attributable to:		
Owners of the parent	7 724	11 292
Non-controlling interests	2 346	3 411
Profit for the year	10 070	14 703
Total comprehensive income attributable to:		
Owners of the parent	7 651	11 448
Non-controlling interests	2 320	3 455
Total comprehensive income for the year	9 971	14 903

	cents	cents
Attributable earnings per share		
Basic[1]	3 192	4 666
Diluted[2]	3 192	4 666

[1] *Determined using WANOS of 242 million (2023: 242 million).*
[2] *Determined using diluted WANOS of 242 million (2023: 242 million).*

Condensed group statement of financial position

At 31 December

	2024 Reviewed Rm	2023 Audited Rm
ASSETS		
Non-current assets	66 799	66 153
Property, plant and equipment	37 292	37 226
Intangible assets	2 598	2 790
Right-of-use assets	281	308
Equity-accounted investments (note 13)	20 596	20 278
Financial assets (note 20)	5 266	4 616
Deferred tax	197	206
Other assets (note 14)	569	729
Current assets	27 917	26 701
Inventories	2 427	2 270
Financial assets (note 20)	159	210
Trade and other receivables (note 20)	4 230	3 877
Cash and cash equivalents (note 20)	20 630	19 859
Current tax receivables	15	3
Other assets (note 14)	456	482
Total assets	94 716	92 854
EQUITY AND LIABILITIES		
Capital and other components of equity		
Share capital	983	983
Other components of equity	1 119	1 341
Retained earnings	51 885	49 923
Equity attributable to owners of the parent	53 987	52 247
Non-controlling interests	14 563	14 160
Total equity	68 550	66 407
Non-current liabilities	20 351	20 226
Interest-bearing borrowings (note 15)	7 344	7 480
Lease liabilities (note 16)	334	400
Other payables (note 20)	40	42
Provisions (note 18)	3 359	2 963
Retirement employee obligations	181	176
Financial liabilities (note 20)	129	127
Deferred tax	8 926	9 003
Other liabilities (note 19)	38	35
Current liabilities	5 815	6 221
Interest-bearing borrowings (note 15)	876	1 443
Lease liabilities (note 16)	96	51
Trade and other payables (note 20)	3 351	3 356
Provisions (note 18)	282	222
Financial liabilities (note 20)	22	14
Current tax payables	214	348
Other liabilities (note 19)	974	787
Total liabilities	26 166	26 447
Total equity and liabilities	94 716	92 854

Condensed group statement of changes in equity

	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 2022 (Audited)	983	1 126	19		450
Total comprehensive income/(loss)		232	(47)	(7)	
– Profit for the year					
– Other comprehensive income/(loss) for the year		232	(47)	(7)	
Transfer to property, plant and equipment (net of tax)[1]			1		
Transactions with owners					(516)
Contributions and distributions					(516)
– Dividends paid (note 5)					
– Share-based payments movement[2]					(516)
At 31 December 2023 (Audited)	983	1 358	(27)	(7)	(66)
Total comprehensive income/(loss)		13	(93)	(4)	
– Profit for the year					
– Other comprehensive income/(loss) for the year		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 (note 5)					
– Share-based payments movement[2]					(162)
Changes in ownership interest					
– Recognition of NCI[3]					
At 31 December 2024 (Reviewed)	983	1 371	(111)	(7)	(228)

[1] *Hedging gains and losses and costs of hedging transferred to the cost of property, plant and equipment during the year.*
[2] *Relates to the net amount of the share-based payment expense of R208 million (2023: R212 million) as well as the deferred tax movement of R49 million (2023: R83 million) and the value of shares acquired in the market to settle vested share-based payment transactions of R321 million (2023: R645 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.*

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.

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
38	63	4	44 136	46 819	12 560	59 379
2	(24)		11 292	11 448	3 455	14 903
			11 292	11 292	3 411	14 703
2	(24)			156	44	200
				1		1
			(5 505)	(6 021)	(1 855)	(7 876)
			(5 505)	(6 021)	(1 855)	(7 876)
			(5 505)	(5 505)	(1 855)	(7 360)
				(516)		(516)
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

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.

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.

Condensed group statement of cash flows

For the year ended 31 December

	2024 Reviewed Rm	2023 Audited Rm
Cash flows from operating activities	8 425	11 129
Cash generated by operations (note 9)	10 432	13 307
Interest received	1 720	1 525
Interest paid	(1 095)	(1 100)
Tax paid	(2 632)	(2 603)
Cash flows from investing activities	1 084	2 045
Property, plant and equipment acquired (note 12)	(2 448)	(2 699)
Intangible assets acquired	(27)	
Proceeds from disposal of property, plant and equipment		5
Cash received from other financial assets at amortised cost	111	196
ESD loans granted	(130)	(171)
ESD loans settled	84	108
Intervention receivable granted	(33)	
Deferred consideration settled		56
Deposit facilities placed	(360)	(360)
Lease receivables settled	16	16
Contributions to environmental rehabilitation funds		(19)
Dividends received from equity-accounted investments	3 871	4 911
Dividends received from financial assets		2
Cash flows from financing activities	(8 742)	(8 228)
Interest-bearing borrowings raised (note 15)	705	489
Interest-bearing borrowings repaid (note 15)	(1 397)	(658)
Transaction costs paid on interest-bearing borrowings raised		(13)
Lease liabilities paid (note 16)	(50)	(41)
Dividends paid to owners of the parent (note 5)	(5 744)	(5 505)
Dividends paid to NCI BEE Parties	(1 893)	(1 831)
Dividends paid to NCI of Tsitsikamma SPV and Amakhala SPV	(42)	(24)
Shares acquired in the market to settle share-based payments	(321)	(645)
Net increase in cash and cash equivalents	767	4 946
Cash and cash equivalents at beginning of the year	19 859	14 812
Translation difference on movement in cash and cash equivalents	4	101
Cash and cash equivalents at end of the year	20 630	19 859

Notes to the reviewed condensed group financial statements

1. Corporate background

Exxaro, a public company incorporated in South Africa, is a diversified resources group with interests in the coal (controlled and non-controlled), energy (controlled) and ferrous (controlled and non-controlled) markets. These reviewed condensed group financial statements as at and for the year ended 31 December 2024 (condensed financial statements) comprise the company and its subsidiaries (together referred to as the group) and the group's interest in associates and joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The condensed financial statements have been prepared in accordance with, and containing the information required by, the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and the Financial Pronouncements (as issued by the Financial Reporting Standards Council) and the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), the JSE Listings Requirements, IAS 34 *Interim Financial Reporting* and the South African Companies Act.

