

Conference call transcript

18 August 2025

INTERIM RESULTS INVESTOR CALL

Hugo Nunes

Good day, everyone, and welcome to Thungela's 2025 interim results presentation. I'm Hugo Nunes, Head of Investor Relations, and I'd like to take a couple of minutes to introduce today's agenda and to explain how the day will run. But first allow me to draw your attention to a couple of disclaimers ahead of today's presentation. While you take a moment to read through the cautionary statement, we will start with our CEO, July Ndlovu, who will share Thungela's performance for the first half of 2025. Our CFO, Deon Smith, will then talk through the financial and operational performance for 2025. And after this, July will conclude the presentation. This will be followed by a Q&A session.

Turning to Q&A, for those wishing to ask questions directly, we ask that you please join the session using the conference call facility provided as we can only take direct questions through this facility. In order to ask your questions during the Q&A session, please dial * 1 on your keypad and this will register your intention to ask a question. Once the Q&A session starts, the operator will then open your line and ask you to go ahead with your question.

For those joining via the webinar, you will have the opportunity to submit your questions via text, which will then be read out during the Q&A session. Before I hand over to July, I want to draw your attention that unless otherwise indicated in the presentation, the group financial results include the results of the Ensham business at 85% until 28 February 2025, and 100% from that date. Now, please allow me to hand over to our CEO, July Ndlovu.

July Ndlovu

Thank you, Hugo, and good day to everyone on the call. Before I get into the detailed results, let me extend a warm welcome to Mr Moses Madondo, our incoming CEO, who has joined us in the room as part of our handover. Today I'm pleased to share the 2025 interim results with you. These results demonstrate our ability to control the controllables. We report these results against the backdrop of geopolitical tensions and dislocations of the free trade order as we know it, key demand markets for seaborne thermal coal. Our strong balance sheet has enabled the business to navigate challenging market environments such as the conditions we are experiencing at the moment.

Safety is our first value. We are proud to report that we have operated for two and a half years without a loss of life. We remain unconditional about protecting the lives of our people.

The increasing geopolitical uncertainties and tariff escalations are disrupting global supply chains and demand for energy. Our response has been to do what we do best, to control that which is within our control. In South Africa, we increased production year on year despite the abnormally high rainfall in the first half of the year, while at Ensham, production was impacted by challenging geology.

We have also been proactive in our approach to shielding the business from current volatility, which has contributed R1.3 billion to our earnings. We continue to invest in our strategic projects that are crucial to building a long life in sustainable business. Elders is now producing export-saleable production, and the Zibulo North Shaft is on schedule and on budget. In addition, we've also acquired a further 15% interest in the Ensham business and now own 100% of the mine.

The board has approved a distribution of 87% of adjusted operating free cash flow, continue to distribute in excess of the dividend policy of a minimum of 30% of adjusted operating free cash flow, showcasing the strength of our balance sheet.

Let us now look at the summary of the group results. The group recorded 8 million tons of export-saleable production for the first half of the year, on the back of productivity gains at Zibulo and Mafube. Newcastle benchmark coal prices continues to impact our financial results, with the benchmark coal prices in South Africa and Australia declining by 9% and 22% respectively. The group had a net cash of R6.3 billion at the end of the reporting period, after capital expenditure of R1.2 billion.

Earnings per share came in at R1.93 or 193 cents. The board has approved total returns to shareholders of three rand per share, comprising of an interim cash dividend of R2 per share and an equivalent of up to R1 per share in share buybacks. This demonstrates our commitment to deliver shareholder returns through the cycle.

Turning to safety, in the first quarter of the year, we saw an increase in the number of accidents in the business and have taken appropriate action to reverse the adverse trend. At Ensham, the team has adopted improved safety practices with a strong focus on visible felt leadership, high risk work and the reporting of hazards.

If we move to rail performance in South Africa, it is encouraging to note the further improvement in the rail performance in the first six months of the year. TFR achieved an annualised run rate of 54.3 million tonnes. In fact, the annualised run rate at May 2025 was at 55.5 million tonnes prior to the derailment in June. As in prior years, Transnet performed the annual maintenance chart in July and managed to successfully complete the majority of the planned activities, with the balance of the work to be completed during normal maintenance.

Now, earlier I touched on softer pricing environment, so let's unpack this. In the first half of the year, we continued to see strong demand for coal, which was mainly driven by the US and Europe, but partially offset by the lower demand from China and India. Prioritising reliable, affordable, and secure energy supply is at the heart of energy policy in both China and India, in order to partly avoid a repeat of the energy shortages that previously plagued these economies. This has resulted in higher in-country production in both China and India.

