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Thungela Resources Limited
17 August 2026

THUNGELA RESOURCES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2021/303811/06)
JSE Share Code: TGA
LSE Share Code: TGA
ISIN: ZAE000296554
Tax number: 9111917259
('Thungela' or the 'Company' and, together with its affiliates, the 'Group')

Interim results for the six months ended 30 June 2026 and ordinary cash dividend declaration

Strong performance underpinned by consistent operational execution and financial discipline

- Total recordable case frequency rate improved to 2.62
- Group recorded export saleable production of 8.5Mt, an increase of 6%
- Adjusted operating free cash flow* of R1.9 billion for the period and net cash* of R6.1 billion at 30 June 2026
- Declaration of an interim ordinary cash dividend of R5.50 per share
- Full-year guidance reaffirmed

Key performance metrics **(Rand million unless otherwise stated)**	**30 June 2026**	**30 June 2025**	**% change**
Export saleable production (kt)	8,477	8,012	6
Export equity sales (kt)	8,938	8,319	7
Revenue	15,172	14,813	2
Profit for the reporting period	1,391	248	461
Earnings per share (cents/share)	1,095	193	467
Headline earnings per share (cents/share)	480	192	150
Dividend per share (cents/share)	550	200	175
Alternative performance measures*			
Adjusted EBITDA	1,318	691	91
Adjusted EBITDA margin (%)	8.7	4.7	4pp
Adjusted operating free cash flow	1,894	484	291
Net cash	6,113	6,250	(2)
Sustaining capital expenditure	(705)	(703)	-

MESSAGE FROM MOSES MADONDO, CHIEF EXECUTIVE OFFICER

Thungela delivered a strong performance in the first half of 2026, demonstrating the resilience of the business and the benefits of consistent operational execution and financial discipline. Supported by a robust balance sheet, the Group has remained well positioned to navigate market volatility while retaining strategic flexibility. The results reflect our continued focus on maintaining safe operations, driving operational excellence and applying a disciplined approach to capital allocation.

As Thungela marks five years as a listed company, we do so from a position of strength, built on a solid foundation of operational excellence, financial discipline and consistent value delivery. Following its review of the Group's strategy, the board confirmed Thungela's strategy of growing earnings and building resilience through the cycle in order to create long-term value for its stakeholders. Our priorities remain focused on maximising the value of existing assets, pursue select growth opportunities where we can apply our expertise and to develop future optionality for long-term growth.

Safety remains at the core of everything we do and is the foundation upon which decisions are made, ensuring that all our people return from work, safe and healthy each day. We are proud to have operated a fatality-free business for three and a half years. Our safety drive reflects our unwavering zero-harm mindset, anchored by three main elements - doing the basics right, effective work management and a safety culture. The Group's total recordable case frequency rate[1] improved to 2.62 in the first half of 2026, from 3.21 for the comparable period, supported by a significant improvement at Ensham. This reflects the continued focus on aligning Ensham with Thungela's work practices.

We continue to monitor the evolving situation in the Middle East and any potential impact on our people and operations, including those at Thungela Marketing International in Dubai. To date, operations have continued without safety incidents or operational disruptions.

Group revenue increased to R15.2 billion for the period, supported by benchmark coal prices that were 15% and 25% higher than the comparable period in South Africa and Australia, respectively. Revenue was negatively impacted by the South African rand, which traded on average 11% stronger to the US dollar than the comparative period. The US dollar has remained weak, largely driven by shifts in Federal Reserve monetary policies. The Group generated adjusted EBITDA* of R1.3 billion and net profit of R1.4 billion, representing earnings per share of R10.95 and headline earnings per share of R4.80, an increase from R1.93 and R1.92 in the prior period, respectively.

The Group generated cash flows from operating activities of R2.6 billion in the first half of the year. After an investment of R705 million in sustaining capital*, this resulted in an adjusted operating free cash flow* for the period of R1.9 billion. This included R1.1 billion generated from foreign exchange derivatives, highlighting the value of the Group's disciplined approach to managing currency risk. At 30 June 2026, the Group's net cash* position was R6.1 billion.

The Group's export saleable production for the first half increased by 6% to 8.5Mt and export sales increased by 12% to 9.5Mt.

We have made meaningful progress in reshaping the business. The Annea Colliery and the Zibulo North Shaft life-extension projects were successfully delivered on time and within budget and continue to ramp-up. The completed projects and the advancement of the Lephalale Coal Bed Methane project as well as the disposal of closed assets demonstrates the ability to execute on our strategic priorities.

