Kumba Iron Ore
2024 Annual results

18 February 2025

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Certain statements made in this presentation constitute forward-looking statements. Forward-looking statements are typically identified by the use of forward-looking terminology such as ‘believes’, ‘expects’, ‘may’, ‘will’, ‘could’, ‘should’, ‘intends’, ‘estimates’, ‘plans’, ‘assumes’ or ‘anticipates’ or the negative thereof or other variations thereon or comparable terminology, or by discussions of, e.g. future plans, present or future events, or strategy that involve risks and uncertainties.

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Alternative Performance Measures

Throughout this presentation 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 IFRS (International Financial Reporting Standard), which are termed Alternative Performance measures (APMs). Management uses these measures to monitor the Group’s financial performance alongside IFRS measures to improve the comparability of information between reporting periods and business units. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position of cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in the Group’s industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

Production and sales volumes, prices and C1 costs are reported in wet metric tonnes. Kumba product is shipped with approximately 1.6% moisture content.

Agenda

Business overview
Mpumi Zikalala, Chief Executive

Operational performance
Mpumi Zikalala, Chief Executive

Financial performance
Bothwell Mazarura, Chief Financial Officer

Looking ahead
Mpumi Zikalala, Chief Executive

Strong fundamentals with pathway for value delivery

Unlock full value of core

Safety improved, business reconfigured

Operational excellence, production & cost

Position for a sustainable future

Progressing value accretive UHDMS project

Life of mine extension opportunity to 2044

Create stakeholder value

Solid financial results with total dividends of R12.5bn

Continued economic contribution to all stakeholders

2024 business overview

Safety
0.76 TRIFR
2023: 0.98 TRIFR

Attributable free cashflow
R14.5bn
2023: R14.9bn

Production
35.7Mt
2023: 35.7Mt

Enduring stakeholder value
R57.3bn
2023: R71.1bn

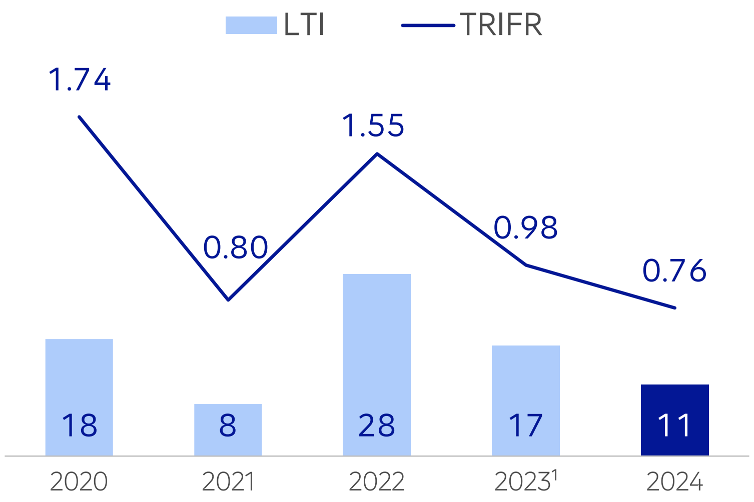
Adjusted EBITDA[1]
R28.1bn
2023: R45.7bn

Dividend declared
R12.5bn
2023: R15.1bn

1. Adjusted EBITDA represents net operating profit before deducting interest, tax, depreciation, amortization and impairment charges or reversals

Record safety performance

Safety

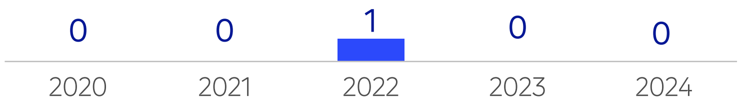


Lowest TRIFR on record, safety leadership in field and focus on increased vigilance

Simplified safety protocols, supporting enhanced safety performance

Health & wellness

Occupational diseases (new cases)
Level 4 -5



Support provided to employees impacted by business reconfiguration

No employee or service partners exposed to noise levels above 105dB benchmark

Note: LTI - Lost Time Injuries | TRIFR - Total Recordable Injury Frequency Rate
1. One fatality

Sustainable Mining Plan at the heart of our business

Healthy environment

17.5BL
of freshwater supplied to communities

13%
Reduction in GHG emissions energy consumed driven by reduced waste mining

20%
Total energy consumption decrease

Thriving communities

3 048
Jobs created across multiple industries – agriculture, manufacturing and tourism

11 088
Learners, 390 teachers & 44 early childhood development practitioners supported

32 000
Local community members have access to comprehensive health care

Trusted corporate leader

BBBEE Level 5
BBBEE improved from Level 7 to Level 5 over two successive years

Inclusivity & diversity
33%[1] women & 80% historically disadvantaged South Africans in management

IRMA 75 & ValuTrax
verifiable sustainability assurance and product provenance

FTSE4Good | MSCI ESG RATINGS AA | ISS-oekom | SUSTAINALYTICS | World Business Council for Sustainable Development | IRMA Initiative for Responsible Mining Assurance | ICMM International Council on Mining & Metals | CDP | EY

1. Includes permanent employees, fixed-term employees and trainees

Enduring shared value of R57.3bn for our stakeholders

Government

Income tax
R5.9bn

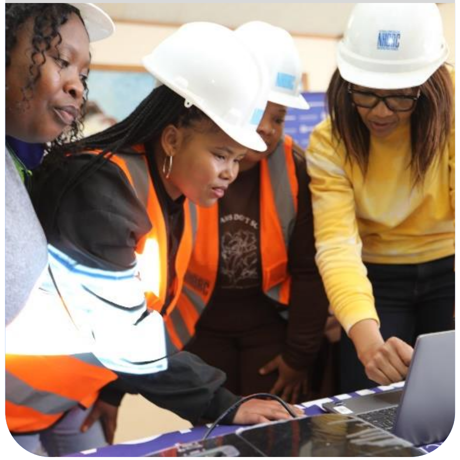
Mineral royalty
R1.4bn

Shareholders

Owners of Kumba
R12.5bn

Empowerment partners
R4.0bn

Community livelihoods



BEE business suppliers
R17.3bn

Host community suppliers
R3.9bn

Employees

Salaries & benefits
R6.7bn

Employed from N. Cape
80%

Capital investment
R9.0bn

Direct social investment
R469m

Operational performance

Stable and capable operations

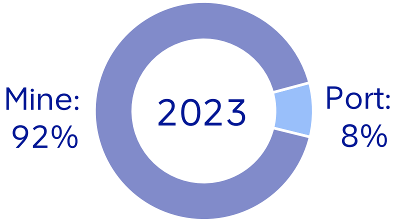
Waste
155.7Mt
2023: 216.8Mt

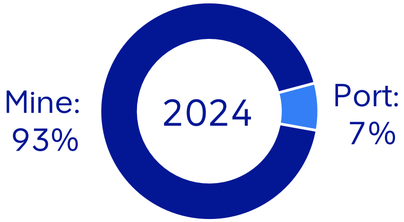
Ore railed to port
35.6Mt
2023: 36.3Mt

Production
35.7Mt
2023: 35.7Mt

Sales
36.3Mt
2023: 37.2Mt

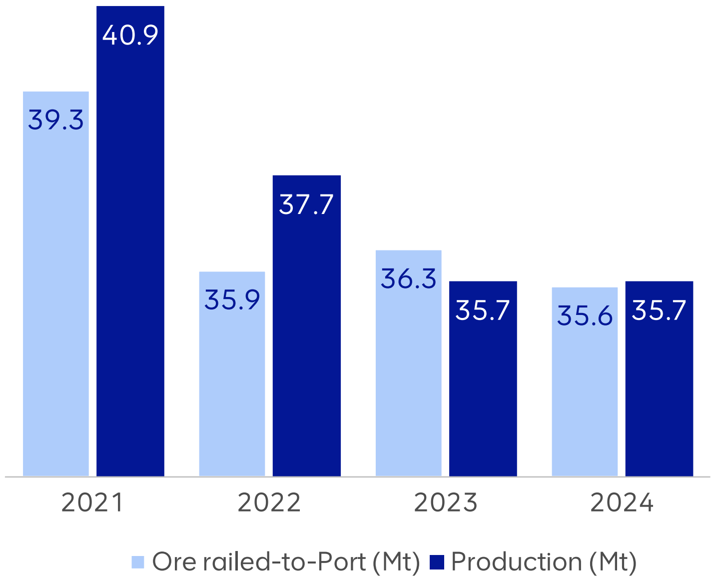
Finished stock
7.5Mt
2023: 7.1Mt





Operational excellence driving cost improvements

Value over volume production focus



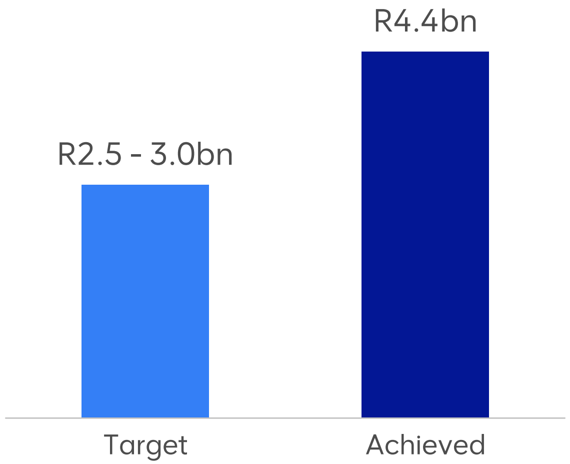
Optimised mine plan & improved productivity