As a consequence of higher in-country production, combined with tepid energy demand, the elevated stocks built at the major import hubs have been sticky. This has impacted seaborne coal demand, leading to lower coal prices we are seeing today. In South Africa, the Richards Bay benchmark coal price was 9% lower than the first half of 2024, while the benchmark coal prices in Australia were 22% off the first half of 2024.

Discounts in South Africa remained broadly flat in the first half of the year. In Australia, our marketing team is a premium of a higher proportion of fixed price contracts in the first half of the year. We expect the premium to revert to a full year discount in line with 2024.

Let's however, pause and reflect on the long-term fundamentals of coal. We remain confident in the long-term fundamentals of the role of coal in the energy mix. The International Energy Agency reported in his coal mid-year update published in July 2025, that the outlook for global coal demand remains firm. Countries prioritising energy security and diversification continue to drive up demand for coal. As a result, global coal demand grew by 1.5% in 2024 to reach a record high level and demand in 2025 and 2026 is expected to stay at these levels.

Coal remains a reliable and affordable power source and is in strong demand by a number of developing Southeast Asian countries with expansive growth and development ambitions. Supply on the other hand is expected to remain under pressure and reduce over time as investment in new coal mines is limited.

Stringent regulatory requirements and widespread social and political opposition to the development of new coal mines has resulted in an increase in the consolidation of coal assets. The lower quality of in-country production within these countries provides companies with high-quality coal operations like Thungela with a significant structural advantage. Let me turn over to Deon to unpack the financial results.

Deon Smith

Thank you, July, and to those online for making the time to dial into our interim results presentation today. Our interim results are reported in the context of materially softer prices and foreign exchange rate headwinds compared to last year, coupled with a number of operating challenges during the period under review. Notwithstanding these realities, we continue to navigate an uncertain and volatile operating environment by focusing on those elements which we can control.

As July mentioned, some of the strategic highlights for the period include the progress we have made on acquiring the minorities in the Ensham business, approving the gas project extraction programme demo plant and transitioning critical skills from Goedehoop to Elders as we continue to ramp up.

In reflecting on our interim numbers, our earnings reduced significantly compared to the first half 2024, driven mainly by the impact of weaker coal prices, resulting in an earnings per share of R1.93. The group generated adjusted EBITDA of R691 million in H1 2025 at a margin of approximately 5% compared to R2.1 billion in the same period last year, with a margin of around 13%.

Cash flows from operations for the period was R1.2 billion, which includes a working capital unwind of R690 million, as well as inflows from realised foreign exchange contracts of around R453 million. The adjusted operating free cash flow of R484 million. The group had a net cash balance of R6.3 billion as of 30 June 2025. We announced that we are returning R421 million to shareholders through a combination of a cash dividend of R2 per share as well as the share buyback of up to R140 million.

Taking a closer look at the income statement, our revenue is down mainly due to the coal price weakness. Operating cost is slightly lower than the comparative period and we'll unpack this in more detail later. We've provided for the restructuring cost of R285 million and that relates to the closure of Goedehoop and Isibonelo. We are providing for this one-off cost as a result of the progress we've made in the labour consultation process at 30 June 2025.

We've recorded a net finance income of R1.3 billion that includes the R1.4 billion in gains from foreign exchange contracts. Our income tax and effective tax rate remains elevated due to the non-deductibility of certain group operating costs.

South Africa recorded export production of 6.4 million tonnes at an FOB cost per ton of R1,264 a ton. At Ensham we recorded 1.6 million tonnes of saleable production and stockpiled a further 280,000 tonnes. And that was run-of-mine coal which did not report into saleable production for the first half. The FOB cost of R1,904 per ton is above the higher end of the guidance range as a result of the lower production denominator, which we expect to normalise in the second half of the year as we crush that ROM.

Export equity sales for the group amounted to 8.3 million tonnes, supported by improved rail performance in South Africa. In terms of capital spend, we've spent R1.2 billion across the group, as I said before, R703 million of sustaining capital and R511 million of expansionary capex.

Let's now look at revenue and wealth performance. The revenue bridge between H1 last year and the first half performance this year is predominantly a story of coal prices and FX with a combined impact for the group of R1.6 billion. We observed a pronounced currency impact with stronger producing currencies relative to weaker US Dollar, adversely impacting revenue as our export sales are all US Dollar denominated.