The business also made meaningful progress in optimising the asset portfolio. The sale of the Kleinkopje mining right completed during the period and has resulted in a non-cash reduction of the environmental provisions of approximately R1.1 billion associated with the disposed areas. Together with the sale of Goedehoop North, which is expected to be completed in the second half of the year, the Group expects its South African environmental liabilities to be fully cash-collateralised by year end.

Operational performance

South Africa

Improved performance at Khwezela, driven largely by enhanced water management activities, together with the continued strong contribution from Mafube, underpinned South African export saleable production of 6.3Mt. This enabled operations to maintain production broadly in line with the prior year, despite operations ending at Goedehoop North.

The South African FOB cost per export tonne* was R1,374, which is within the guidance range. Cost performance remained resilient despite production timing impacts in the first half of the year, and we expect full-year cost guidance to be achieved, as operational performance improves during the second half of the year.

Export sales of 7.4Mt, including third-party sales of 0.6Mt, exceeded production during the period. This was enabled by improved rail performance from Transnet Freight Rail and our ability to leverage additional rail allocation opportunities across the export corridor. Industry collaboration continues to deliver tangible benefits, with rail performance improving to an annualised run rate of 59.9Mt, from 56.8Mt in 2025, representing a meaningful step forward for the South African coal export industry.

The average realised export price through the Richards Bay Coal Terminal was USD89.18 per tonne, representing a 15.7% discount to the benchmark price. The benefit from the stronger pricing was partially offset by a lower quality sales mix.

Australia

Ensham delivered a strong first-half performance, underpinned by a significant improvement in safety and production. Export saleable production increased to 2.2Mt, compared to 1.6Mt in the prior period. The operation benefited from improved management of mining conditions, following the geological challenges encountered in the first half of 2025.

The strong operational performance during the first half also supported unit cost performance. Ensham FOB cost per export tonne* decreased to R1,466, below the guidance range. This further benefited from the translation impact of a stronger South African rand.

Realised coal prices at Ensham were impacted by previously contracted fixed-price tonnes, resulting in an average realised export price of USD110.92 per tonne, representing a discount of 13.3% to the benchmark price. This discount is expected to narrow in the second half of the year as the effect of these contracts moderates.

Driving ESG

Our purpose remains to responsibly create value together for a shared future. This purpose guides our approach to creating value not only for shareholders, but also for employees, host communities, local governments and future generations. We remain committed to ensuring that the benefits generated by mining create lasting opportunities in our host communities beyond the life of our operations.

Through the Thungela Education Initiative and the Nkulo Community Partnership Trust, meaningful progress continues to be made in expanding access to quality education and community infrastructure. During the period, the Nkulo Community Partnership Trust replaced 19 asbestos classrooms and associated ablution facilities at Mphephethe Primary School, providing learners with a safer and more conducive learning environment, while the Bonginhlanhla Stimulation Centre nears completion and will provide specialised support to children living with disabilities. In addition, 49 entrepreneurs graduated from the Thuthukani enterprise and supplier development programme, bringing the total number of graduates to 185 since its inception in 2023 and supporting sustainable economic development in our communities.

We are pleased to report that there were no significant environmental incidents for the period. This reflects the effectiveness of our environmental management systems and the continued focus on responsible operational practices across all our sites.

We continue to explore opportunities that support a lower-carbon future, with the Lephalale Coal Bed Methane project remaining a key strategic initiative. Efforts during the period focused on further assessing the project's commercial viability and market potential, alongside advancing regulatory approvals through the submission of a production right application and the commencement of related regulatory processes.

The market

The market

The protracted conflict in the Middle East has significantly contributed to the increased volatility across global energy markets. Against this backdrop, benchmark thermal coal prices strengthened relative to the prior year, supported by higher oil and gas prices and concerns regarding global energy security. The conflict, which has now continued for over five months despite several attempts at a ceasefire, has kept coal prices volatile, closely linked to the broader energy complex. Coal has once again been reinforced as a source of national energy security.

Downside price risk remains, anchored to underlying demand fundamentals, as increased energy costs, inflation and supply chain pressures weigh on industrial activity and thermal coal demand. This has created a divergence in regional demand factors. In India, where South African coal is more exposed, the weakening currency, increased freight rates and cost-sensitive end-users have capped the upside potential for South African coal. In Northeast Asia, where Australian coal is more relevant, occasional utility demand and supply disruptions in China provided intermittent support to the Newcastle Benchmark coal price. Exporters are competing with alternative supply origins able to offer lower prices, resulting in the recent price softening as demand fundamentals begin to weaken.

