Yancoal Australia Ltd

ABN 82 111 859 119

Half-Year Financial Report for the half-year ended 30 June 2026

This Half-Year Financial Report contains information required by Appendix 4D of the Australian Securities Exchange ("ASX") Listing Rules. It should be read in conjunction with Yancoal Australia Ltd's Annual Financial Report for the year ended 31 December 2025 and is lodged with the ASX under listing rule 4.2A.

APPENDIX 4D

1. Results for Announcement to the Market

	30 JUNE 2026 $M	30 JUNE 2025 $M	% CHANGE
Revenue from ordinary activities	3,024	2,675	13%
Profit before income tax (before non-recurring items)	105	239	(56%)
Profit before income tax (after non-recurring items)	56	239	(77%)
Net profit after income tax attributable to members (before non-recurring items)	73	163	(55%)
Net profit after income tax attributable to members (after non-recurring items)	17	163	(90%)

2. Earnings per share

	30 JUNE 2026 CENTS	30 JUNE 2025 CENTS	% CHANGE
Profit per share (before non-recurring items)			
Basic	5.5	12.4	(56%)
Diluted	5.5	12.4	(56%)
Profit per share (after non-recurring items)			
Basic	1.3	12.4	(90%)
Diluted	1.3	12.4	(90%)

3. Net tangible assets per security

	30 JUNE 2026 $	30 JUNE 2025 $	% CHANGE
Net tangible assets per share	6.73	6.57	2%

4. Distributions

	30 JUNE 2026		30 JUNE 2025	
Ordinary share distributions	CENTS PER SHARE	Total AU $M	CENTS PER SHARE	Total AU $M
Final dividend for 2025 paid on 15 April 2026	12.20	161	—	—
Final dividend for 2024 paid on 30 April 2025	—	—	52.00	687
Total distributions		**161**		**687**

On 19 August 2026, the Board declared a 2026 interim dividend allocation of $92 million, representing A$0.0700 per share (fully franked), with a record date of 3 September 2026 and a payment date of 18 September 2026.

On 25 February 2026, the Board declared a 2025 final dividend allocation of $161 million, representing A$0.1220 per share (fully franked), with a record date of 20 March 2026 and a payment date of 15 April 2026.

On 20 February 2025, the Board declared a 2024 final dividend allocation of $687 million, representing A$0.5200 per share (fully franked), with a record date of 14 March 2025 and a payment date of 30 April 2025.

5. Entities over which control has been gained or lost during the period

On 12 February 2026, three dormant entities were de-registered: Gwandalan Land Pty Ltd, Nord Wharf Land Pty Ltd, and Proserpina Coal Pty Ltd.

Subsequent to period end, on 29 July 2026, another nine entities were de-registered: White Mining Services Pty Ltd, Namoi Valley Coal Pty Ltd, CNA Bengalla Investments Pty Ltd, Northern (Rhondda) Collieries Pty Ltd, Westralian Prospectors Pty Ltd, Stratford Coal Marketing Pty Ltd, Duralie Coal Marketing Pty Ltd, Primecoal International Pty Ltd and Donaldson Coal Finance Pty Ltd.

6. Details of associates and joint venture entities

	30 JUNE 2026		30 JUNE 2025	
	HOLDINGS	PROFIT / (LOSS) AFTER INCOME TAX CONTRIBUTION	HOLDINGS	PROFIT AFTER INCOME TAX CONTRIBUTION
	%	$M	%	$M
Joint venture entities				
Moolarben Joint Venture (unincorporated)	98.75%	207	95%	129
Warkworth Joint Venture (unincorporated)	84.472%	59	84.472%	76
Mount Thorley Joint Venture (unincorporated)	80%	12	80%	24
Hunter Valley Operations Joint Venture (unincorporated)	51%	84	51%	40
Middlemount Joint Venture	49.9997%	(80)	49.9997%	(15)
HVO Entities [(a)]	51%	—	51%	—
Boonal Joint Venture (unincorporated)	50%	Immaterial	50%	Immaterial
Newcastle Coal Infrastructure Group Pty Ltd	27%	—	27%	—

	30 JUNE 2026		30 JUNE 2025	
	HOLDINGS	PROFIT AFTER INCOME TAX CONTRIBUTION	HOLDINGS	PROFIT AFTER INCOME TAX CONTRIBUTION
	%	$M	%	$M
Associate entities				
Port Waratah Coal Services Pty Ltd	30%	19	30%	16
WICET Holdings Pty Ltd	33%	—	33%	—

(a) HVO Entities consists of the following entities:

HV Operations Pty Ltd

HVO Coal Sales Pty Ltd

HVO Services Pty Ltd

All financial results included in this report are stated in Australian dollars unless otherwise stated. All other information can be obtained from the attached financial statements, accompanying notes and Directors’ report.