The overall revenue impact of export volumes was broadly neutral with a revenue benefit from additional export volumes in South Africa countered by the lower volumes at Ensham. Domestic volumes in South Africa have decreased period on period due to both decrease in production and sales at Isibonelo, which was heavily impacted by abnormally high rainfall, as well as the fact that the Rietvlei colliery volumes still included up to the sale of that operation in November 2024.

Moving to operating costs. Realities are lower due to weaker real-life prices. The impact of inflation continues to be felt across both South Africa and Australia but remains below actual escalation across the regions we operate in. The acquisition of the 15% in Ensham resulted in an increase in production costs but this is offset by a decrease in commodity purchases from LXI. Stockpile utilisation was lower in the first half this year compared to last year which resulted in favourable inventory movements.

If you look at FOB cost per ton in South Africa, unit cost is up by approximately 6% compared to the first half of 2024. This is mainly as a result of the decreased domestic revenue offset in the FOB calculation, resulting from the lower domestic sales period on period. As a reminder, the numerator used to determine our FOB per ton includes the cost of domestic production in total, which is then reduced by the domestic revenue. Given the reduced revenue at Isibonelo following extreme weather events in the first half, we experienced an FOB cost per ton headwind of around R85 per ton, which is expected to normalise in the second half of the year.

At Ensham, the increase in FOB cost excluding royalties has been driven by inflation, lower volumes as well as the higher selling and logistics costs. The lower production was a result of geological conditions which impacted production and quality. Ensham produced, as I said earlier, run-of-mine coal of approximately 280,000 tonnes in the first half that did not meet the immediate contractual quality requirements. These tonnages were mined but not crushed.

This means [unclear] costs have been incurred, but the material is not yet reporting as sellable volumes, skewing the relationship between the numerator which includes these costs and the denominator which does not include the volumes. Once these volumes are crushed and report as saleable production in second half, we expect to see favourable impact on the FOB cost per ton into the full year. The team has now secured the quality appropriate sales contracts to ensure this coal can also be sold.

The cash evolution slide on the screen seeks to explain the movement in net cash since December 2024. Net cash at 31 December 2024 was around R8.7 billion. In the first half we have returned R1.7 billion to investors in the form of dividends and share buybacks. We generated R1.2 billion of net cash from operating activities. In terms of investment spend, R1.2 billion in capex and we acquired additional 15% interest in Ensham. We also contributed R188 million to the Green Fund to increase the cash collateralisation of our environmental liabilities in line with our commitment to guarantee providers in South Africa. After taking into account these cash movements, the net cash balance at 30 June 2025 was R6.3 billion.

So, despite a challenging first half, our robust balance sheet enables us to continue to fund our investments through the cycle and to also continue to prioritise returns to shareholders. If we reflect on the net cash of R6.3 billion, we continue to reserve R800 million for the completion of Zibulo North Shaft LIFEX as well as the gas projects. We then return all excess cash above the R5 billion to shareholders, which is an aggregate R421 million through a combination of the interim cash dividend and a buyback. The trust will also receive an aggregate of R31 million.

It is important to emphasise that that total returns of R3 per share including the buyback is aligned to shareholder returns in the first half of 2024 notwithstanding a more challenging environment. The board believes the buffer of R5 billion is appropriate given current uncertainty globally including commodity price and foreign exchange rate volatility.

Let's now turn to guidance, starting with South Africa. On export sale or production, the year-to-date run rate would bring us to the bottom end of the four-year range, but we must recognise that production, especially at Khwezelwa, has been significantly impacted by abnormally high rain events in the first quarter. We are accordingly expecting a stronger second half, in line with past periods.

Furthermore, we expect production at Elders to continue ramping up. We remain confident that we will deliver on guidance and the range therefore remains unchanged. On FOB cost per ton, this is already within the guidance range. With a production step-up in H2, including domestic revenue increase from Isibonelo, we expect to come in closer to the lower end of the range in the full year. The ranges for sustaining and expansionary capital remain appropriate, as capital spend is weighted towards the second half of the year.

At Ensham, simply doubling the export saleable production from H1 would only take you to 3.2 million tonnes, well below the lower end of the guidance range. However, given the plans in place, as well as the fact that we expect volumes which have been mined but not yet crushed to report through to sellable production in the second half, we expect it to come in at the lower end of the guidance range. FOB cost per ton for H1 is above the higher end of the guidance range currently, but the additional production in the second half will see unit costs trending towards the upper end of the guidance in the full year.