The condensed financial statements have been prepared under the supervision of Mr PA Koppeschaar CA(SA), SAICA registration number: 00038621.

The condensed financial statements should be read in conjunction with the group and company annual financial statements as at and for the year ended 31 December 2023, which have been prepared in accordance with IFRS Accounting Standards. The condensed financial statements have been prepared on the historical cost basis, except for the revaluation to fair value of financial instruments, share-based payments and biological assets.

The condensed financial statements of the Exxaro group were authorised for issue by the board of directors on 11 March 2025.

2.2 Judgements and estimates

Management made judgements and applied estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements and the key sources of estimation uncertainty were similar to those applied to the group and company annual financial statements as at and for the year ended 31 December 2023.

3. Accounting policies

The accounting policies applied are in terms of IFRS Accounting Standards and are consistent with those of the group and company annual financial statements for the year ended 31 December 2023. A number of new or amended IFRS Accounting Standards became effective for the current year. The group did not have to make any significant changes to its accounting policies nor make retrospective adjustments as a result of adopting these standards.

3.1 Impact of new, amended or revised standards issued but not yet effective

New IFRS Accounting Standards, amendments to accounting standards and interpretations issued, that are relevant to the group, but not yet effective on 31 December 2024, have not been early adopted. The group continuously evaluates the impact of these standards and amendments.

4. Reconciliation of group headline earnings

	Gross Rm	Tax Rm	NCI Rm	Net Rm
For the year ended 31 December 2024 (Reviewed)				
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	27	(7)	(5)	15
– IAS 38 Losses on disposal of intangible assets	16	(4)	(3)	9
– IAS 28 Share of equity-accounted investments' separately identifiable remeasurements[1]	(799)	214	135	(450)
Headline earnings				7 298
For the year ended 31 December 2023 (Audited)				
Profit attributable to owners of the parent				11 292
Adjusted for:	61	(15)	(11)	35
– IAS 16 Net losses on disposal of property, plant and equipment	57	(15)	(10)	32
– IAS 28 Share of equity-accounted investments' separately identifiable remeasurements	4		(1)	3
Headline earnings				11 327

[1] *Includes Exxaro's share of SIOC's impairment reversal 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.*

For the year ended 31 December	2024 Reviewed cents	2023 Audited cents
Headline earnings per share		
Basic[1]	3 016	4 681
Diluted[2]	3 016	4 681

[1] *Determined using WANOS of 242 million (2023: 242 million).*
[2] *Determined using diluted WANOS of 242 million (2023: 242 million).*

5. Dividend distributions

A final cash dividend, number 44, for 2024 of 866 cents per share, was approved by the board of directors on 11 March 2025. The dividend is payable on 12 May 2025 to shareholders who will be on the register on 9 May 2025. This final dividend, amounting to approximately R2 092 million (to external shareholders), has not been recognised as a liability in these condensed financial statements. It will be recognised in shareholders' equity in the first half of the year ending 31 December 2025.

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 692.80000 cents per share.

The number of ordinary shares in issue at the date of this declaration is 349 305 092. Exxaro company's tax reference number is 9218/098/14/4.

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Dividends paid[1]	5 744	5 505
Final dividend[2]	2 439	2 744
Special dividend[2]	1 382	
Interim dividend[3]	1 923	2 761

	cents	cents
Dividend paid per share	2 378	2 279
Final dividend[2]	1 010	1 136
Special dividend[2]	572	
Interim dividend[3]	796	1 143

[1] *Paid to external shareholders.*
[2] *2024: Declared on 12 March 2024 and paid on 13 May 2024.*
[3] *2024: Declared on 13 August 2024 and paid on 7 October 2024.*

At 31 December	2024 Reviewed	2023 Audited
Issued share capital (number of shares)[1]	349 305 092	349 305 092
Weighted average number of ordinary shares	241 534 848	241 534 848
Diluted weighted average number of ordinary shares	241 534 848	241 534 848

[1] *Includes treasury shares of 107 770 244 (2023: 107 770 244).*

6. Segmental information

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 committees of the group. Segments reported are based on the group's different commodities and operations.

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. 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.

Management has presented the performance measure EBITDA because it monitors this performance measure at a consolidated level and it believes that this measure is relevant to an understanding of the group's financial performance.

EBITDA is defined as 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).

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.

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 committees review internal management reports on these operating segments at least quarterly.

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% (2023: 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% (2023: 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.

6. Segmental information continued

Energy

The energy operations generate electricity from renewable energy technology.
The energy reportable segment comprises mainly of the Cennergi controlled operations and LSP which is in the construction phase.

Ferrous

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

Alloys: Comprising of the FerroAlloys operation which manufactures ferrosilicon.

Other: Comprising mainly of the 20.62% (2023: 20.62%) equity interest in SIOC.

Other

The other operations of the group are made up of the following reportable segments:

Base metals: Comprising of the 26% (2023: 26%) equity interest in Black Mountain.

Other: Comprising mainly of the corporate office (rendering corporate management services) and the Ferroland agricultural operation.

6. Segmental information continued

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

	Coal				
	Commercial				
	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm
For the year ended 31 December 2024 (Reviewed)					
External revenue (note 7)	22 563	9 893	6 659		1 411
Segmental net operating profit/(loss)	8 430	(368)	175	(315)	637
Add back:					
Depreciation and amortisation (note 8)	1 669	604		14	394
Net losses on disposal of property, plant and equipment (note 8)	17	10			
Losses on disposal of intangible assets (note 8)					
EBITDA (note 26.1)	10 116	246	175	(301)	1 031
Other key items:					
Raw materials and consumables (note 8)	(2 162)	(2 868)	(574)	(2)	(1)
Staff costs (note 8)	(2 897)	(426)	(2 172)	(414)	(76)
Royalties (note 8)[1]	(1 096)	(85)	(33)	137	
Contract mining (note 8)	(109)	(1 895)	(4)		
Repairs and maintenance (note 8)	(1 958)	(343)	(1 021)	(7)	(9)
Railage and transport (note 8)	(2 149)	(2 554)	(12)		
Movement in provisions (note 8)	22	(277)	175	(132)	(1)
External finance income (note 10)	16	5		36	64
External finance costs (note 10)	(47)	(144)		(100)	(503)
Share of income/(loss) of equity-accounted investments (note 11)		234		(7)	
Income tax (expense)/benefit	(2 171)	130	(54)	(89)	(92)
Cash generated by/(utilised in) operations (note 9)	9 390	488	52	(712)	1 038
Capital spend on property, plant and equipment (note 12)	(1 812)	(268)			(302)
At 31 December 2024 (Reviewed)					
Segmental assets and liabilities					
Deferred tax[2]					15
Equity-accounted investments (note 13)		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]	7 419	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.*