Improved equipment reliability & utilisation

Fleet optimisation

Consistent delivery to plan

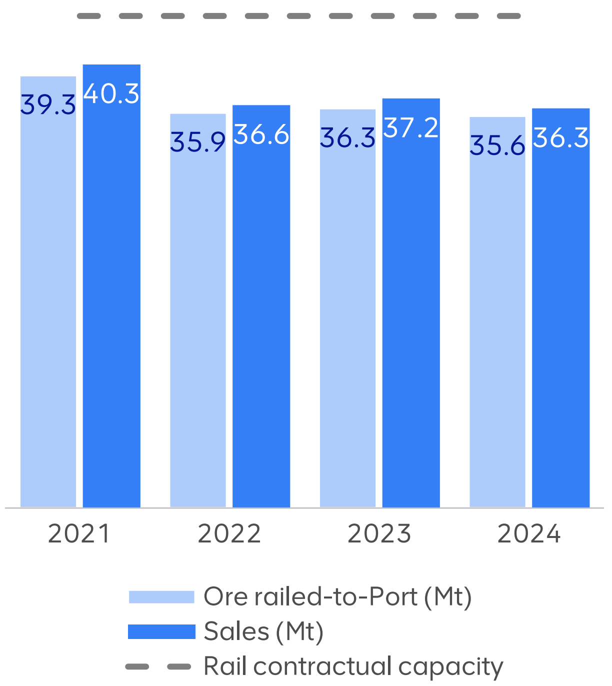
Delivered savings well ahead of target



Operating model driving continued planning & execution focus

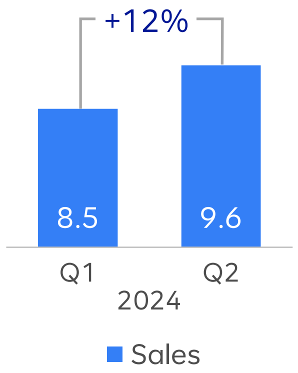
Partnerships key to improving logistics performance

Challenging logistics performance

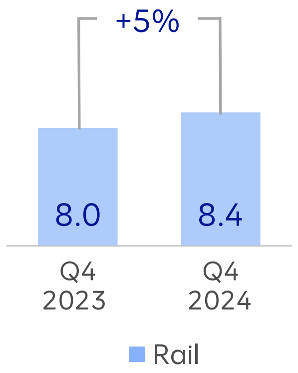


Collaboration to improve performance (Transnet & NLCC)

Stacker reclaimer repairs



Annual maintenance
90km rail replaced
50km of speed restrictions lifted



Independent Technical Assessment completed

Ore Corridor Restoration programme underway

Continued reform progress

Regulatory reform gathering momentum

Network Statement issued

PSP transactions prioritised for key corridors

Note: NLCC - National Logistics Crisis Committee | PSP - Private Sector Participation

Financial performance

2024 financial results

Average realised FOB price
US$92/t
2023: US$117/t

Cost savings
R4.4bn
2023: R1bn

C1 unit cost
US$39/t
2023: US$41/t

HEPS
R38.94
2023: R70.80

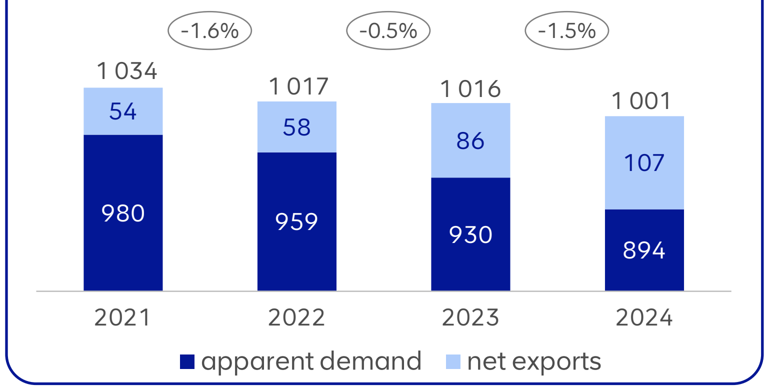
Adjusted EBITDA margin[1]
41%
2023: 53%

DPS
R38.67
2023: R46.80

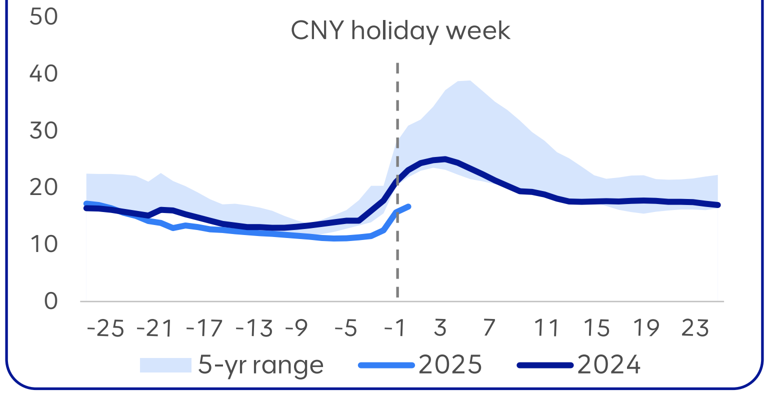
1. Adjusted EBITDA margin represents net operating profit before deducting interest, tax, depreciation, amortization and impairment charges or reversals

Iron ore started strong in 2024, closing ~$100 /dmt

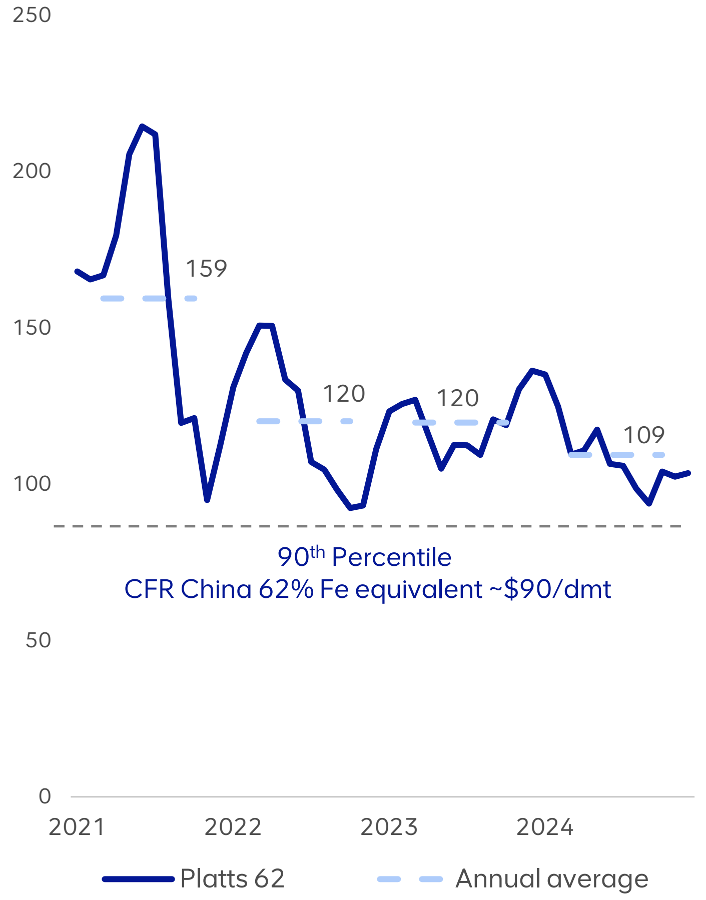
Exports partially offset weak property demand
China steel production, Mtpa



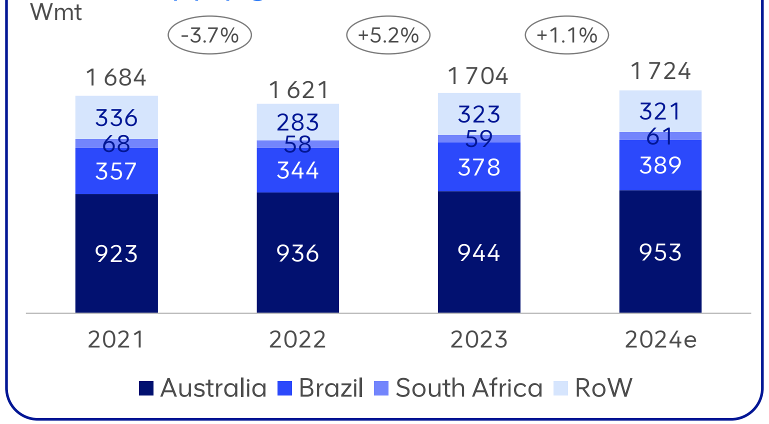
China steel stocks at seasonal lows
Weekly steel inventories, Mt



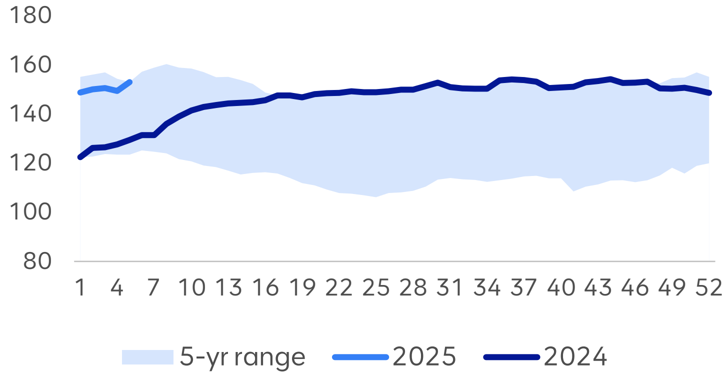
Iron ore prices fluctuating ~$100/dmt mark
Platts 62 $/dmt



Lower supply growth
Wmt



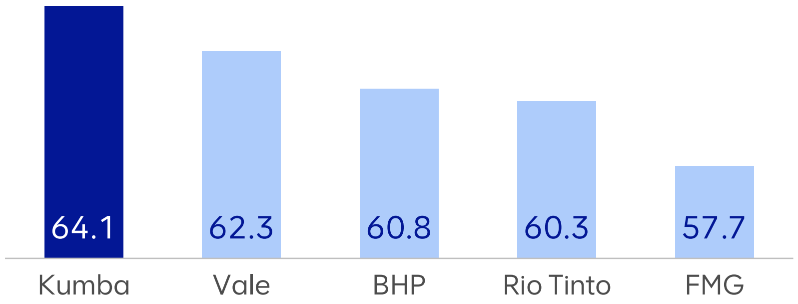
Port stocks fluctuating around 150Mt
China Weekly 45 ports iron ore stocks, Mt