Sustaining capital at Ensham is expected to come in within the range of R700 million to R950 million. It is important for me to highlight that given current macro uncertainty, we will continue to carefully monitor the sustaining capital expenditure in order to further preserve balance sheet flexibility. We will of course ensure that any such austerity does not impact the future sustainability of the business. With that, let me now hand back to July for concluding remarks. July.

July Ndlovu

Thanks for that overview, Deon. So, to conclude, Thungela is well positioned to continue to deliver on our purpose. And that remains our north star in every decision and every action we take. Our commitment to safety is unconditional and eliminating fatalities and injuries from our business is front and centre of what we do. Some of our mines are reaching end of life, and we are evaluating opportunities to close these operations in a sustainable and responsible way.

We maintain full year production and cost guidance. Given the uncertain environment we face, we'll continue to make responsible decisions to ensure the long-term sustainability of our business. Our strategic projects in Elders and Zibulo North Shaft will underpin a long life sustainable business. We maintain a robust balance sheet position to deliver shareholder returns through this cycle.

And lastly, today represents a significant milestone in my journey as Thungela's CEO as this is the last set of financial results that I will deliver. I'm deeply grateful to the Thungela board, Group Executive Committee, employees, shareholders and stakeholders for your steadfast support. As we welcome Moses Madondo as the new CEO, I'm confident that you will afford him the same support that you've shown me over the years. I'm proud that together we've built a sustainable business with long life assets across multiple geographies. Thank you very much, and I hand you back to Hugo for Q&A.

Hugo Nunes

Thank you very much, July and Deon. We will now move to Q&A. As a reminder, that if you wish to ask a question directly, please join the conference call facility using the link you would have received upon registration. Dialling * 1 will indicate to the operator that you would like to ask a question. For those who have submitted questions via the webinar platform, I'll be reading those out. Operator, please could I ask you to open the line for our first question?

Operator

Thank you. This question comes from Ephram Ravi of Citi. Please go ahead.

Ephram Ravi

Thank you. So, first question, for Ensham, your implied second half cost is around R14,000 just using the midpoint of your guidance for volume and cost, and nearly R300 lower plans. Is there any absolute cost reduction plans or programs there, or is it entirely driven by higher volumes over there? And secondly, can you also remind us of the current contract structure at Ensham and what your plans are for next year as the contract negotiations come through? Thank you.

July Ndlovu

Just make sure that we got you right, the guidance that you're alluding is not R14,000. It's R1,400, correct? If your calculation is correct.

Ephram Ravi

Yeah, basically I was just taking the implied second half cost, yeah.

July Ndlovu

Look, I'll ask Deon to comment more fully, but let me provide this context. It probably answers quite an important question in people's minds about this H1, H2 comparison and what happened in H1. As I reported to all of you in March when I reported the results, I said we expected to be navigating two very challenging geological faults at Ensham. And we planned to do that, which is partly the reason why we planned production lower in H1. What is a little bit of a surprise is probably the feature that you have seen which has resulted in us stockpiling some of our production, which is the quality of the coal on either side of the fault was lower than we expected and therefore would not have met our normal quality spec for export, which is E12 as we call it, 12% ash. And it's higher ash and we have pursued other markets to place it into. And we'll be able to do that in the second half of the year.

We have completed the development through the first of those faults. In fact, we just about gone through the second fault. But clearly we have to go through the impact zone of that. But in terms of our ability to maintain our productivity numbers going forward, I think we are where we want to be for the H2. There is still a little bit of a tail on quality, but nothing major going into H2. So, if you take the fact that we've got some production stockpiled, we're getting back to our productivity numbers, H2 should be quite comfortable that we should come within the guidance, maybe towards the bottom end of that guidance.

On your question on costs, the team at Ensham is doing an enormous amount of work to take out some of those costs. But clearly, given that it's early days in terms of our ability to drive some of these cost-out programmes, the biggest impact is going to come from the denominator. Deon, I don't know if there's additional comments you want to make.

Deon Smith

No, I think that's absolutely right, July. Maybe perhaps to put one or two numbers to it. If you look at Ensham, it produced 1.6 million tonnes in the first half of the year. If we had to add on top of that the 280,000 tonnes that both July and I spoke of, which was the run of mine tonnages that was actually mined but left on stockpiles and not crushed, because at the time that we mined it, we did not yet have the quality specific contract to sell those, so we didn't incur the further crushing cost. But that's small, that's \$1 or \$2 a ton compared to the bulk of the cost that was already incurred for the 280,000 tonnes.