Looking ahead, thermal coal markets are expected to be influenced by developments in global gas markets and seasonal energy demand. As consumers in Europe and Asia rebuild inventories ahead of the Northern Hemisphere winter, tighter gas market conditions could provide support to coal prices. However, the potential for stronger prices may be moderated by subdued demand growth in key consuming regions, substantial domestic coal inventories in major markets, continued growth in renewable generation and broader macroeconomic uncertainty.

While near-term market volatility is likely to persist, longer-term market dynamics remain supportive. The anticipated global gas supply surplus has been delayed, while the pace of the energy transition continues to be more gradual than previously expected. As governments seek to balance decarbonisation objectives with energy security, affordability and system reliability, coal continues to play an important role in meeting global energy needs. A relatively balanced supply and demand outlook is expected to provide greater underlying support for coal markets, notwithstanding periodic price volatility.

The Group remains confident in the long-term fundamentals of coal. Coal remains an affordable, accessible and reliable source of energy for many economies, particularly in developing regions where energy demand continues to grow. Against a backdrop of increasing energy security concerns, grid stability requirements and the slower-than-expected pace of renewable energy deployment, coal is expected to remain an important part of the global energy mix for decades to come, supporting economic development, industrial activity and reliable electricity supply.

Delivering shareholder returns

The board continues to balance shareholder returns with financial flexibility to support resilience through the cycle and fund value-accretive investment opportunities.

The board has therefore resolved to declare an interim dividend of R5.50 per share, a total cash distribution of R773 million, which is above the dividend policy of distributing a minimum of 30% of adjusted operating free cash flow* to shareholders. In addition, the Sisonke Employee Empowerment Scheme and the Nkulo Community Partnership Trust will receive R57 million collectively.

Looking ahead

The first half of 2026 demonstrates the resilience of Thungela's business model in an increasingly dynamic world and reflects the ambition, commitment and confidence of our people in delivering a consistent performance.

As we look ahead, our priorities remain clear. We will continue to place safety and health at the centre of everything we do, while maintaining our focus on operational excellence, disciplined capital allocation and sustainable value creation.

Thungela is well positioned to navigate the cycle, supported by a strong balance sheet, a portfolio of quality assets and a strategy focused on growing earnings, resilience and long-term value creation for shareholders.

OPERATIONAL GUIDANCE - 2026

	South Africa	Ensham
Export saleable production (Mt)	13.0 - 13.6	3.9 - 4.2
FOB cost per export tonne* (Rand/tonne)[1]	1,330 - 1,380	1,650 - 1,740
FOB cost per export tonne excluding royalties* (Rand/tonne)[1]	1,320 - 1,370	1,480 - 1,570
Capital - sustaining* (Rand million)	700 - 1,000	500 - 700
Capital - expansionary (Rand million)	100	nil

[1] The Ensham FOB costs* in the table above are based on an exchange rate of R12.09:AUD1.

South African operations

Export saleable production guidance for the full year remains appropriate at 13.0Mt to 13.6Mt, as we expect a stronger second half production performance, in line with the performance of previous years.

Zibulo experienced an increase in conveyor belt and support services challenges in the mining footprint that will be retired once all production is shifted to the Zibulo North Shaft. These challenges are transient and continue to receive the necessary operational and technical focus.

Despite export saleable production in South Africa reported at 6.3Mt for the reporting period, the full-year guidance for FOB cost per export tonne excluding royalties*, of between R1,320 and R1,370, remains appropriate. Similarly, the range including royalties remains appropriate at between R1,330 and R1,380 per tonne.

The range for sustaining capital expenditure* remains appropriate at between R700 million and R1.0 billion. Expansionary capital expenditure will be marginally above the guidance of R100 million as the Zibulo North Shaft project is closed out.

Ensham

Export saleable production guidance for 2026 remains unchanged at 3.9Mt to 4.2Mt. Production in the first half of the year was in line with expectations, and current operating plans for the remainder of the year continue to support delivery within the guided range.

FOB cost per export tonne excluding royalties* has been positively impacted by the stronger exchange rate of the South African rand to the Australian dollar. We expect FOB cost per export tonne excluding royalties* to remain within the guidance range of between R1,480 and R1,570 in 2026. The equivalent cost including royalties is expected to remain between R1,650 and R1,740 per tonne.

Sustaining capital expenditure* at Ensham is expected to remain between R500 million and R700 million in 2026.

DIVIDEND DECLARATION

The board has declared an ordinary interim ordinary cash dividend of R5.50 per share, payable to shareholders on the Johannesburg Stock Exchange and the London Stock Exchange in September 2026 and October 2026, respectively.