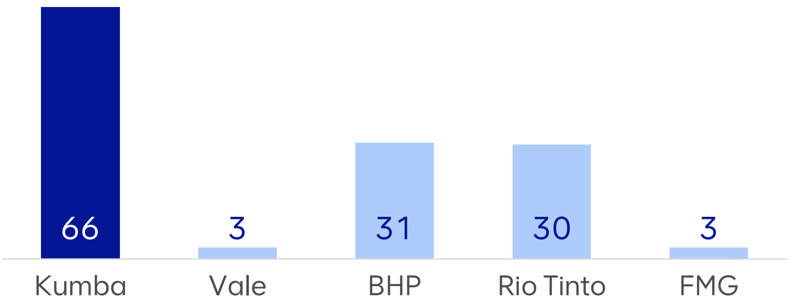
Source: Platts, Mysteel, Woodmac, GTT

Product & customer strategy

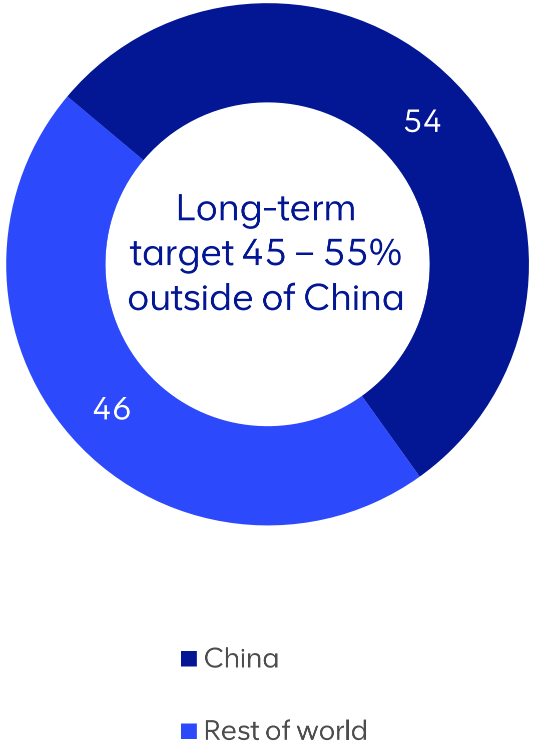
Fe content (%)



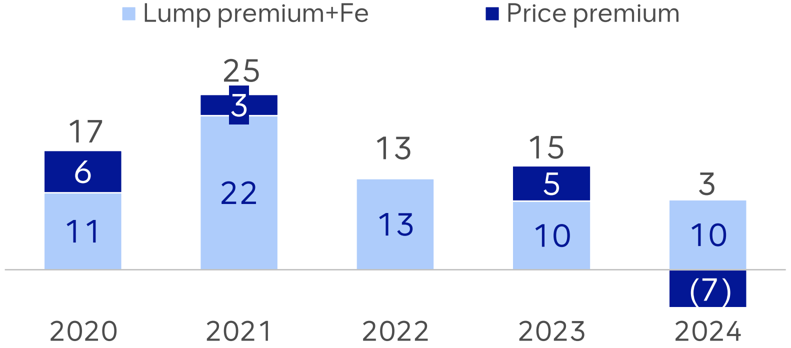
Lump : Fine ratio (%)



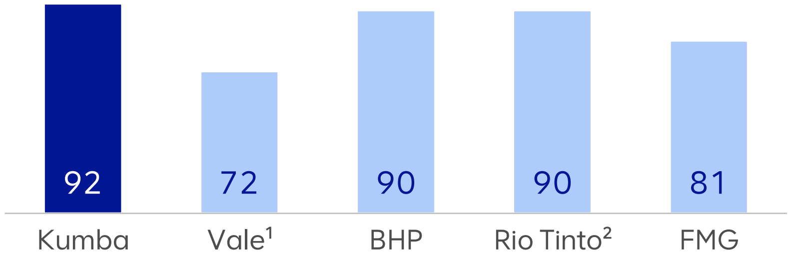
Geographic share of sales (%)



Price premium over Platts 62 FOB ($/wmt)



Realised price FOB ($/wmt)

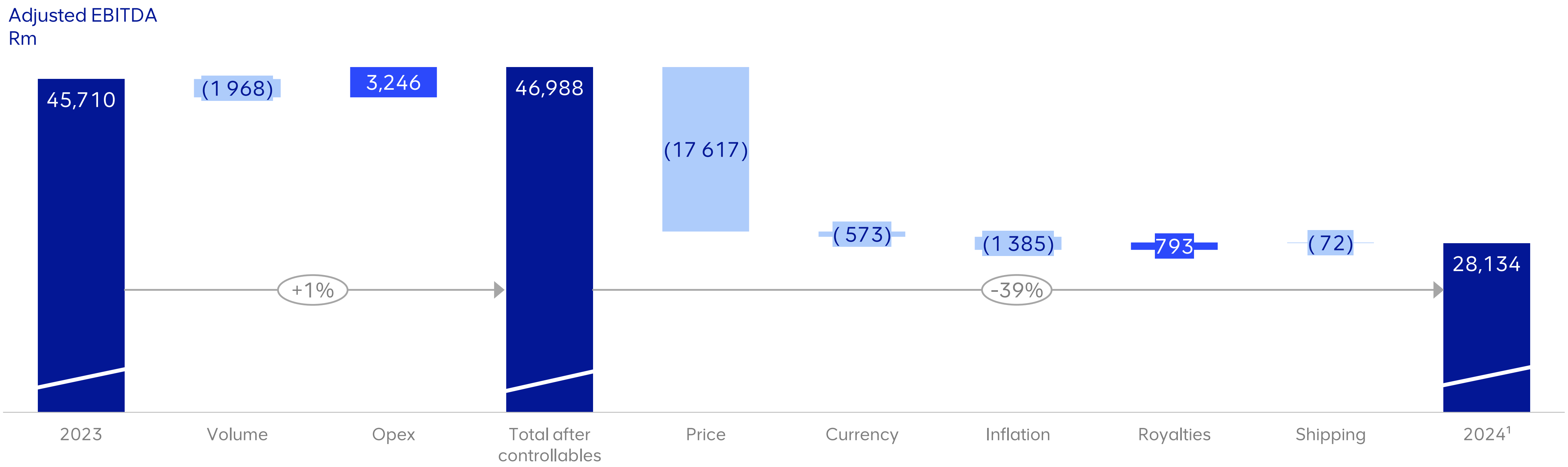


1. Vale excludes pellets, realised price calculation basis reported CFR China price – C3 freight rate | 2. Rio Tinto excludes IOC Pellets

Source: Kumba Iron Ore Marketing

Weaker prices partially offset by cost performance

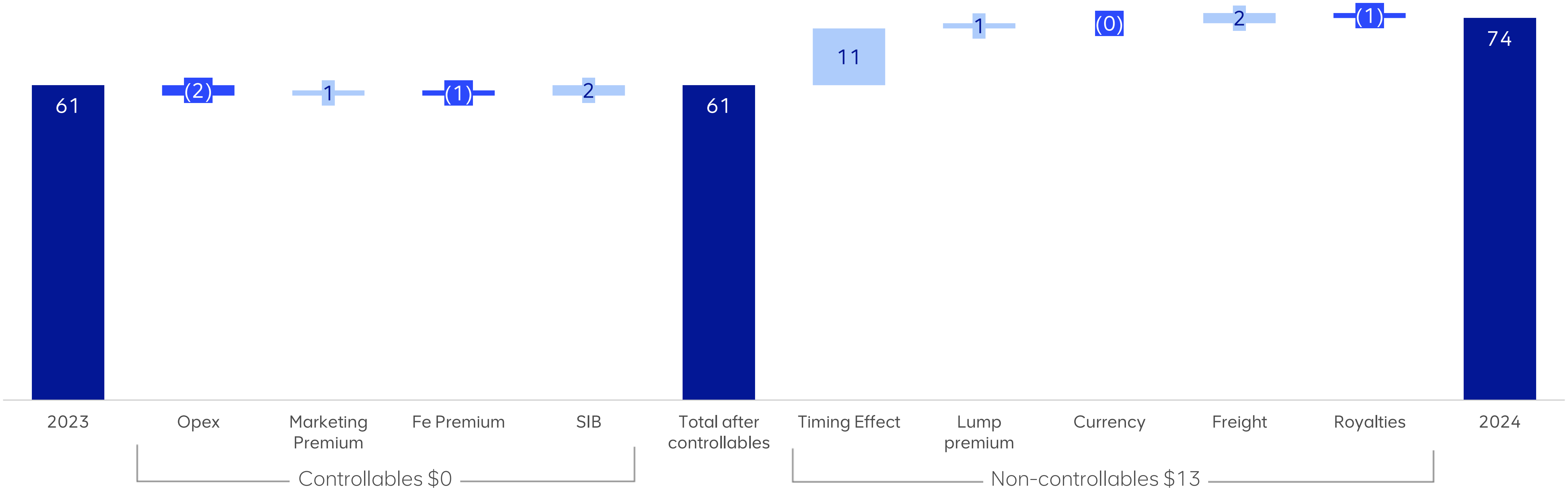
	Sales volumes	C1 costs	Average FOB price	Average R/US	Inflation	Freight rates
2024	36.3Mt	US$39/wmt	US$92/wmt	R18.33	4.6%	US$18/wmt
2023	37.2Mt	US$41/wmt	US$117/wmt	R18.45	6.1%	US$16/wmt



1. Adjusted EBITDA represents net operating profit before deducting interest, tax, depreciation, amortization and impairment charges or reversals