So, if you add the 280,000 on top of the 1.6 million tonnes, and then you multiply that by two to get to a full year rate, you're getting to 3.6 or 3.7 million tonnes. So, towards the low end of the guidance but still within that guidance range. And that as July said, that denominator determines your cost per ton outcome because our costs are fairly much loaded other than obviously escalation where we see that in contracts as well as where we have cost out opportunities. But assuming those are broadly neutral, naturally your denominator would mathematically reduce your full year cost per tonne at Ensham, given that that 280,000 tonnes is sitting on stockpiles, just needs to be crushed and reported into export saleable production. So yes, fairly confident in full year numbers.

Hugo Nunes

Thanks, Deon. Any other questions online?

Operator

Thank you. The next question comes from Thobela Bixa of Nedbank. Please go ahead.

Thobela Bixa

Thank you. Good afternoon everyone. A couple of questions from my end. July, you mentioned earlier on that the premium or discount at Ensham will revert back to what we saw last year, which I think was roughly 8%. So effectively, just to confirm, is that the case? And would that therefore imply that you expect a much wider discount in the second half? That's my first question.

Deon Smith

If I can jump in there. Good to hear you, and I'm pleased to see that you're starting to ask July some of these technical questions. Thank you very much for that. On a serious note, the calculation of that discount as we debated before is complex because there are a number of features in our sales contracts in Australia. The first is we have fixed price contracts for approximately 500,000 tonnes in the second half or a million tonnes on the full year run rate. And where you have your spot or prompt Newcastle price today, we'll continue to potentially make a small premium on those prices.

However, where we sell without fixed prices into the prompt market, we expect the discounts to widen a bit. So, with that as context, we, given everything we understand today and the full year forward curve, as well as the contracts we have in place, we are expecting our discount in the full year to get to around 3% down on average Newc. So yes, 6.6% premium up to now, and then about 3% discount for the full year, which therefore implies a 7% or 8% discount to nuke in the second half of the year. So, when July says we're expecting it to revert, so 8% down, that is for the second half, but once you've endured that second half, for the full year numbers it should be around 3% below given the premium we had in the first half.

Thobela Bixa

Okay, no, got you loud and clear. Thanks, Deon. And then some other questions. So, if we look at Ensham's production or operational performance it seems to be... well, it doesn't seem, it is a complete reversal of what we saw last year. I think last year you were shooting the lights out. So, the question is, what is the normalised level at Ensham in terms of production and as also FOB cost beyond just the second half of 2025?

July Ndlovu

I remain quite confident – and I'm sure you can hold me to account in March next year when we report these results – that Ensham, actually, after we negotiate these challenging geological conditions, and secondly, when we get the licenses that we've operated to open up and give us pit room, Ensham will go back to the kind of performance you saw last year. The team is able to do that. We've demonstrated we understand the mining methods. We know what to do. This was a definite geological feature. This could have happened on any other mine, by the way. So, whilst it's an Ensham feature, you might recall, actually we reported at some stage that Zibulo was going through what we call the grab and fold. Exactly the same feature. When you go through those big geological features, your productivity will go down and your qualities actually will suffer. But that's a temporary feature.

Thobela Bixa

Okay. Okay. No, thanks, July. I will definitely hold the next CEO to that.

July Ndlovu

Thank you so much.

Thobela Bixa

I'll just move on. And then one final question from me is just for the second half, what sort of foreign currency hedges that you guys currently have in place and how much of that?

Deon Smith

The numbers are fairly big. They are set out I think in note 6 of the financials from memory. 14, sorry. I was corrected by a financial controller for the group. So, note 14. But the numbers, to clarify it or to maybe simplify it, is in the second half we probably have a couple of hundred million, so let's say \$400 million forward sold roughly at about early R19, so R19.17 to a Dollar. So, if you take today's spot, and let's assume today's spot of R17.50 prevail for the second half of this year, that should be an additional cash tailwind of R600 million, which will then bring this year's cash tailwind to about R1.05 billion. On top of that, there's also another R200 million into 2026 up to June. And again, using similar math and similar logic another R200 million odd of tailwind. And so that should give you a good sense for it, but the detail is set out in that note 14 of the interim financials.

Thobela Bixa

Okay. Thanks for that clarity, Deon. Good luck, July. Thanks.

July Ndlovu

Thanks.

Operator

At this stage we have no questions on the lines.