6. Segmental information continued

	Ferrous		Other		
	Alloys Rm	Other ferrous Rm	Base metals Rm	Other Rm	Total Rm
For the year ended 31 December 2024 (Reviewed)					
External revenue (note 7)	190			9	40 725
Segmental net operating profit/(loss)	(51)			(901)	7 607
Add back:					
Depreciation and amortisation (note 8)	6			86	2 773
Net losses on disposal of property, plant and equipment (note 8)					27
Losses on disposal of intangible assets (note 8)				16	16
EBITDA (note 26.1)	(45)			(799)	10 423
Other key items:					
Raw materials and consumables (note 8)	(41)			(24)	(5 672)
Staff costs (note 8)	(63)			(932)	(6 980)
Royalties (note 8)[1]					(1 077)
Contract mining (note 8)					(2 008)
Repairs and maintenance (note 8)	(4)			(15)	(3 357)
Railage and transport (note 8)	(1)			(3)	(4 719)
Movement in provisions (note 8)				2	(211)
External finance income (note 10)				1 665	1 786
External finance costs (note 10)	(1)			(421)	(1 216)
Share of income/(loss) of equity-accounted investments (note 11)		3 979	64		4 270
Income tax (expense)/benefit	16			(117)	(2 377)
Cash generated by/(utilised in) operations (note 9)	28			148	10 432
Capital spend on property, plant and equipment (note 12)	(1)			(65)	(2 448)
At 31 December 2024 (Reviewed)					
Segmental assets and liabilities					
Deferred tax[2]	25			157	197
Equity-accounted investments (note 13)		14 329	2 242		20 596
External assets	215	25		21 748	73 923
Total assets	240	14 354	2 242	21 905	94 716
External liabilities	28			3 820	17 240
Deferred tax[2]				(25)	8 926
Total liabilities	28			3 795	26 166

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

6. Segmental information continued

	Coal				
	Commercial				
	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm
For the year ended 31 December 2023 (Audited)					
External revenue (note 7)	22 496	8 666	5 783		1 345
Segmental net operating profit/(loss)	10 173	399	173	(681)	630
Add back:					
Depreciation and amortisation (note 8)	1 512	595	6	16	393
Net losses on disposal of property, plant and equipment (note 8)	17	3			
EBITDA (note 26.1)	11 702	997	179	(665)	1 023
Other key items:					
Raw materials and consumables (note 8)	(2 002)	(2 755)	(497)	(2)	(1)
Staff costs (note 8)	(2 740)	(395)	(1 737)	(253)	(68)
Royalties (note 8)[1]	(1 188)	(108)	(13)	167	
Contract mining (note 8)	(60)	(1 434)			
Repairs and maintenance (note 8)	(1 677)	(282)	(975)	(1)	(9)
Railage and transport (note 8)	(1 744)	(1 424)	(6)		
Movement in provisions (note 8)	151	(80)	53	(195)	
External finance income (note 10)	26	8		61	40
External finance costs (note 10)	(66)	(97)		(79)	(515)
Share of income/(loss) of equity-accounted investments (note 11)		508		(10)	
Income tax expense	(2 603)	(98)	(27)	(118)	(71)
Cash generated by/(utilised in) operations (note 9)	11 758	89	148	(203)	1 031
Capital spend on property, plant and equipment (note 12)	(2 217)	(201)		(15)	(244)
At 31 December 2023 (Audited)					
Segmental assets and liabilities					
Deferred tax[2]					14
Equity-accounted investments (note 13)		1 922		2 014	
External assets	31 930	6 084	1 506	2 774	8 834
Total assets	31 930	8 006	1 506	4 788	8 848
External liabilities	2 590	2 451	1 600	779	5 121
Deferred tax[2]	7 335	856	(60)	2	903
Total liabilities	9 925	3 307	1 540	781	6 024

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

6. Segmental information continued

	Ferrous		Other		
	Alloys Rm	Other ferrous Rm	Base metals Rm	Other Rm	Total Rm
For the year ended 31 December 2023 (Audited)					
External revenue (note 7)	398			10	38 698
Segmental net operating profit/(loss)	82			(149)	10 627
Add back:					
Depreciation and amortisation (note 8)	1			192	2 715
Net losses on disposal of property, plant and equipment (note 8)				37	57
EBITDA (note 26.1)	83			80	13 399
Other key items:					
Raw materials and consumables (note 8)	(58)			(17)	(5 332)
Staff costs (note 8)	(69)			(829)	(6 091)
Royalties (note 8)[1]					(1 142)
Contract mining (note 8)					(1 494)
Repairs and maintenance (note 8)	(6)			(19)	(2 969)
Railage and transport (note 8)	(3)			(1)	(3 178)
Movement in provisions (note 8)				1	(70)
External finance income (note 10)				1 435	1 570
External finance costs (note 10)	(1)			(494)	(1 252)
Share of income/(loss) of equity-accounted investments (note 11)		6 157	332		6 987
Income tax expense	(18)			(296)	(3 231)
Cash generated by/(utilised in) operations (note 9)	234			250	13 307
Capital spend on property, plant and equipment (note 12)	(1)			(21)	(2 699)
At 31 December 2023 (Audited)					
Segmental assets and liabilities					
Deferred tax[2]	9			183	206
Equity-accounted investments (note 13)		14 079	2 263		20 278
External assets	300	26		20 916	72 370
Total assets	309	14 105	2 263	21 099	92 854
External liabilities	40	3		4 860	17 444
Deferred tax[2]				(33)	9 003
Total liabilities	40	3		4 827	26 447

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

7. 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.