DIRECTORS' REPORT

The Directors present their report on the consolidated entity ("Yancoal" or the "Group") consisting of Yancoal Australia Ltd (the "Company") and the entities it controlled at the end of, or during, the six-months ended 30 June 2026 (the "period").

DIRECTORS

The following persons were Directors of Yancoal Australia Ltd during the period and until the date of this report:

Chairman

- Gang Ru (became a director on 31 May 2023, and Chairman on 15 September 2023)

Co-Vice Chairmen

- Ning Yue (became a director on 27 September 2023)
- Gregory James Fletcher (became a director on 26 June 2012)

Directors[1]

- Jiuhong Wang (became a director on 20 February 2025)
- Xiaolong Huang (became a director on 31 May 2023)
- Zhiguo Zhao (became a director on 20 February 2025)
- Ang Li (became a director on 20 February 2025)
- Debra Anne Bakker (became a director on 1 March 2024)
- Peter Andrew Smith (became a director on 17 December 2024)

Directors retired during the period

- none

COMPANY SECRETARY

The Company Secretary in office during the period and up to the date of this report is Laura Ling Zhang.

CORPORATE ACTIVITIES

During the half year ended 30 June 2026, neither Yancoal nor any of its subsidiaries purchased, sold or redeemed Yancoal's listed securities (including Treasury Shares as defined in the HK Listing Rules). However, Yancoal has previously instructed CPU Share Plans Pty Ltd as trustee of the Yancoal Australia Limited Employee Share Trust to acquire and hold fully paid ordinary shares in the Company in on-market share transactions.

The "Management Discussion and Analysis" section of this report provides commentary on the operational and financial performance during the period.

Matters subsequent to the end of the period are detailed in the "Management Discussion and Analysis" section of this report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The benchmark coal prices are cyclical in nature, but are also subject to short-term influences. During the period, thermal coal price indices in the Asia-Pacific region increased in incremental demand and supply constraint. Global energy markets are still adjusting to the disruption to oil and gas supply from the Middle East, revision to thermal coal export controls in Indonesia and the implications for a developing El Niño weather cycle.

Yancoal delivered a 4% uplift in saleable coal production during the 1H 2026 compared to the 1H of 2025 (on a 100% basis). After prioritising overburden removal in the first quarter, we can now maximise coal production for the remainder of the year. 10.8 million tonnes of attributable saleable coal in the second quarter was a production record, and 19.8 million tonnes was a first half record. Yancoal is on track to deliver in the upper half of its guidance range and report a full year production record in 2026. Further details on the significant changes in the state of affairs, operations and financial performance are provided in the Management Discussion and Analysis section of this report.

DIVIDENDS AND DIVIDEND POLICY

The Company's dividend policy is set out in Rule 4.1 of the Yancoal's Company Constitution (for full details see the Company's Constitution on the Company's website available here). According to the dividend policy and subject in each case to applicable laws, the ongoing cash needs of the business, the statutory and common law duties of the Directors and shareholders' approval, the Directors may pay interim or final dividends, and per the Company's Constitution must:

• subject to the point below, pay as interim and/or final dividends not less than (A) 50% of net profit after tax (pre-abnormal items); or (B) 50% of the free cash flow (pre-abnormal items), whichever is higher in each financial year; and

• if the Directors determine that it is necessary in order to prudently manage the Company's financial position, pay as interim and/or final dividends not less than 25% of net profit after tax (pre-abnormal items) in any given financial year.

On 25 February 2026, the Directors declared a fully franked final dividend of A$161 million, A$0.1220 per share, with a record date of 20 March 2026 and payment date of 15 April 2026.

On 19 August 2026, the Directors declared a fully franked interim dividend of A$92 million, A$0.0700 per share, with a record date of 3 September 2026 and payment date of 18 September 2026.

Currently, there are no Treasury Shares (as defined in the HK Listing Rules) held by the Company (whether held or deposited in the HKEx Central Clearing and Settlement System, or otherwise).