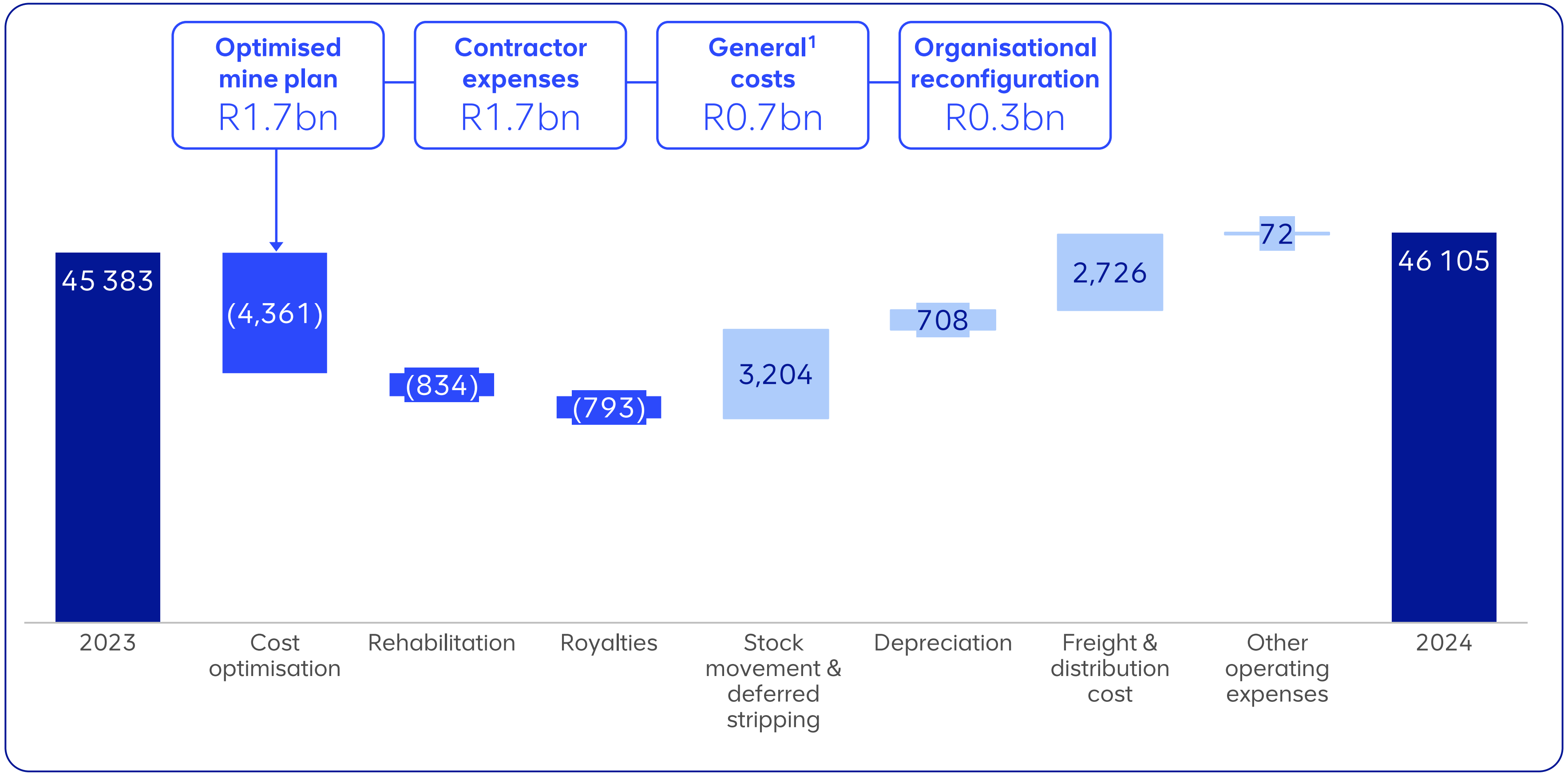
Break-even price reflects cost reduction offset by timing effects & freight costs

Platts 62%
Break-even price (US$/wmt)

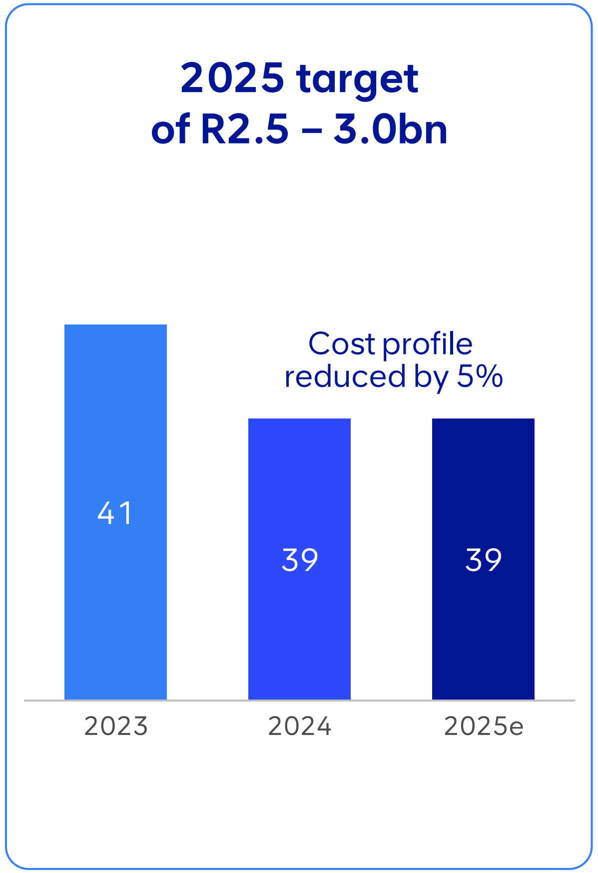


Savings of R4.4bn sustaining our cost competitiveness

Operating expenses (Rm)



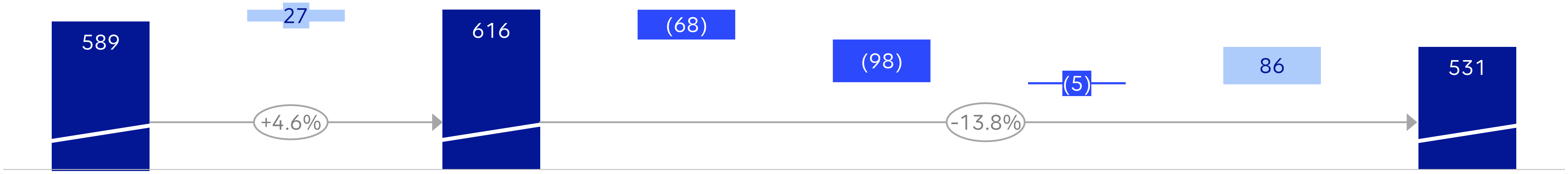
C1 cost ($/t)



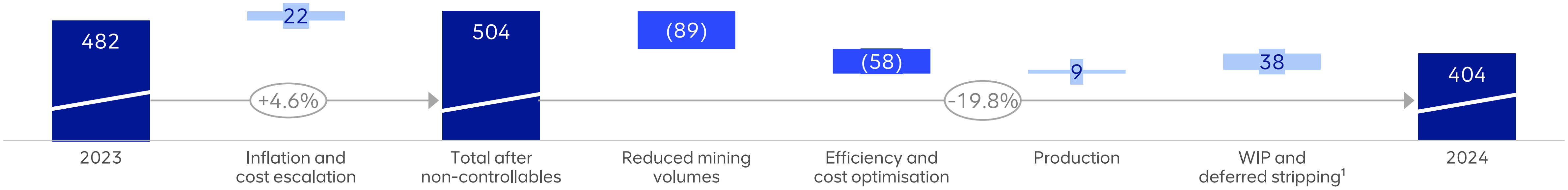
1. General equipment hire, consumables and consultants

Unit cost improvement despite lower production

Sishen unit cost (R/t)

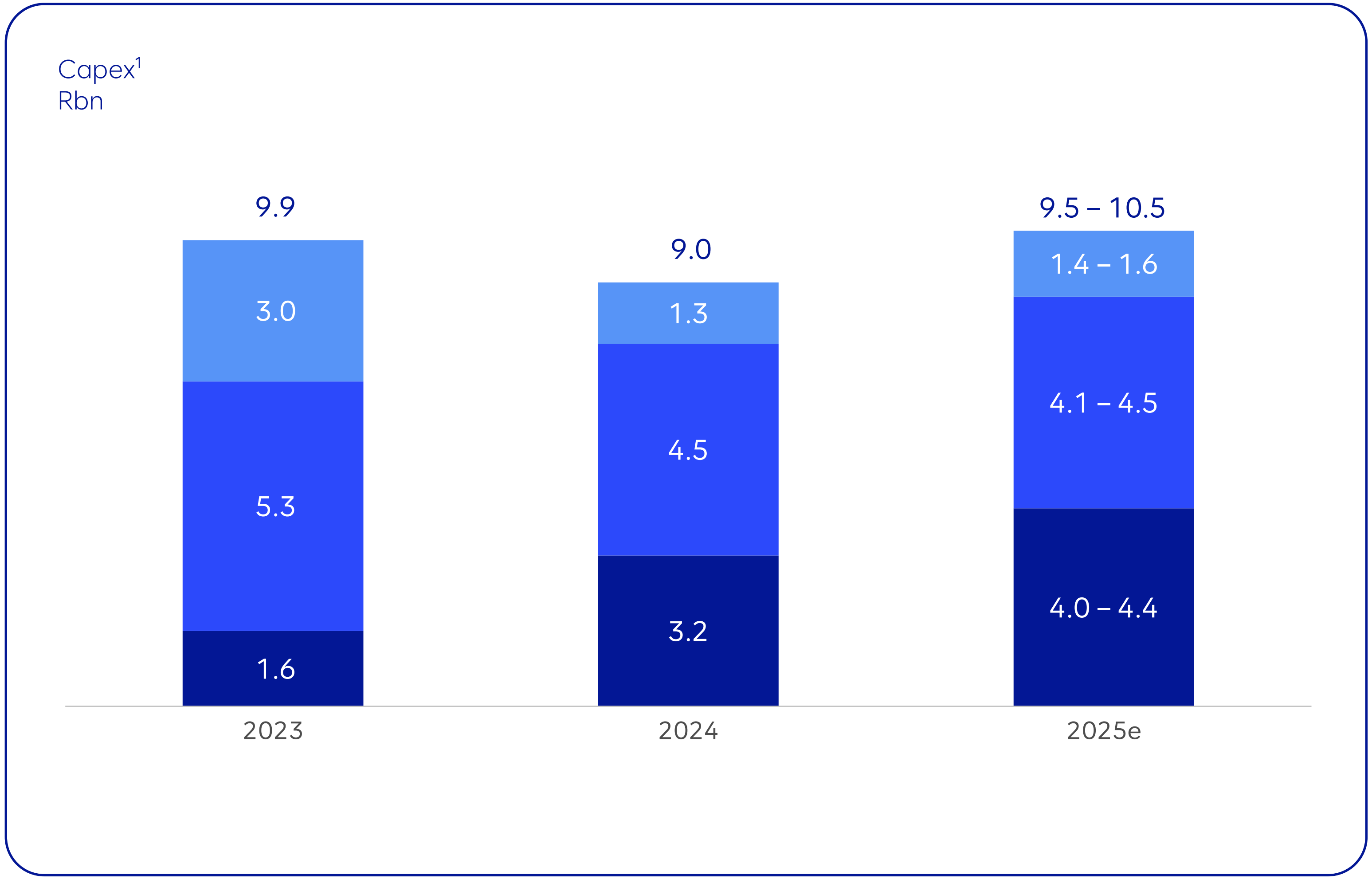


Kolomela unit cost (R/t)