	Coal					Ferrous	Other	
	Commercial							
For the year ended 31 December 2024 (Reviewed)	Waterberg Rm	Mpumalanga Rm	Tied Rm	Other Rm	Energy Rm	Alloys Rm	Other Rm	Total Rm
Segmental revenue reconciliation								
Segmental revenue[1]	22 563	9 893	6 659		1 411	190	9	40 725
Local sales allocated to selling entity[2]		(172)	172					
Export sales allocated to selling entity[3]	(4 427)	(8 427)		12 854				
Total revenue	18 136	1 294	6 831	12 854	1 411	190	9	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		187	7	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	3	2	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						2	2	4
Total revenue	18 136	1 294	6 831	12 854	1 411	190	9	40 725
By major geographic area of customer[4]								
Domestic	18 136	1 294	6 831		1 411	190	9	27 871
Export				12 854				12 854
Europe[5]				4 743				4 743
Asia[6]				7 156				7 156
Other				955				955
Total revenue	18 136	1 294	6 831	12 854	1 411	190	9	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		2	8	417
Total revenue	18 136	1 294	6 831	12 854	1 411	190	9	40 725

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

7. **Revenue** continued

For the year ended 31 December 2023 (Audited)	Coal – Commercial – Waterberg Rm	Coal – Commercial – Mpumalanga Rm	Coal – Tied Rm	Coal – Other Rm	Energy Rm	Ferrous – Alloys Rm	Other – Other Rm	Total Rm
Segmental revenue reconciliation								
Segmental revenue[1]	22 496	8 666	5 783		1 345	398	10	38 698
Export sales allocated to selling entity[2]	(4 538)	(6 539)		11 077				
Total revenue	17 958	2 127	5 783	11 077	1 345	398	10	38 698
By timing and major type of goods and services								
Revenue recognised at a point in time	17 958	2 127	4 729	11 077		392	9	36 292
Coal	17 958	2 127	4 729	11 077				35 891
Ferrosilicon						392		392
Biological goods							9	9
Revenue recognised over time			1 054		1 345	6	1	2 406
Renewable energy					1 345			1 345
Stock yard management services			159					159
Project engineering services			895					895
Transportation services						2		2
Other services						4	1	5
Total revenue	17 958	2 127	5 783	11 077	1 345	398	10	38 698
By major geographic area of customer[3]								
Domestic	17 958	2 127	5 783		1 345	398	8	27 619
Export				11 077			2	11 079
Europe[4]				5 522			1	5 523
Asia[5]				4 600			1	4 601
Other				955				955
Total revenue	17 958	2 127	5 783	11 077	1 345	398	10	38 698
By major customer industries								
Public utilities	14 963		5 783	511	1 345			22 602
Merchants	370	1 230		9 826		2		11 428
Steel	1 462	152						1 614
Mining	250	23				351		624
Manufacturing	357					45		402
Food and beverage	233						2	235
Cement	262	70		314				646
Chemicals		646						646
Other	61	6		426			8	501
Total revenue	17 958	2 127	5 783	11 077	1 345	398	10	38 698

[1] *Coal segmental revenue is based on the origin of coal production.*
[2] *Relates to revenue sold by export distribution entity.*
[3] *Determined based on the customer supplied by Exxaro.*
[4] *Relates mainly to Switzerland and Germany.*
[5] *Relates mainly to Singapore and Japan.*

8. Significant items included in operating expenses

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Raw materials and consumables	(5 672)	(5 332)
Staff costs	(6 980)	(6 091)
Royalties	(1 077)	(1 142)
Contract mining	(2 008)	(1 494)
Repairs and maintenance	(3 357)	(2 969)
Railage and transport	(4 719)	(3 178)
Movement in provisions (note 18)	(211)	(70)
Depreciation and amortisation	(2 773)	(2 715)
Net losses on disposal of property, plant and equipment	(27)	(57)
Losses on disposal of intangible assets	(16)	
Net realised and unrealised currency exchange differences	97	124
Legal and professional fees	(398)	(487)
ECLs on financial assets at amortised cost	(153)	(21)

9. Cash generated by operations

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Profit before tax	12 447	17 934
Adjusted for:		
Finance income	(1 786)	(1 570)
Finance costs	1 216	1 252
Dividend income from financial assets		(2)
Share of income of equity-accounted investments	(4 270)	(6 987)
Net operating profit	7 607	10 627
Non-cash movements:		
Depreciation and amortisation	2 773	2 715
ECLs on financial assets at amortised cost	153	21
Write-off of trade and other receivables	13	4
Write-off of ESD loans	5	2
Write-off of other current assets		32
Movement in provisions	211	70
Movement in retirement employee obligations	13	11
Net unrealised currency exchange differences	(84)	(46)
Fair value adjustments on financial instruments	(303)	(284)
Write-down of inventories to net realisable value	141	
Gain on modification of lease	(2)	
Net losses on disposal of property, plant and equipment	27	57
Losses on disposal of intangible assets	16	
Indemnification asset movement		5
Share-based payment expense	208	212
Hedge ineffectiveness on interest rate swaps on cash flow hedges	12	18
Translation of foreign currency items	(14)	(85)
Amortisation of transaction costs prepaid	4	4
Non-cash recoveries	163	23
Non-cash deposit facilities		(373)
Non-cash management fees	45	53
Other non-cash movements	(6)	8
Cash generated by operations before working capital movements	10 982	13 074
Working capital movements:		
Increase in inventories	(268)	(212)
(Increase)/decrease in trade and other receivables	(420)	449
Increase in trade and other payables	240	68
Utilisation of provisions	(102)	(72)
Cash generated by operations	10 432	13 307

10. Net financing income

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Finance income	1 786	1 570
Interest income	1 791	1 573
Reimbursement of interest income on environmental rehabilitation funds	(10)	(9)
Finance lease interest income	5	6
Finance costs	(1 216)	(1 252)
Interest expense	(996)	(1 020)
Net fair value gain/(loss) on interest rate swaps designated as cash flow hedges recycled from OCI:	26	20
– Realised fair value loss	(35)	(44)
– Unrealised fair value gain	61	64
Unwinding of discount rate on rehabilitation costs	(304)	(244)
Recovery of unwinding of discount rate on rehabilitation costs	28	28
Interest expense on lease liabilities	(46)	(48)
Amortisation of transaction costs	(5)	(5)
Borrowing costs capitalised[1]	81	17
Total net financing income	570	318
[1] Borrowing costs capitalisation rate relating to LSP (%):	*9.73*	*9.93*