COMPLIANCE WITH THE HONG KONG CORPORATE GOVERNANCE CODE

The Company has adopted the provisions of Part 2 of the Corporate Governance Code in Appendix C1 (the "HK Code") to the HK Listing Rules as part of its corporate governance policy effective upon its listing on the Stock Exchange of Hong Kong on 6 December 2018 (the "HK Listing").

The Company is of the opinion that it has complied with the code provisions of the HK Code during the period.

[1] Mr Ang Li resigned from the Board on 19 August 2026 and Ms Ping Nie joined the Board on 19 August 2026

INTERESTS AND POSITIONS IN SHARES

INTERESTS OF THE DIRECTORS AND CHIEF EXECUTIVE OFFICER OF THE COMPANY

As at 30 June 2026, the interests or short positions (as applicable) of the Directors and the Chief Executive Officer of the Company in the Shares and debentures of the Company and any interests or short positions (as applicable) in shares or debentures of any of the Company's associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (i) have to be notified to the Company and the Stock Exchange of Hong Kong pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (ii) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the HK Listing Rules, to be notified to the Company and the Stock Exchange of Hong Kong, are as follows:

THE COMPANY

NAME OF EXECUTIVE OR DIRECTOR	NUMBER OF SHARES AND UNDERLYING SHARES	NATURE OF INTEREST	APPROXIMATE PERCENTAGE
Ning Yue (Director)	159,738	Beneficial owner	0.01210%
Gregory James Fletcher (Director)	2,100	Beneficial owner	0.00016%
Debra Anne Bakker (Director)	9,000	Beneficial owner	0.00068%
Sharif Burra (CEO)	481,127	Beneficial owner	0.03644%

ASSOCIATED CORPORATIONS OF THE COMPANY

NAME OF DIRECTOR	NAME OF THE ASSOCIATED CORPORATION	NUMBER OF SHARES AND UNDERLYING SHARES	NATURE OF INTEREST	APPROXIMATE PERCENTAGE
Jiuhong Wang	Yankuang Energy Group Company Limited	235,560	Beneficial owner	0.00235%
Xiaolong Huang	Yankuang Energy Group Company Limited	412,000	Beneficial owner	0.00410%
Zhiguo Zhao	Yankuang Energy Group Company Limited	100,000	Beneficial owner	0.00100%

Save as disclosed above, as at 30 June 2026, none of the Directors or the Chief Executive Officer of the Company have an interest and/or short position (as applicable) in the Shares or debentures of the Company or any interests and/or short positions (as applicable) in the shares or debentures of the Company's associated corporations (within the meaning of Part XV of the SFO) which (i) have to be notified to the Company and the Stock Exchange of Hong Kong pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the HK Listing Rules, to be notified to the Company and the Stock Exchange of Hong Kong.

SHARE TRADING POLICY

The Company's Share Trading Policy includes the requirements set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the HK Listing Rules to regulate the Directors' securities transactions. It prohibits dealing in Company securities or Yankuang Energy securities by Directors of the Group, all officers of the Company and other relevant employees and contractors of the Group, as well as their closely related persons, during specified blackout periods each year and when they are in possession of 'inside information'. Directors of the Group, all officers of the Company, and their closely related persons are also prohibited from dealing in securities of the listed company where he or she is in possession of inside information in relation to those securities. Subject to compliance with the Company's Share Trading Policy, employees are permitted to deal in Company securities or Yankuang Energy securities outside these blackout periods where they are not in possession of inside information, however additional approval requirements apply.

The Share Trading Policy precludes relevant employees from entering into any hedge or derivative transactions relating to unvested options or share rights granted to them under incentive plans and securities that are subject to holding locks or restrictions from dealing under such plans. There are also restrictions regarding margin lending arrangements, hedging and short-term trading of the Company's securities. Each Director of the Company is required to provide a declaration at the end of each financial year certifying that they (and their closely related persons) have complied with the Share Trading Policy for the duration of that financial year. In respect to this period, a specific enquiry has been made of all the Directors, and they have each confirmed that they have complied with the Company's Share Trading Policy throughout the period. A copy of the Share Trading Policy is available on the Corporate Governance section of the Company's website.