1. Excluding the impact of deferred stripping on unit cost: Sishen = FY 2024: R115/t (FY 2023: R58/t); Kolomela = FY 2024: R33/t (FY 2023: R13/t)

Capex supports business resilience



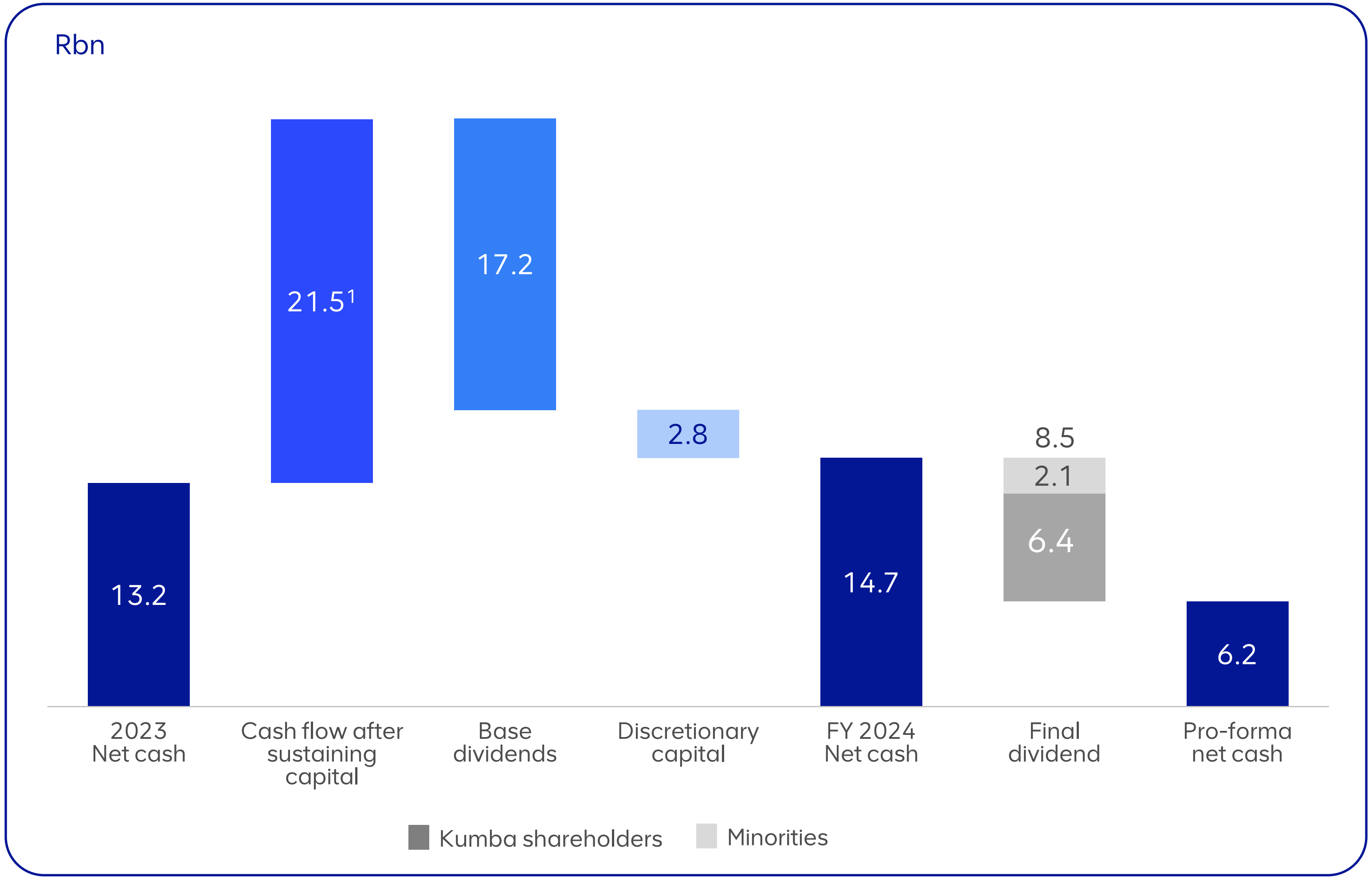
Expansion:
Kapstevel South first ore June 2024
UHDMS[2] early works programme
Medium term: ~R2.0bn p.a.

SIB:
Safety, asset integrity & sustainability
Medium-term: ~R4.0 – 5.0bn p.a.

Deferred stripping:
Higher strip ratio at Sishen
Medium term: ~R4.0 – 4.5bn p.a.

1. Capital expenditure before capital creditors | 2. UHDMS profile: 2024: R0.5bn | 2025: R1.3bn | 2026: R2.8bn | 2027: R2.6bn | 2028: R2.0bn | 2029: R0.2bn

Disciplined capital allocation



ROCE	41%
Attributable free cash flow	R14.5bn

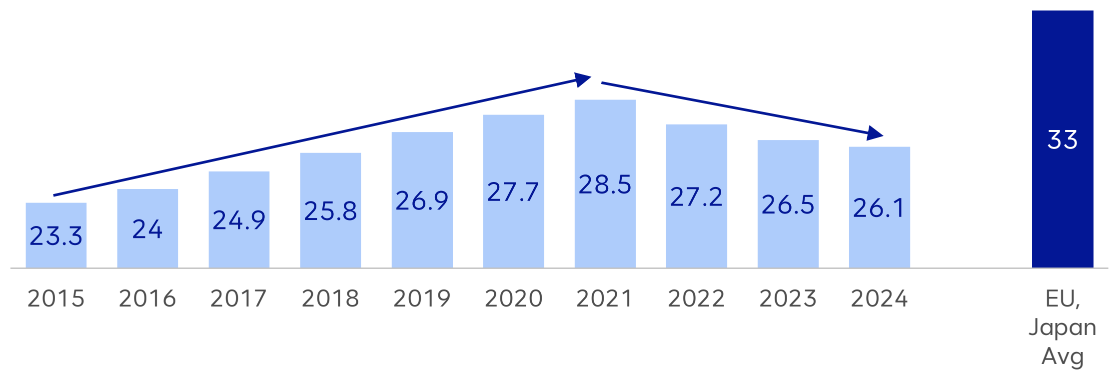
Final dividend declared	R6.4bn
Dividend payout ratio (FY)	100%
Dividend yield[2]	12%

1. Inclusive of R 7.7bn positive working capital movements
2. Based on Kumba's share price on 31 December 2024 of R326.25

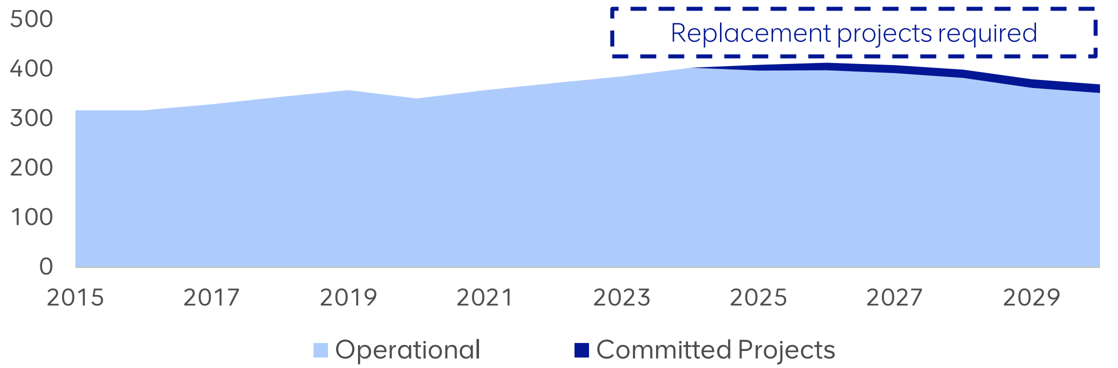
Looking ahead

Lump's long-term fundamentals are strong

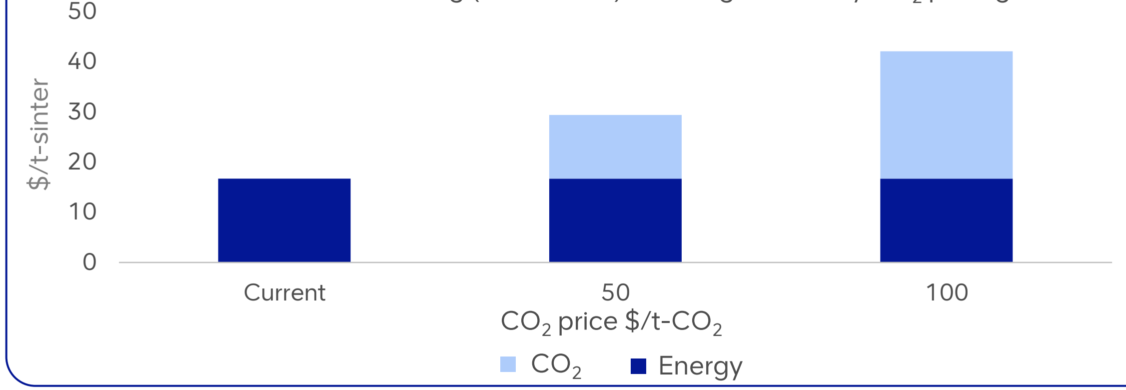
Drop in direct charge share in China is temporary