11. Share of income of equity-accounted investments

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Associates	4 036	6 479
SIOC	3 979	6 157
RBCT	(7)	(10)
Black Mountain	64	332
Joint ventures	234	508
Mafube	234	508
Share of income of equity-accounted investments	4 270	6 987

12. Capital spend and capital commitments

For the year ended 31 December	2024 Reviewed Rm	2023 Audited Rm
Capital spend		
To maintain operations	2 146	2 455
To expand operations	302	244
Total capital spend on property, plant and equipment	2 448	2 699

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Capital commitments		
Contracted	3 416	4 115
– Contracted for the group (owner-controlled)	1 690	2 115
– Share of capital commitments of associates	1 531	1 973
– Share of capital commitments of joint ventures	195	27
Authorised, but not contracted (owner-controlled)	2 055	2 287

13. Equity-accounted investments

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Associates	18 578	18 356
SIOC	14 329	14 079
RBCT	2 007	2 014
Black Mountain[1]	2 242	2 263
Joint ventures	2 018	1 922
Mafube	2 018	1 922
Total net carrying value of equity-accounted investments	20 596	20 278

[1] *In 2024, the shares in Black Mountain have been provided as security for the project financing raised by Black Mountain.*

14. Other assets

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Non-current	569	729
Reimbursements[1]	443	588
Biological assets	37	33
Lease receivables	18	29
Other	71	79
Current	456	482
VAT	62	37
Diesel rebates	40	58
Royalties	63	69
Prepayments[2]	229	254
Lease receivables	11	9
Other	51	55
Total other assets	1 025	1 211

[1] *Amounts recoverable from Eskom in respect of the rehabilitation, environmental expenditure and retirement employee obligations of the Matla operation at the end of LoM.*
[2] *Includes an amount of R83.7 million (2023: R123 million) which relates to advance payments for assets under construction.*

15. Interest-bearing borrowings

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Non-current[1]	7 344	7 480
Loan facility	2 499	2 945
Project financing[2]	4 845	4 535
Current[1]	876	1 443
Loan facility	498	507
Project financing[2]	378	290
Bonds[3]		646
Total interest-bearing borrowings	8 220	8 923
Summary of interest-bearing borrowings by period of redemption:		
Less than six months	468	1 074
Six to 12 months	408	369
Between one and two years	2 951	794
Between two and three years	561	2 948
Between three and four years	687	556
Between four and five years	813	682
More than five years	2 332	2 500
Total interest-bearing borrowings	8 220	8 923
[1] *Reduced by transaction costs:*		
– Non-current	*(12)*	*(17)*
– Current	*(5)*	*(5)*
[2] *Interest-bearing borrowings relating to the energy operations.*		
[3] *The R643 million senior unsecured floating rate note matured in June 2024.*		
Analysis of movement in interest-bearing borrowings		
At beginning of the year	8 923	9 093
Interest-bearing borrowings raised	705	489
Interest-bearing borrowings repaid	(1 397)	(658)
Interest expense	974	982
Interest paid	(990)	(975)
Capitalisation of transaction costs		(13)
Amortisation of transaction costs	5	5
At end of the year	8 220	8 923

There were no defaults or breaches in terms of interest-bearing borrowings during the reporting periods.

15. Interest-bearing borrowings continued

Below is a summary of the salient terms and conditions of the facilities at 31 December 2024:

Facilities	Carrying value Rm	Undrawn portion Rm	Security	Debt assumed date
Loan facility				
Exxaro				
Bullet term loan	2 540	nil	Unsecured	26 April 2021
Amortised term loan	457	nil	Unsecured	26 April 2021
Revolving credit facility	nil	3 250	Unsecured	26 April 2021
Project financing				
Amakhala SPV				
Term loan and reserve facility	2 360	273	Secured	01 April 2020
Term loan facility	127	nil	Secured	01 April 2020
Tsitsikamma SPV				
Term loan and reserve facility	1 586	148	Secured	01 April 2020
LSP SPV				
Term loan and reserve facility	1 122	145	Secured	11 July 2023
Revolving credit facility	28	21	Secured	11 July 2023

Facilities	Maturity date	Interest payment basis	Interest rate: Base rate	Interest rate: Margin	Effective rate for transaction costs
Loan facility					
Exxaro					
Bullet term loan	26 April 2026	Floating	3-month JIBAR	240 basis points (2.40%)	0.11%
Amortised term loan	26 April 2026	Floating	3-month JIBAR	230 basis points (2.30%)	0.06%
Revolving credit facility	26 April 2026	Floating	1-month JIBAR	265 basis points (2.65%)	N/A
Project financing					
Amakhala SPV					
Term loan and reserve facility	30 June 2031	Floating	3-month JIBAR	371 to 681 basis points (3.71% to 6.81%)	N/A
Term loan facility	30 June 2031	Fixed	9.46% up to 30 June 2026, thereafter 3-month JIBAR	360 to 670 basis points (3.60% to 6.70%)	N/A
Tsitsikamma SPV					
Term loan and reserve facility	31 Dec 2030	Floating	3-month JIBAR	276 basis points (2.76%)	N/A
LSP SPV					
Term loan and reserve facility	31 Dec 2042	Floating	3-month JIBAR	250 to 360 basis points (2.50% to 3.60%)	0.01% were applicable
Revolving credit facility	31 Aug 2025	Floating	3-month JIBAR	180 basis points (1.80%)	N/A

16. Lease liabilities

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Non-current	334	400
Current	96	51
Total lease liabilities	430	451
Analysis of movement in lease liabilities		
At beginning of the year	451	478
New leases	3	2
Lease remeasurement adjustments	26	12
Capital repayments	(50)	(41)
– Lease payments	(96)	(89)
– Interest charges	46	48
At end of the year	430	451
The lease liabilities relate to the right-of-use assets.		
Interest is based on incremental borrowing rates ranging as follows:		
– Local leases with lease term between 12 and 18 months (%)	11.25	11.75
– Foreign lease with lease term between 12 and 18 months (%)	1.35	1.35
– Local leases with lease term greater than 18 months (%)	10.25 to 11.75	10.25 to 10.87

17. Net cash

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Net cash is presented by the following items on the statement of financial position:		
Non-current interest-bearing debt	(7 678)	(7 880)
Interest-bearing borrowings	(7 344)	(7 480)
Lease liabilities	(334)	(400)
Current interest-bearing debt	(972)	(1 494)
Interest-bearing borrowings	(876)	(1 443)
Lease liabilities	(96)	(51)
Net cash and cash equivalents	20 630	19 859
Cash and cash equivalents	20 630	19 859
Total net cash	11 980	10 485