INTERESTS OF PERSONS OTHER THAN DIRECTORS AND CHIEF EXECUTIVE OFFICER OF THE COMPANY

As at 30 June 2026 the following entities (other than a Director or Chief Executive Officer of the Company) had an interest or short position (as applicable) in the Shares or underlying Shares which were recorded in the register required to be kept under section 336 of the SFO:

NAME OF SHAREHOLDER	CAPACITY	NUMBER OF SHARES HELD OR INTERESTED	APPROXIMATE PERCENTAGE (%)
Yankuang Energy Group Company Limited	Beneficial owner	822,157,715	62.26
Shandong Energy Group Co. Ltd[2]	Interest in controlled entity	822,157,715	62.26
Cinda International HGB Investment (UK) Limited	Beneficial owner	92,343,745	6.99
China Agriculture Investment Limited	Interest in controlled entity	92,343,745	6.99
International High Grade Fund B, L.P.	Interest in controlled entity	92,343,745	6.99
Cinda International GP Management Limited	Interest in controlled entity	92,343,745	6.99
Cinda Securities (H.K.) Holdings Limited	Interest in controlled entity	92,343,745	6.99
Central Huijin Investment Ltd	Interest in controlled entity	92,343,745	6.99
China Cinda (HK) Asset Management Co., Ltd[3]	Interest in controlled entity	92,343,745	6.99
Cinda International Holdings Limited	Interest in controlled entity	92,343,745	6.99
Cinda Securities Co., Ltd	Interest in controlled entity	92,343,745	6.99
China Cinda (HK) Holdings Company Limited	Interest in controlled entity	92,343,745	6.99
China Cinda Asset Management Co., Ltd	Interest in controlled entity	92,343,745	6.99

Save as disclosed above, as at 30 June 2026, none of the substantial shareholders or other persons, (other than the Directors and Chief Executive Officer of the Company) had any interest or short position in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

REVIEW BY THE AUDIT AND RISK MANAGEMENT COMMITTEE

The financial statements of the Company and its subsidiaries for the half-year ended 30 June 2026 have been reviewed by the Audit and Risk Management Committee. In addition, whilst the interim financial statements of the Company and its subsidiaries for the half-year ended 30 June 2026 have not been audited, they have been reviewed by the Company's auditor, SW Audit, in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* (Cth), is set out at the end of the Directors' Report.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in Legislative Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in this Directors' Report and financial statements. Amounts in the Directors' Report and financial statements have been rounded off to the nearest million dollars in accordance with that legislative instrument.

This report is made in accordance with a resolution of the Directors.

Gregory Fletcher

Gregory James Fletcher

Director
Sydney

19 August 2026

[2] Shandong Energy is deemed to be interested in the 822,157,715 Shares which Yankuang Energy is interested in as beneficial owner as it is entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of Yankuang Energy.

[3] Cinda International HGB Investment (UK) Limited, an indirect wholly owned subsidiary of China Cinda Asset Management Co., Ltd, is interested in 92,343,745 Shares which are held by J P Morgan Nominees Australia Limited as nominee. China Cinda Asset Management Co., Ltd., China Cinda (HK) Holdings Company Limited, Cinda International Holdings Limited, Cinda Securities Co., Ltd, Cinda Strategic (BVI) Limited, China Cinda (HK) Asset Management Co., Ltd, Cinda International GP Management Limited, International High Grade Fund B, L.P. and China Agriculture Investment Limited are each deemed to be interested in the 92,343,745 Shares which Cinda International HGB Investment (UK) Limited is interested in as beneficial owner. The disclosed shareholding at the start of the period was 92,343,745 shares.

SW Accountants & Advisors

Take the lead

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF YANCOAL AUSTRALIA LTD

As lead auditor, I declare that, to the best of my knowledge and belief, during the half year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

SW Audit
Chartered Accountants

Cheuk Man (Rondy) Cheng
Partner

Sydney, 19 August 2026

BUSINESS OVERVIEW

Yancoal owns and operates a diversified portfolio of world class assets consisting of both large-scale open-cut and underground mines comprising five coal mine complexes in Australia[4].

In total, Yancoal owns, operates or has joint-venture interests in eight coal mine complexes in New South Wales ("NSW"), Queensland and Western Australia. These eight mines have the capacity to produce more than 70 million tonnes of ROM coal and more than 55 million tonnes of saleable coal per annum.