Hugo Nunes

Thank you. I'll read out a couple of questions we've got online. Deon, if you can answer. Are we expecting more restructuring termination costs in the second half of 2025 and 2026?

Deon Smith

Thanks for that question. We recognise the R285 million restructuring cost at the end of June 2025. And that might look a bit early relative to what July said about when we bring Isibonelo and Goedehoop up to the end of its life at the end of 2025. And the logic for that early recognition of the cost was that for efficiency and expedience and for cost optimisation we opted in our labour approach to shift critical skills from Goedehoop through to Elders. And that process clearly had to start much earlier than if it were merely a case of mine closure.

So, that cost is actually the Isibonelo and Goedehoop cost, and therefore it is a one-off cost. We're not expecting that to be repeated. The actual cash flow relative to that is likely to happen over the next six to nine months or from half year six to nine months probably now four to six, four to seven months. And we're not expecting a repeat on that. The rest of the closure costs are typically provided for in our balance sheet as well as the cash collateral that we keep in both the Green Fund and the Environmental Trust. So, this hit to the income statement was very much a one-off.

Hugo Nunes

Thank you. Deon, the next one you've answered partially, but perhaps just to reaffirm the discount point at Ensham. The question is, considering the lower quality of the stockpile at Ensham, how should we think about the real-life price in the second half of 2025?

Deon Smith

Yes, so the 8% down from Newc, which we spoke about earlier, includes recognition of that. And just to be clear, whilst we talk about a quality discount, the delta between the tonnages is not material. So, the tonnages that July referred to earlier, so the highest quality we produce is a 12% ash, lower quality is around a 14% ash that we produce and sell at Ensham. So, 2% delta on ash. And as you might recall, in Australia, domestic prices are very close, are not expected to be materially above. In the second half that down 8% that I mentioned earlier, including some of those tonnages.

Hugo Nunes

What is Thungela's appetite for any further acquisitions?

July Ndlovu

I think we've been very clear on our strategic direction. And the board has not decided to change their strategy at this stage, which is that we continue to look for opportunities where we have a right to win. And where we have a right to win, obviously, is in bulk commodities, coal, met coal in particular. We have a right to win in the region where we operate, and therefore we continue to look for those opportunities. And I'm sure when the team has got any opportunities, they'll come talk to you. But as you can imagine, I mean, when the new CEO comes, you look at the assumptions that we're making, the appropriateness of that strategy, but at this stage, there's no change in strategy, and therefore we remain on exactly the same track as we've always been.

Hugo Nunes

July, another question for you around TFR. Are you expecting any TFR related take or pay cash, such as those received by peers, Kumba and Sasol? How should we be thinking about this?

July Ndlovu

Look, good question. We renewed our long-term agreement with TFR early this year. And take or pay provisions are protected in that agreement, whilst they remain confidential. What I can say to you is that we continue to assess TFR's performance against the take-or-pay penalties owed by either party. And at the right time, if we think that we're not likely to see the performance improvements that we expect, we may very well, like everybody else, put in those claims.

Hugo Nunes

Thank you. Deon, a question for you. Would Thungela supply more coal to Sasol from Isibonelo?

Deon Smith

That is certainly a topical question. As matters stand today, the answer is not very material or larger numbers post 2025, no. So, the mine ends at the year December 2025, and the base case today is that we will shift and move key infrastructure, equipment and otherwise to some of the other deserving mines in the portfolio. So, no material volumes, no.

Hugo Nunes

Thank you. There are no further questions online. Operator, any other questions from any callers?

Operator

Thank you. We have no further questions from the lines.

Hugo Nunes

If there is nothing else, thank you everyone. We will end the Q&A session now. If we were not able to get to your question today, please do get in touch with myself or Shreshini via email. Our email addresses are at the bottom of the SENS and RNS announcements released earlier today. With that, please allow me to turn back to July who will close out the day.

July Ndlovu

Thank you very much, Hugo. Thank you very much to everyone who joined the call online. Just to say to all of you that we have a resilient business which is able to continue to return cash to shareholders through the cycle. We have set this business to be able to navigate this kind of current challenging environment, which is why we've got such a strong balance sheet. And we're quite proud about how the team is focused on controlling the controllables and who make the responsible decisions that are required to make sure that our business sees us on the other side of currently the downturn in the cycle. Thank you very much, and this is probably the last time you're going to hear me talk about Thungela's results. I'll meet you at the AGM as a fellow shareholders. Bye.

END OF TRANSCRIPT