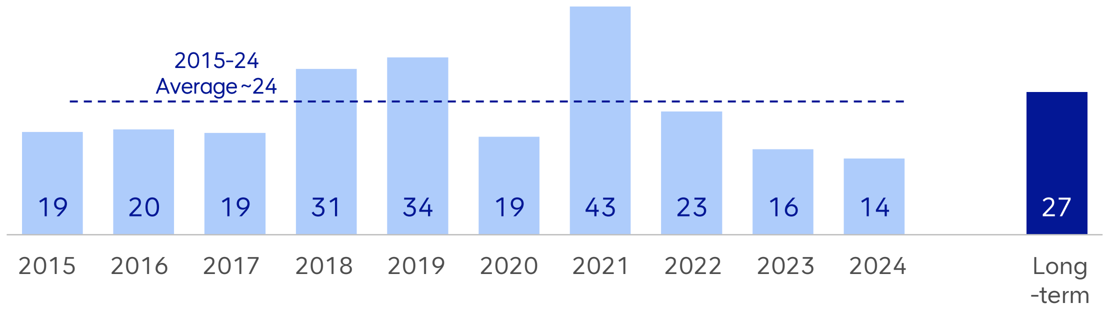
Lump ore supply is nearing its peak



Sintering costs increase with CO_2 costs



Lump will become more attractive long term

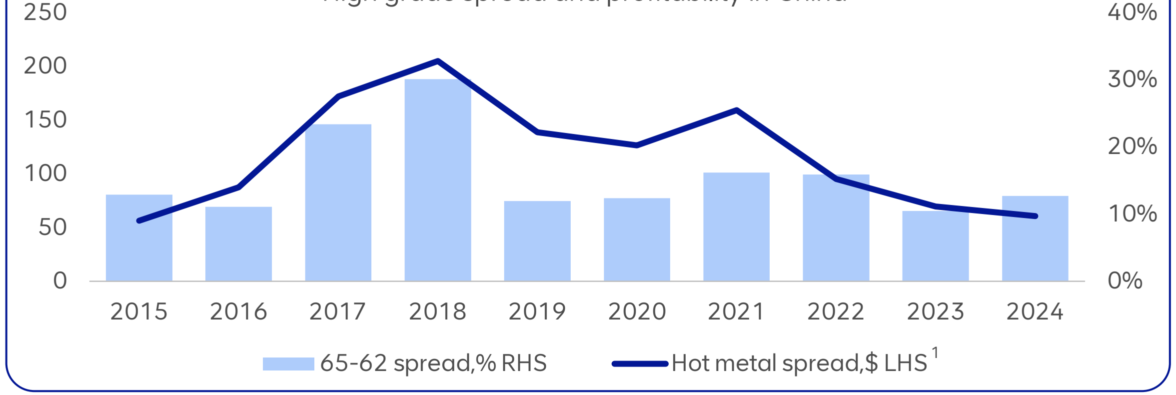


Source: CRU, Wood Mackenzie, Platts, Mysteel

Structural drivers support higher quality premia

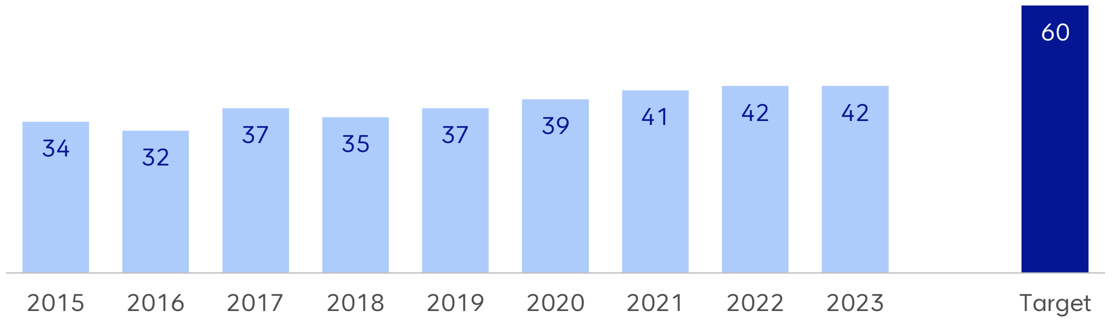
Pressure from low profitability at Chinese steel mills

High grade spread and profitability in China



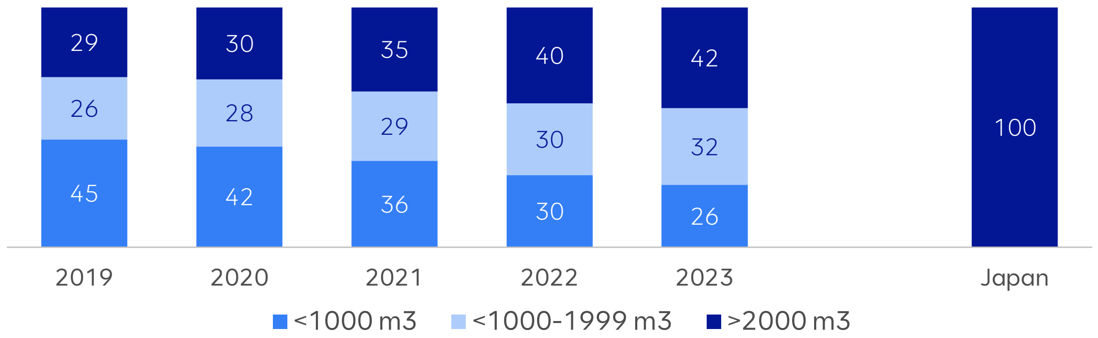
Industry consolidation will drive mill profitability

Share of top 10 steelmakers in China (%)



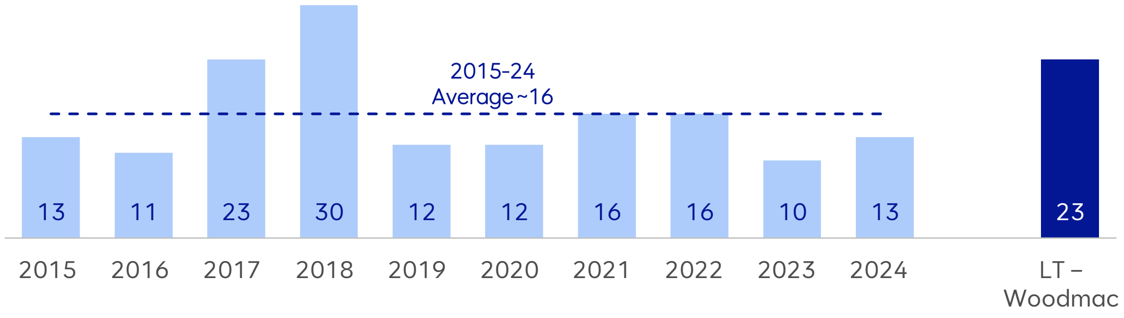
Transition to bigger BFs will drive demand for high quality burden

China major steel mill BFs by size (%)



Market continues to believe quality premia will increase

65-62 Premium % of 62 (Woodmac Q4-2024 outlook)

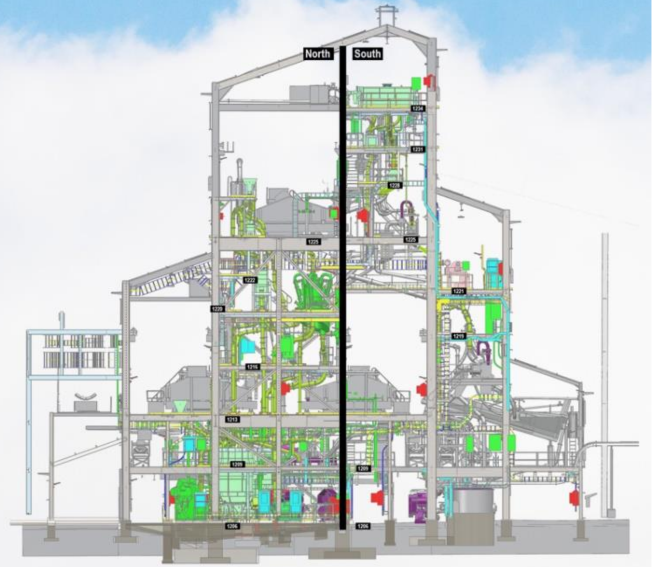


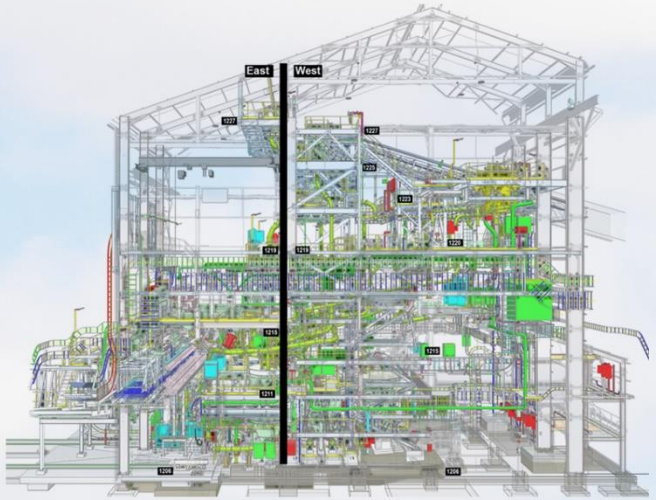
Source: Mysteel, Platts, Woodmac

1. China hot metal spread = Tangshan billet VAT adj ($) – 1.6 * Platts 62 index – 0.72 * Shanxi coking coal price

UHDMS progressing to plan

Project update	On track to deliver modular substations & convert first coarse and fines module in 2025
Disciplined value creation	Capex phased over 5 years to 2029 IRR >30% & EBITDA margin >50%
Premium-grade product market	~US$2 – 3/t product premium >50% of Sishen's total saleable product





2025 full year guidance

	Total production (Mt)	Total sales (Mt)	C1 cash costs (≤US$/t[1])	Capital expenditure (Rbn)
2025	**35 – 37**	**35 – 37**	**39**	**9.5 – 10.5**
2026	31 – 33		40	
2027	35 – 37		40	

	Production	Waste	Unit costs	Strip ratio	LoA
Sishen	~26 Mt	140 – 150 Mt	R510 – 540/dmt	~4.7 | LoA ~3.6[2]	~16 years[4]
Kolomela	~10 Mt	26 – 32 Mt	R430 – 460/dmt	~2.5 | LoA ~4.1[3]	~16 years[3]

1. Based on R18.60/US$ | 2. Incl, C-grade | 3. Incl. Kapstevel South, 5-year extension due to lower strip ratio | 4. Incl. UHDMS with 2035 – 2040 production being ~24Mtpa