18. Provisions

	Environmental rehabilitation					
	Restoration Rm	Decommissioning Rm	Residual impact Rm	Other site closure cost Rm	Other Rm	Total Rm
At 31 December 2024 (Reviewed)						
At beginning of the year	1 823	258	975	127	2	3 185
Charge to operating expenses (note 8)	180	25	3	3		211
Unwinding of discount rate (note 10)	201	32	60	11		304
Change in provisions capitalised to property, plant and equipment	2	41				43
Utilised during the year	(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
At 31 December 2023 (Audited)						
At beginning of the year	1 682	305	832	118	4	2 941
Charge/(reversal) to operating expenses (note 8)	10	(81)	122	19		70
Unwinding of discount rate (note 10)	178	32	24	10		244
Change in provisions capitalised to property, plant and equipment		2				2
Utilised during the year	(47)		(3)	(20)	(2)	(72)
Total provisions at end of the year	1 823	258	975	127	2	3 185
– Non-current	1 692	257	908	106		2 963
– Current	131	1	67	21	2	222

19. Other liabilities

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Non-current	38	35
Long-term incentives	13	10
Income received in advance	25	25
Current	974	787
Leave pay	274	250
Bonuses	380	280
VAT	171	99
Royalties		40
Carbon tax	3	3
Customer advance payments	38	4
Other	108	111
Total other liabilities	1 012	822

20. Financial instruments

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Non-current		
Financial assets		
Financial assets at FVOCI	442	434
Equity: unlisted – Chifeng	442	434
Financial assets at FVPL	4 557	3 839
Debt: unlisted – environmental rehabilitation funds	2 657	2 422
Debt: unlisted – portfolio investments	513	461
Debt: unlisted – deposit facilities[1]	1 387	956
Financial assets at amortised cost	266	341
ESD loans[2]	68	106
– Gross	131	156
– Impairment allowances	(63)	(50)
Vendor finance loan[3]	80	127
– Gross	81	127
– Impairment allowance	(1)	
Other financial assets at amortised cost	118	108
– Environmental rehabilitation funds	118	108
Derivative financial assets designated as hedging instruments	1	2
Cash flow hedge derivatives: interest rate swaps[4]	1	2
Financial liabilities		
Financial liabilities at amortised cost	(7 384)	(7 522)
Interest-bearing borrowings	(7 344)	(7 480)
Other payables	(40)	(42)
Derivative financial liabilities designated as hedging instruments	(129)	(127)
Cash flow hedge derivatives: interest rate swaps[4]	(129)	(127)

[1] *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 of the facility is refunded 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.*

[2] *Interest-free loans advanced to successful applicants in terms of the Exxaro ESD programme.*

[3] *Vendor finance loan granted to Overlooked Colliery Proprietary Limited as part of the disposal of the ECC operation. The loan is unsecured, repayable from 1 October 2022 and bears interest at:*
– Prime Rate for the period 3 September 2021 to 30 September 2024
– Prime Rate plus 1 for the period 1 October 2024 to 30 September 2025
– Prime Rate plus 2 for the period 1 October 2025 to 30 September 2026
– Prime Rate plus 3 for the period 1 October 2026 to 30 September 2027.

[4] *Relates to interest rate swaps designated in a hedging relationship to hedge interest rate risk exposure resulting from interest payments on the project financing. The hedges have been assessed as effective.*

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

20. Financial instruments continued

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Current		
Financial assets		
Financial assets at amortised cost	25 017	23 924
ESD loans[1]	83	63
– Gross	247	181
– Impairment allowances	(164)	(118)
Vendor finance loan[2]	62	50
– Gross	63	51
– Impairment allowance	(1)	(1)
Intervention receivable[3]	8	
– Gross	8	
Investment deposits[4]	4	
– Gross	4	
Other financial assets at amortised cost		75
– Deferred pricing receivable[5]		77
– Employee receivables	4	4
– Impairment allowances	(4)	(6)
Trade and other receivables	4 230	3 877
Trade receivables	4 098	3 829
– Gross	4 214	3 850
– Impairment allowances	(116)	(21)
Other receivables	132	48
– Gross	140	55
– Impairment allowances	(8)	(7)
Cash and cash equivalents[6]	20 630	19 859
Financial assets at FVPL	2	22
Derivative financial assets	2	22
Financial liabilities		
Financial liabilities at amortised cost	(4 227)	(4 799)
Interest-bearing borrowings	(876)	(1 443)
Trade and other payables	(3 351)	(3 356)
– Trade payables	(1 841)	(1 893)
– Other payables	(1 510)	(1 463)
Derivative financial liabilities designated as hedging instruments		(14)
Cash flow hedge derivatives: FECs[7]		(14)
Financial liabilities at FVPL	(22)	
Derivative financial liabilities	(22)	

[1] *Interest-free loans advanced to successful applicants in terms of the Exxaro ESD programme.*
[2] *Vendor finance loan granted to Overlooked Colliery Proprietary Limited as part of the disposal of the ECC operation. The loan is unsecured, repayable from 1 October 2022 and bears interest at:*
– Prime Rate for the period 3 September 2021 to 30 September 2024
– Prime Rate plus 1 for the period 1 October 2024 to 30 September 2025
– Prime Rate plus 2 for the period 1 October 2025 to 30 September 2026
– Prime Rate plus 3 for the period 1 October 2026 to 30 September 2027.
[3] *Relates to amounts advanced for funding logistical projects.*
[4] *Investment deposits with a term of three to 12 months.*
[5] *Relates to a deferred pricing adjustment which arose during 2017 and settled in 2024.*
[6] *Includes cash and cash equivalents subject to the following restrictions by the project financing lenders:*
– Cash of R17 million held for debt service
– Cash of R46 million held for equipment maintenance reserving
– Cash of R34 million restricted until debt service fully repaid in 2031.
[7] *Relates to FECs designated in a hedging relationship to hedge foreign exchange risk exposure on the purchase of US dollar foreign denominated capital purchases funded by ZAR denominated project financing. The FECs portion of the hedges have been settled.*

20. Financial instruments continued

The group has granted the following loan commitments:

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Total loan commitments[1]	38	12
ESD applicants[2]	38	12

[1] *The loan commitments were undrawn for the reporting periods.*
[2] *Loans approved and awarded to successful ESD applicants.*

20.1 Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation techniques used.