Further details regarding the dividend declaration can be found in a separate announcement dated 17 August 2026 on the Johannesburg Stock Exchange News Services (SENS) and the London Regulatory News Services (RNS).

FOOTNOTE

(1) Total recordable case frequency rate was previously reported in the Interim Financial Statements for the six months ended 30 June 2025 as 2.98 for the Group, 1.86 for South Africa and 18.42 for Australia. These figures were updated in the 31 December 2025 annual results subsequent to the assurance process.

FORWARD-LOOKING STATEMENTS

This announcement includes forward-looking statements. All statements included in this document (other than statements of historical facts) are, or may be deemed to be, forward-looking statements, including, without limitation, those regarding Thungela's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations (including development plans and objectives relating to Thungela's products, production forecasts and resource and reserve positions). By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Thungela, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Thungela therefore cautions that forward-looking statements are not guarantees of future performance.

Any forward-looking statement made in this announcement or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause Thungela's business not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Thungela has no duty to, and does not intend to, update or revise the forward-looking statements contained in this announcement after the date of this document, except as may be required by law. Any forward-looking statements included in this announcement have not been reviewed or reported on by the Group's independent external auditor.

Investors are cautioned not to rely on these forward-looking statements and are encouraged to read the Interim Financial Statements for the six months ended 30 June 2026 (Interim Financial Statements 2026), which are available from the Thungela website via the following web link: https://www.thungela.com/investors/financial-results

ALTERNATIVE PERFORMANCE MEASURES

Throughout this results announcement, a range of financial and non-financial measures are used to assess our performance, including a number of financial measures that are not defined or specified under International Financial Reporting Standards (IFRS Accounting Standards), which are termed 'alternative performance measures' (APMs). Management uses these measures to monitor the Group's financial performance alongside IFRS Accounting Standards measures, to improve the comparability of information between reporting periods. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS Accounting Standards. APMs are not uniformly defined by all companies, including those in the Group's industry. Accordingly, these measures may not be comparable with similarly titled measures and disclosures by other companies. In this results announcement, APMs are denoted with an asterisk (*).

RESULTS ANNOUNCEMENT

This results announcement, including the forward-looking statements, is the responsibility of the

This results announcement, including the forward-looking statements, is the responsibility of the directors of Thungela.

Shareholders are advised that this results announcement is only a select extract of the information contained in the Interim Financial Statements 2026 and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on a consideration of the Interim Financial Statements 2026 as a whole and investors and/or shareholders are encouraged to review the Interim Financial Statements 2026, which are available on the Thungela website via the following web link: https://www.thungela.com/investors/financial-results, and available on the JSE's cloudlink, at https://senspdf.jse.co.za/documents/2026/JSE/ISSE/TGAE/TGAInt2026.pdf

This results announcement has been prepared in compliance with the JSE Limited Listings Requirements.

A conference call and webcast relating to the details of this results announcement will be held at 12:00 SAST (10:00 GMT) on Monday, 17 August 2026. Registration details for the conference call and webcast are below:

Conference call:
https://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=7721589&linkSecurityString=160b7e901e

Webcast:
https://78449.themediaframe.com/links/thungela260323.html

The condensed consolidated interim financial statements for the six months ended 30 June 2026 were reviewed by PricewaterhouseCoopers Inc. who have issued an unqualified review report. The full independent auditor's review report and Interim Financial Statements 2026 are available for viewing on the Thungela website via the following web link: https://www.thungela.com/investors/finacial-results.

This results announcement has not been audited or reviewed by the Group's independent external auditor. Any reference to future financial performance included in this announcement has not been separately reported on by the Group's independent external auditor.

The Company's registered office is located at: 25 Bath Avenue, Rosebank, Johannesburg, 2196, South Africa.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the market abuse regulation (EU) no. 596/2014 as amended by the market abuse (amendment) (UK mar) regulations 2019. Upon the publication of this announcement via the regulatory information service, this inside information is now considered to be in the public domain.

On behalf of the board of directors

Sango Ntsaluba, Chairperson
Moses Madondo, Chief executive officer

Johannesburg, South Africa

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Investor relations
Hugo Nunes and Shreshini Singh
Email: ir@thungela.com

Media
Hulisani Rasivhaga
Email: hulisani.rasivhaga@thungela.com

UK Financial adviser and corporate broker
Panmure Liberum Limited
Tel: +44 20 3100 2000

Sponsor
Rand Merchant Bank
(A division of FirstRand Bank Limited)
Tel: +27 11 282 8000