Strong fundamentals with pathway for value delivery

World class assets

Aligned to megatrends

Operational excellence

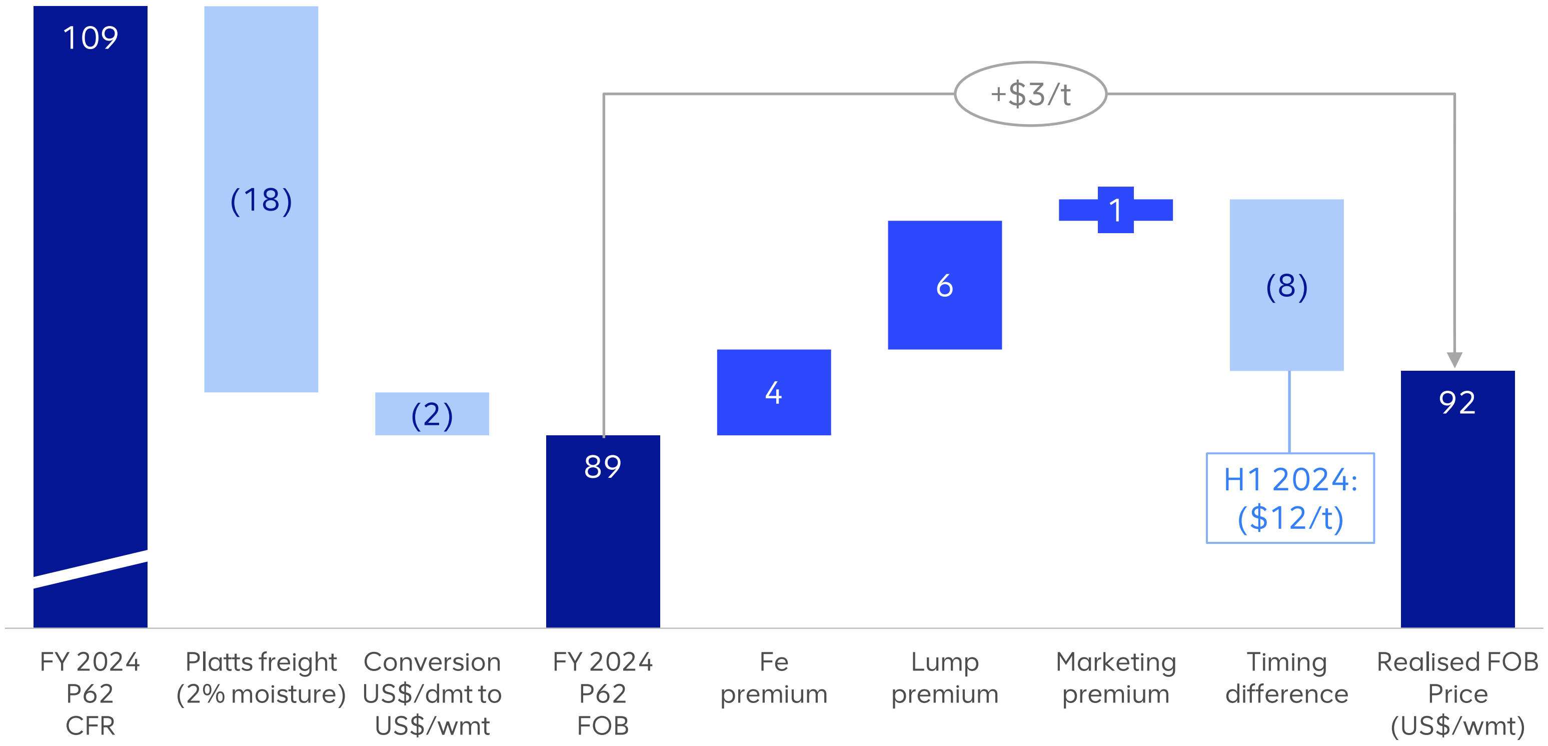
Disciplined value creation

Annexures

Annexure 1

FY 2024 achieved price $92/wmt[1]

Kumba FY 2024 realised FOB price



Price drivers

Average market prices[1]:

P62 index CFR China price average: US$109 (2023: US$120/t)

Fe premium average: ~US$1.82 per 1% Fe (2023: ~US$2 per 1% Fe)

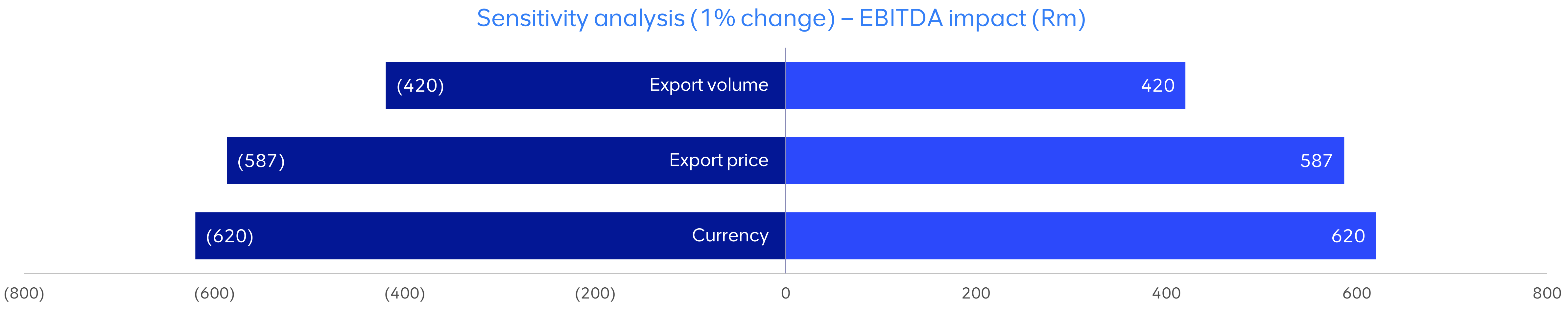
Lump premium average: US$0.14/dmtu (2023: US$0.15/dmtu)

Marketing: Price premium on high quality products

Timing effects: Products generally priced in month after arrival. Provisional pricing adjustments from November & December 2023 shipments

Source: Iron Ore Marketing.
1. Straight average of the daily indices between 1 Jan – 31 Dec 2024

Sensitivity analysis



Change per unit of key operational drivers, each tested independently

Sensitivity analysis	Unit change	EBITDA impact
Currency (Rand/US$)	R0.1/US$	R338m
Export price (US$/t)	US$1/t	R637m
Volume (kt)	100kt	R117m
		Breakeven price impact
Currency (Rand/US$)	R1/US$	US$3/t

Logistics constraints impact on sales

Mt	2024	2023	% change	2H 2024	1H 2024	% change
Railed to port (incl. Saldanha Steel)	35.6	36.3	(2)	17.5	18.1	(3)
Sishen mine (incl. Saldanha Steel)	25.4	26.1	(3)	12.6	12.8	(2)
Kolomela mine	10.2	10.2	—	4.9	5.3	(8)
Total export sales[1]	36.3	37.2	(2)	18.2	18.1	1
Total ore shipped	36.3	37.2	(2)	18.0	18.3	(2)
CFR (shipped by Kumba)	23.6	22.0	7	11.4	12.2	(7)
FOB (shipped by customers)	12.7	15.2	(16)	6.6	6.1	8
Finished product inventory	7.5	7.1	6	7.5	8.2	(9)

Conversion rates dmt to wmt for moisture: 2024: 1.6%. 2023: 1.5%

1. 3rd Party stock purchases included in export sales: 2024: 0.7Mt. 2023: 0.7Mt

Operating margin reflects weaker market prices

Rm	2024	2023	% change	2H 2024	1H 2024	% change
Revenue	68 529	86 234	(21)	32 727	35 802	(9)
Operating expenses[1]	(42 168)	(45 529)	(7)	(19 300)	(22 868)	(16)
Operating profit	26 361	40 705	(35)	13 427	12 934	4
Operating margin (%)[1]	38.0	47.2	(9)	41.0	36.1	5
Profit for the period	19 275	29 805	(35)	9 902	9 373	6
Equity holders of Kumba	14 699	22 725	(35)	7 552	7 147	6
Non-controlling interest	4 576	7 080	(35)	2 350	2 226	6
Effective tax rate (%)	27.7	26.9	1	27.7	28.3	(1)
Cash generated from operations	34 791	38 257	(9)	14 454	20 337	(29)

1. Includes a movement in expected credit losses of R3.2m and an impairment reversal of R3.9bn

Revenue analysis

	2024	2023	% change	2H 2024	1H 2024	% change
Export (Rm)	60 346	80 322	(25)	28 888	31 458	(8)
Tonnes sold (Mt)	36.3	37.2	(2)	18.2	18.1	1
US Dollar per tonne	92	117	(21)	88	97	(9)
Rand per tonne	1 686	2 159	(22)	1 587	1 817	(13)
Domestic (Rm)	1	1	—	1	—	—
Shipping operations (Rm)	8 182	5 912	38	3 838	4 344	(12)
Total revenue	68 529	86 234	(21)	32 727	35 802	(9)

Rand/US Dollar exchange rate	18.33	18.45	(1)	17.94	18.73	(4)

Operating expenditure analysis

Rm	2024	2023	% change	2H 2024	1H 2024	% change
Raw materials and consumables	2 011	2 636	(24)	993	1 018	(2)
Net movement in inventories	1 575	(3 279)	(>100)	1 455	120	>100
Inventory written down to NRV	71	(63)	(>100)	139	(68)	(>100)
Contractors' expenses	3 460	5 156	(33)	1 594	1 866	(15)
Deferred stripping costs capitalised	(3 238)	(1 588)	>100	(1 772)	(1 466)	21
Staff costs	6 706	6 981	(4)	3 241	3 465	(6)
Shipping services rendered	7 998	5 656	41	3 780	4 218	(10)
Depreciation of fixed assets	5 713	5 005	14	3 065	2 648	16
Mineral royalty	1 631	2 424	(33)	805	826	(3)
Repairs and maintenance	3 453	4 167	(17)	1 736	1 717	1
Petroleum products	2 860	3 667	(22)	1 296	1 564	(17)
Other expenses[1]	3 771	5 507	(32)	1 677	2 094	(20)
Corporate costs	1 789	1 704	5	1 261	528	>100
Energy costs	745	670	11	387	358	8
Net finance losses	(350)	(643)	(46)	(295)	(55)	>100
Transportation and selling costs	7 913	7 529	5	3 878	4 035	(4)
Operating expenses[2]	46 108	**45 529**	**1**	**19 300**	**22 868**	**(16)**

1. Includes the following significant items: administration expenses, third-party purchases, equipment hire, consulting fees and lease expenses.
2. Total operating expenses include expected credit losses

Operating expense reconciliation

Rm	2024	2023	% change	2H 2024	1H 2024	% change
Cost of goods sold	28 566	29 920	(5)	14 777	13 789	7
Cost of goods produced	22 600	24 768	(9)	10 964	11 636	(6)
Production costs	21 760	28 108	(23)	10 634	11 126	(4)
Sishen mine	15 790	20 866	(24)	7 870	7 920	(1)
Kolomela mine	5 970	7 242	(18)	2 764	3 206	(14)
Inventory movement WIP	840	(3 340)	(>100)	330	510	(35)
A grade	194	(1 241)	(>100)	(91)	285	(>100)
B grade	974	(1 599)	(>100)	591	383	54
C grade	(328)	(500)	(34)	(170)	(158)	8
Inventory movement finished product	735	61	>100	1 125	(390)	(>100)
Forex and other[1]	3 659	4 079	(10)	1 463	2 196	(33)
Corporate support and studies	1 572	1 012	55	1 225	347	>100
Mineral royalty	1 631	2 424	(33)	805	826	(3)
Selling and distribution	7 913	7 529	5	3 878	4 035	(4)
Shipping services rendered	7 998	5 656	41	3 780	4 218	(10)
Operating expenses[2]	46 108	45 529	1	23 240	22 868	2

1. Includes the following significant items: lease payments, expected credit losses, third-party purchases, technical services and project costs and administration expenses.
2. Total operating expenses include expected credit losses.