The different levels are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access 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).

At 31 December 2024 (Reviewed)	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

20. Financial instruments continued

20.1 Fair value hierarchy continued

At 31 December 2023 (Audited)	Fair value Rm	Level 2 Rm	Level 3 Rm
Financial assets at FVOCI	434		434
Equity: unlisted – Chifeng	434		434
Financial assets at FVPL	3 839	3 839	
Non-current debt: unlisted – environmental rehabilitation funds	2 422	2 422	
Non-current debt: unlisted – portfolio investments	461	461	
Non-current debt: unlisted – deposit facilities	956	956	
Derivative financial assets designated as hedging instruments	2	2	
Non-current cash flow hedge derivatives: interest rate swaps	2	2	
Derivative financial assets	22	22	
Current derivative financial assets	22	22	
Derivative financial liabilities designated as hedging instruments	(141)	(141)	
Non-current cash flow hedge derivatives: interest rate swaps	(127)	(127)	
Current cash flow hedge derivatives: FECs	(14)	(14)	
Net financial assets held at fair value	4 156	3 722	434

Reconciliation of financial assets within Level 3 of the hierarchy:

	Chifeng Rm
At 31 December 2022 (Audited)	474
Movement during the year	
Losses recognised in OCI (pre-tax effect)[1]	(40)
At 31 December 2023 (Audited)	434
Movement during the year	
Gains recognised in OCI (pre-tax effect)[1]	8
At 31 December 2024 (Reviewed)	442

[1] *Tax on Chifeng amounts to R1.72 million (2023: R8.66 million).*

20. Financial instruments continued

20.1 Fair value hierarchy continued

Transfers

Transfers between levels of the fair value hierarchy are recognised 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.

Valuation process applied

The fair value computations of the investments are performed by the strategic 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.

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 reasonability by discounting estimated future cash flows using the market rate for similar instruments at measurement date.

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.

Non-current 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 swaps have been entered into, and take into account credit risk. The valuations are assessed for reasonability by discounting the estimated future cash flows based on observable ZAR swap curves.

Current cash flow hedge derivatives: forward exchange contracts

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 reasonability by discounting the estimated future cash flows based on observable ZAR/US$ forward rates.

Valuation techniques used in the determination of fair values within Level 3 of the hierarchy

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.

21. Contingent liabilities and contingent assets

21.1 Contingent liabilities

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Pending litigation and other claims[1]	107	112
Operational guarantees[2]	4 255	4 183
– Financial guarantees ceded to the DMRE	3 552	3 552
– Other financial guarantees	703	631
Total contingent liabilities	4 362	4 295

[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.*

In November 2023, Exxaro received service of an application seeking the permission of the High Court of South Africa to certify classes for purposes of a class action for damages against Exxaro and three of its related entities, being Exxaro Coal Proprietary Limited, Exxaro Coal Mpumalanga Proprietary Limited and Mafube Coal Mining Proprietary Limited, as well as other respondents. Following legal advice, Exxaro delivered its notice of intention to oppose the certification application. Exxaro served and filed its Answering Affidavit (together with annexures and supporting affidavits) timeously on 6 December 2024. The Deputy Judge President has assigned 25 November 2025 to 5 December 2025 for the certification hearing.

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

Share of equity-accounted investments' contingent liabilities

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Share of contingent liabilities of equity-accounted investments	1 697	1 427

21.2 Contingent assets

At 31 December	2024 Reviewed Rm	2023 Audited Rm
Back-to-back guarantees	134	134
Other[1]	100	54
Total contingent assets	234	188

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

22. Related party transactions

The group entered into various sale and purchase transactions with associates and joint ventures during the ordinary course of business. These transactions were subject to terms that are no less, nor more favourable than those arranged with independent third parties.

	Associates		Joint ventures	
	2024 Reviewed Rm	2023 Audited Rm	2024 Reviewed Rm	2023 Audited Rm
Items of income/(expense) recognised during the year				
Sales of goods and services rendered	2	269	49	45
Purchase of goods and services rendered	(149)	(146)	(1 751)	(1 851)
Outstanding balances at 31 December				
Included in trade and other receivables	23	31	16	4
Included in trade and other payables	(9)	(7)	(174)	(155)

23. Going concern

Based on the latest results for the year ended 31 December 2024, the latest board approved budget for 2025, the latest outlook up to 2026 as well as the available banking facilities and cash generating capability, Exxaro satisfies the criteria of a going concern in the foreseeable future.

24. Events after the reporting period

Details of the final dividend are provided in note 5.

Subsequent to 31 December 2024, the following notable events occurred:

Karreebosch project

On 17 February 2025, Cennergi Holdings, a wholly owned subsidiary of Exxaro, in partnership with G7 Renewable Energies Proprietary Limited, reached financial close on the 140MW Karreebosch project. Karreebosch has a 20-year Power Purchase Agreement with Northam Platinum Limited. Cennergi Holdings acquired 80% of the share capital in Karreebosch as well as 50% of the share capital in Karreebosch Asset Management Proprietary Limited. The total investment cost of the project is anticipated to be 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 the Exxaro balance sheet.

The directors are not aware of any other significant matter or circumstance arising after the reporting period up to date of this report, not otherwise dealt with in this report.

Share repurchase programme

On 11 March 2025, the board of directors approved a share repurchase programme to the value of R1.2 billion, subject to prevailing market conditions, and JSE Listings Requirements.

25. External auditor's review conclusion

The company's external auditor, KPMG Inc., has issued their unmodified review report on the reviewed condensed group financial statements for the year ended 31 December 2024 (as set out on pages 16 to 49). The review was conducted in accordance with ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. The external auditor's report on the reviewed condensed group financial statements is included on page 51.

26. Other key measures

At 31 December	2024 Unreviewed	2023 Unreviewed
Closing share price (rand per share)	157.95	204.48
Market capitalisation (Rbn)	55.17	71.43
Average rand/US$ exchange rate (for the year ended)	18.32	18.45
Closing rand/US$ spot exchange rate	18.87	18.30

Independent auditor's report on the review of the condensed group financial statements

To the shareholders of Exxaro Resources Limited

Introduction

We have reviewed the accompanying condensed group statement of financial position of Exxaro Resources Limited (the group) at 31 December 2024, the condensed group statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes 1 to 24, comprising accounting policies and other explanatory information (the condensed group financial statements) as set out on pages 16 to 49.