As a leading low-cost coal producer in the global seaborne market, Yancoal's coal mining operations produce a mix of premium thermal, semi-soft coking, and pulverised coal injection ("PCI") coals, together with mid-to-high ash thermal coals. The Group's financial results are influenced by the interaction between the supply and demand for thermal and metallurgical coal. This in turn depends on macroeconomic trends, including regional and global economic activity, the price and availability of alternative forms of energy production as well as more localised supply impacts.

Our customers are located throughout the Asia-Pacific region with China, Japan, Taiwan and South Korea accounting for approximately 81% of our revenue from coal sales in the half-year ended 30 June 2026.

Thermal coal is primarily used in electricity generation and its end users are typically power and utilities companies. Metallurgical coal is primarily used to produce coke for blast furnace steel production and its end users are typically steel plants. We also sell coal to customers in the commodities trading business, who purchase the Group's coal for trading purposes or to on-sell to their end customers. Commodity traders are exposed to similar regional and global demand trends in the coal market.

The Group's export thermal coal is generally priced on either an index price or a fixed price. Generally, lower ash products are priced relative to the GlobalCOAL Newcastle ("GCNewc") index and higher ash products are priced relative to the Argus/McCloskey All Published Index 5 ("API5") index. Annual fixed price contracts are generally priced against the Japanese Power Utility Reference Price, which is the contract price agreed between major Australian suppliers and Japanese power utilities. The balance of our sales are spot sales priced relative to the market at their transaction date and mostly at fixed prices.

The Group's export metallurgical coal is either priced on a benchmark or spot price basis. Term contracts are generally priced against a benchmark pricing mechanism which is negotiated on a quarterly price basis between major Australian suppliers and Japanese steel mills. Spot sales are typically priced relative to the Platts Low Vol FOB Australia and Platts Semi-Soft FOB Australia indices or at fixed prices relative to the market at their transaction date.

During the period, all coal price indices increased from the prior period. Energy markets have been dynamic during this period with market participants weighing up geopolitical risk factors against supply and demand fundamentals. Higher Liquified Natural Gas (LNG) spot prices saw electricity generation switching from gas to coal producing stronger thermal coal demand from Japan, South Korea and Taiwan. A return to growth in China also supported thermal coal demand, while robust domestic production in India limited their thermal coal import demand. Supply remained strong, with minimal weather impacts on Australian coal production although most other major coal producing nations did record lower output.

The high-ash thermal coal market improved over the period with Chinese buyers restocking for summer in the second half of the period, and Vietnamese demand increasing on the back of strong economic growth and concerns of LNG availability. Continued uncertainty around Indonesian Government policy for production quotas and a centralised state-owned export intermediary has weighed on buyer sentiment.

The low-ash, high-calorific, GCNewc index price appreciated in the second half of the period with volatility correlating to the Middle East tensions. Increased demand in Japan, South Korea and Taiwan as coal-fired generation was favoured together with summer restocking in anticipation of hotter than normal weather supported pricing toward the end of the period.

In the metallurgical market, prices in all product categories saw an increase over the period. Tightness in supply from Australian weather conditions early in the period saw metallurgical prices rise. The Middle East conflict also impacted the metallurgical coal market with disrupted freight and higher diesel costs. Increased demand from China following the Shanxi mine accident, a strengthening steel market and stable demand for metallurgical coal kept the market steady towards the end of the period.

Yancoal actively responds to prevailing market conditions. To counter the anticipated short-term volatility in thermal coal price indices, we continue to optimise the product quality and volume we place into the market and actively seek to expand our customer base and sales to new markets.

It is currently expected that Australia's share of the world seaborne thermal coal supply market of approximately 21% in 2026, will increase to approximately 28% by 2050[5], and it will continue to play a critical role as a primary source of premium grade coals.

The Group's coal sales revenue is typically recognised on a Free on Board ("FOB") basis when coal is loaded at the load port in Australia.

The Group's overall average ex-mine selling price of coal increased by 3% from A$149 per tonne in 1H 2025 to A$154 per tonne in 1H 2026, mainly as a result of an increase in global USD coal prices with the weekly average GC Newc thermal coal index price increasing by US$24 per tonne (24%) during the same period; the weekly API5 coal index price increasing by US$16 per tonne (23%) during the same period; and the weekly average Platts semi-soft coking coal index price increasing by US$35 per tonne (31%) during the same period; partially offset by the Australian dollar strengthening against the US dollar by 11% from an average of 0.6340 in 1H 2025 to 0.7026 in 1H 2026.