Annexure 8

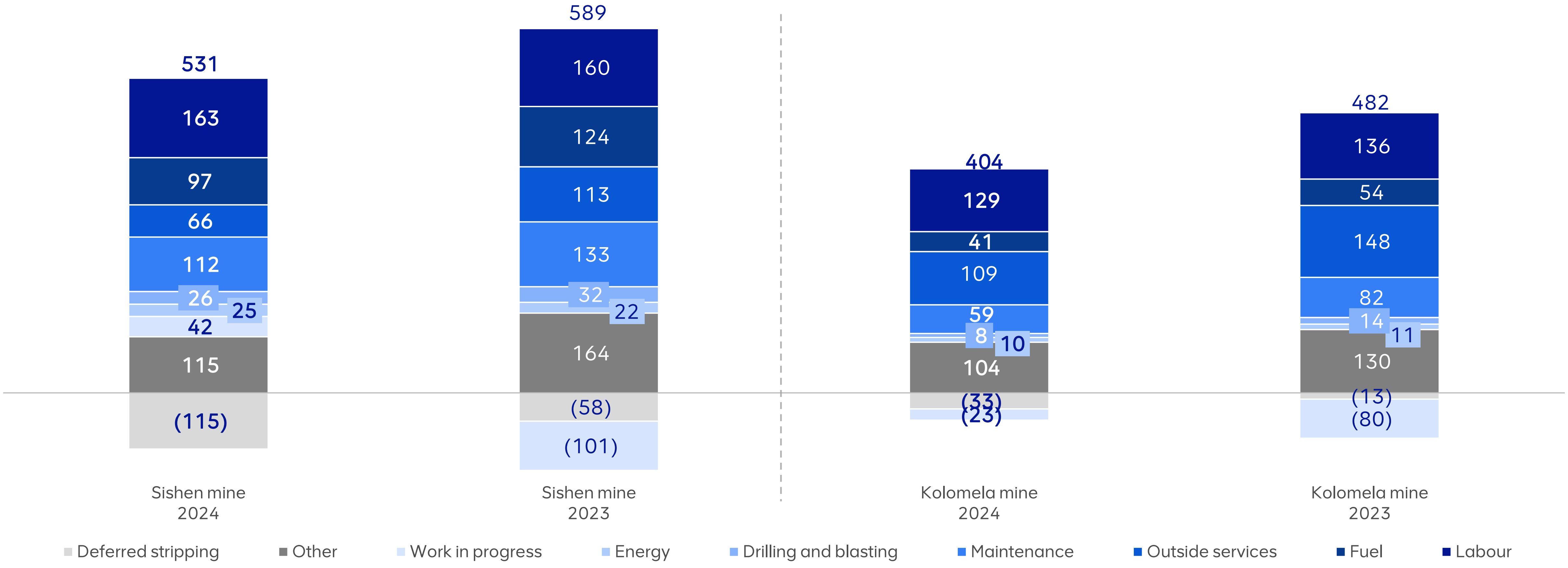
Unit cost analysis by mine

	Sishen						Kolomela					
Rm	2024	2023	% change	H2 2024	H1 2024	% change	2024	2023	% change	H2 2024	H1 2024	% change
Production costs	15 790	20 866	(24)	7 870	7 920	(1)	5 970	7 242	(18)	2 764	3 206	(14)
WIP	1 069	(2 530)	(>100)	466	602	(23)	(229)	(810)	(72)	(137)	(92)	49
Non-cash costs	(3 768)	(3 904)	(3)	(2 084)	(1 684)	24	(1 822)	(1 626)	12	(863)	(959)	(10)
Depreciation	(3 705)	(3 244)		(1 992)	(1 712)		(1 713)	(1 434)		(926)	(787)	
Other non-cash items[1]	(63)	(659)		(92)	29		(109)	(192)		63	(172)	
Other[2]	335	317	6	172	163	6	89	84	5	45	44	1
Total cash costs	13 426	14 750	(9)	6 424	7 002	(8)	4 006	4 889	(18)	1 808	2 199	(18)
Production volumes[3]	25	25	1	12	13	(6)	10	10	(2)	5	5	(8)
Cash unit cost per tonne	531	589	(10)	524	539	(3)	404	482	(16)	381	425	(10)

1. Other non-cash costs mainly includes rehabilitation provision and share-based payments
2. Other relates to Kumba's own logistics costs
3. Dry metric tonnes

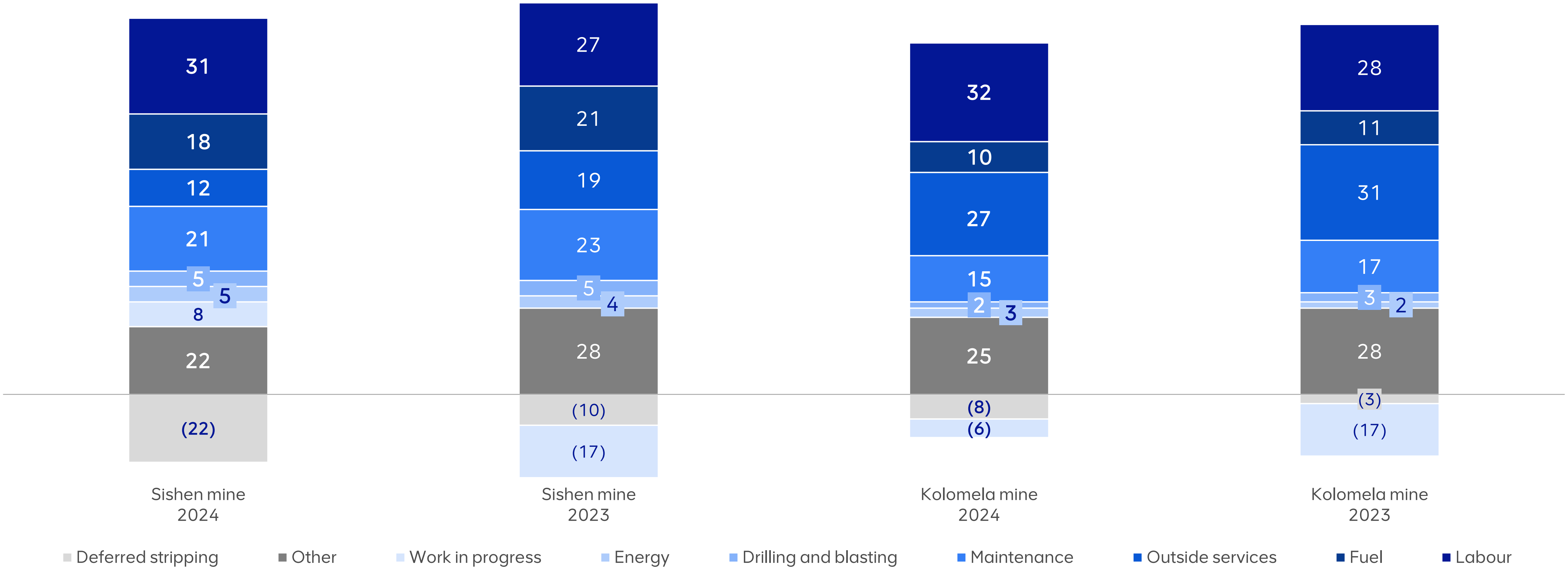
Sishen and Kolomela mines

Unit cash cost structure (R/t)



Sishen and Kolomela mines

Unit cash cost structure (%)



Capital expenditure analysis

Rm	2024	2023	2025e
Approved expansion	1 260	3 055	1 400 – 1 600
Deferred stripping	3 238	1 588	4 000 – 4 400
Sishen	2 906	1 455	3 680 – 4 060
Kolomela	332	133	320 – 340
SIB	4 502	5 300	4 100 – 4 500
Sishen	3 912	4 268	2 870 – 3 120
Kolomela	590	1 032	1 230 – 1 380
Unapproved expansion	—	—	—
Total approved and unapproved capital expenditure	9 000	9 943	9 500 – 10 500
Capital creditors	673	(81)	500 – 530
Cash capex	9 673	9 862	10 000 – 11 030

All guidance based on current forecast exchange rate of R18.83/US$1 for 2025

Annexure 12

Investment aligned to phased implementation

Total capital spend to 2023	2024	2025	2026	2027	2028	2029	Total
R1.8bn	R0.5bn	R1.3bn	R2.8bn	R2.6bn	R2.0bn	R0.2bn	R11.2bn
	Contracts awarded, pre-construction & onboarding	Modular substations; first coarse and fines modules	First production, main shut & continue converting course & fines modules	Continue conversion of coarse & fines modules	Complete final conversion & ramp-up to full production in H1 2028	Close-out of project	

Staggered modular shut sequence allows for increased safety & stability

Value drivers	Forecast volumes per year (Absolute, Mt)			
Waste benefit (Mt)[1] Average of 15Mtpa less waste required	5	25	12	13
Premium lump2 Average increase from 6 to 11.4Mtpa	6	8	11.5	11.5
Premium fines3 New product, average of 5.1Mtpa	0	1.9	5.1	5.1

Note: Directional trend in performance, actual volumes & percentage of total volumes may differ.
1. Total waste benefit by H2 2029 of ~55Mt | 2. Total increase in lump by H2 2034 of ~44Mt | 3. Total increase in premium fines by H2 2034 of ~37Mt

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Working capital driven by reduction in inventories & receivables