The directors are responsible for the preparation and presentation of these condensed group financial statements in accordance with, and containing the information required by, the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards, IAS 34 *Interim Financial Reporting* and the South African Companies Act. Our responsibility is to express a conclusion on these condensed group financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed group financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed group financial statements as at 31 December 2024 is not prepared, in all material respects, in accordance with, and containing the information required by, the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards, IAS 34 I*nterim Financial Reporting* and the South African Companies Act.

KPMG Inc.

KPMG Inc.
Registered Auditor

Per Safeera Loonat
Chartered Accountant (SA)
Registered Auditor
Director
13 March 2025

KPMG Crescent
85 Empire Road
Parktown
2193

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)
Amakhala SPV	Amakhala Emoyeni RE Project 1 (RF) Proprietary Limited
API4	All publications index 4 (FOB Richards Bay 6000/kcal/kg)
BEE Parties	External shareholders of Eyesizwe
Black Mountain	Black Mountain Mining Proprietary Limited
Capex	Capital expenditure
Cennergi	Cennergi Holdings Proprietary Limited group of companies
Cennergi Holdings	Cennergi Proprietary Limited
Chifeng	Chifeng NFC Zinc Co. Limited
CO_2e/kt	carbon dioxide equivalent per 1 000 total tonnes mined
Companies Act	Companies Act of South Africa No 71 of 2008, as amended
DCF	Discounted cash flow
DMRE	Department of Mineral Resources and Energy
DWS	Department of Water and Sanitation
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
Exxaro	Exxaro Resources Limited (the group or the company)
Eyesizwe	Eyesizwe (RF) Proprietary Limited, special purpose private company which has a 30.81% shareholding in Exxaro
FerroAlloys	Exxaro FerroAlloys Proprietary Limited
FEC(s)	Forward foreign exchange contract(s)
Ferroland	Ferroland Grondtrust Proprietary Limited
FOB	Free on board
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
FY23	For the year ended 31 December 2023
FY24	For the year ended 31 December 2024
GDP	Gross domestic product
GWh	Gigawatt hour
HEPS	Headline earnings per share
IAS	International Accounting Standard(s)

IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standard(s)
JIBAR	Johannesburg Interbank Average Rate
JSE	JSE Limited
JV	Joint venture
Karreebosch	Karreebosch Wind Farm (RF) Proprietary Limited
kt	Kilo tonnes
LoM	Life of mine
LSP	Lephalale Solar Photovoltaic Project
LSP SPV	Lephalale Solar Proprietary Limited
LTIFR	Lost-time injury frequency rate
Mafube	Mafube Coal Proprietary Limited
Mt	Million tonnes
NCI(s)	Non-controlling interest(s)
OCI	Other comprehensive income
PPI	Producer Price Index
Prime Rate	South African prime bank rate
RBCT	Richards Bay Coal Terminal Proprietary Limited
Rbn	Rand billion
Rm	Rand million
RoM	Run-of-mine
SAICA	South African Institute of Chartered Accountants
SIOC	Sishen Iron Ore Company Proprietary Limited
SMME(s)	Small, medium and micro-enterprise(s)
SSCC	Semi-soft coking coal
TFR	Transnet Freight Rail
Thungela	Thungela Resources Limited, through its subsidiary South Africa Coal Operations Proprietary Limited
Tsitsikamma SPV	Tsitsikamma Community Wind Farm Proprietary Limited
UK	United Kingdom
US$	United States dollar
USA	United States of America
VAT	Value Added Tax
WANOS	Weighted average number of shares

Corporate information

Registered office
Exxaro Resources Limited
The conneXXion
263B West Avenue
Die Hoewes, Centurion
0157
Tel: +27 12 307 5000

This report is available at: www.exxaro.com

Directors
Executive:
PA Koppeschaar (Acting chief executive officer and Finance director).

Non-executive:
VZ Mntambo, IN Malevu, MLB Msimang

Independent non-executive:
MG Qhena (Chairman), GJ Fraser-Moleketi (Lead independent director), PCCH Snyders, CJ Nxumalo, Dr P Mnganga, KM Ireton, B Mawasha, B Magara, N Medupe, N Molope

Prepared under the supervision of
PA Koppeschaar CA(SA)
SAICA registration number: 00038621

Group company secretary
MH Nana

Transfer secretaries
JSE Investor Services Proprietary Limited
One Exchange Square, Gwen Lane
Sandown, Sandton, 2196
PO Box 4844
Johannesburg, 2000

Investor relations
S Mzinyathi (Acting chief investor relations and liaison officer)
Tel: +27 78 685 2430

Lead equity sponsor and debt sponsor
Absa Bank Limited (acting through its Corporate and Investment Banking Division)
Tel: +27 11 895 6000

Joint equity sponsor
Tamela Holdings Proprietary Limited
Tel: +27 11 783 5027/4907

Exxaro Resources Limited
(Incorporated in the Republic of South Africa)
Registration number: 2000/011076/06
JSE share code: EXX
ISIN: ZAE000084992
ADR code: EXXAY
Bond issuer code: EXXI
("Exxaro" or "the company" or "the group")

If you have any queries regarding your shareholding in Exxaro Resources Limited, please contact the transfer secretaries at +27 11 370 5000.

Conference call details
A dial-in teleconference call on the details of this announcement will be held on Thursday, 13 March 2025, starting at: 10:00 SAST.

Conference-playback only
A playback will be available one hour after the end of the conference until 19 March 2024. To access the playback, dial one of the following numbers using the playback code 45856.

South Africa:	010 500 4108
UK:	0 203 608 8021
Australia:	073 911 1378
USA:	1 412 317 0088
International:	+27 10 500 4108

To access the replay using an international dial-in number, please select the link below.
https://services.choruscall.com/ccforms/replay.html

Participants will be required to state their name and company upon entering the call.

Pre-registration link

To register for the conference call please pre-register through this link
https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=9397058&linkSecurityString=29585ddae2

Please note that for the conference call, registered participants will receive their unique dial in number upon registration. Also note that, your PIN (Personal Identification Number) is for your use only and is not transferable. If others wish to join the call, they should register to receive their own PIN.

Webcast

To register for the webcast please click here
https://www.corpcam.com/exxaro13032025