Good weather conditions throughout much of the period enabled sites to deliver a strong operational performance with attributable saleable production during 1H 2026 up 5% on 1H 2025.

The Group's overall average cash operating costs per product tonne, excluding government royalties, increased from A$93 per tonne in1H 2025 to A$96 per tonne in 1H 2026. The increase was primarily due to the increase in diesel price and

[4] Includes Moolarben, MTW, HVO (jointly owned), Yarrabee and Ashton with Austar and Stratford Duralie on mine closure. Yancoal also jointly owns the Middlemount mine and operates the Cameby Downs and Premier Coal mines for its majority shareholder.
[5] Wood Mackenzie "Global Thermal Coal Strategic Outlook 2026"

increased maintenance spending together with other ongoing inflationary cost impacts, partially offset by lower demurrage costs and volume and productivity improvements.

Internally, management actions were directed by the Group's "Key Tasks" initiative that focused on 42 workstreams across the Group, overseen by the Board of Directors ("Board"). Operationally, the workstreams focus on sustainable improvements in key productivity drivers to deliver improved production rates across the year and to reduce operating costs.

The table below sets out the ROM and saleable production for each Yancoal owned mine on a 100% basis during the period.

	HALF-YEAR ENDED 30 JUNE		
	2026 MT	2025 MT	CHANGE (%)
ROM PRODUCTION			
Moolarben	10.7	11.2	(5%)
MTW	7.6	7.9	(3%)
HVO	9.2	9.0	2%
Yarrabee	1.5	1.5	(4%)
Ashton	1.7	0.8	115%
Middlemount	1.8	1.8	(1%)
Total - 100% basis	**32.5**	**32.2**	**1%**
SALEABLE PRODUCTION			
Moolarben	9.8	9.8	—%
MTW	5.4	5.5	(3%)
HVO	7.4	6.6	11%
Yarrabee	1.1	1.3	(13%)
Ashton	0.8	0.4	127%
Middlemount	1.3	1.3	—%
Total - 100% basis	**25.7**	**24.8**	**4%**

On a 100% basis, ROM coal production increased by 1% from 32.2Mt in 1H 2025 to 32.5Mt in 1H 2026. This included a 2% decrease in the three tier-one assets (being Moolarben, MTW and HVO) from 28.1Mt in 1H 2025 to 27.5Mt in 1H 2026.

Saleable coal production increased by 4% from 24.8Mt in 1H 2025 to 25.7Mt in 1H 2026. This included a 3% increase in the three tier-one assets from 21.9Mt in 1H 2025 to 22.5Mt in 1H 2026.

Moolarben's ROM coal production decreased by 0.5Mt (5%) while saleable coal production was stable at 9.8Mt. The decrease in ROM production was due to a 0.5Mt (6%) decrease from the open-cut operation primarily due to the timing of coal releases in the mine schedule with the open cut above target in the first half. The stable saleable coal production was primarily due to the decrease in ROM production being partially offset by a decrease in ROM stocks, increasing feed to the wash plant, together with an improved wash plant yield.

MTW's ROM coal production decreased by 0.3Mt (3%) and saleable coal production decreased by 0.1Mt (3%). The decrease in ROM production was primarily due to the timing of coal releases in the mine schedule with production above target in the first half. The decrease in saleable production was primarily due to the decrease in ROM production.

HVO's ROM coal production increased by 0.2Mt (2%) while saleable coal production increased by 0.7Mt (11%). The increase in ROM production was primarily due to the timing of coal releases coming forward into the first half due to above target overburden removal. The larger increase in saleable production was primarily due to the increase in ROM production together with a 0.7Mt increase in bypass coal resulting in a significant increase in effective yield.

Ashton's ROM production increased by 0.9Mt (115%) and saleable coal production increased by 0.4Mt (127%). The increase in ROM production was primarily attributable to continuous longwall operations throughout most of the period with no longwall relocations compared to the prior period that included the impacts of two longwall relocations and a narrower longwall panel. The increase in saleable production was primarily due to the increase in ROM production.

On 3 October 2025, the Company completed the purchase of an additional 3.75% interest in the Moolarben Joint Venture, increasing the Group's interest to 98.75% from that date.

The table below sets out the Group's equity interest in the saleable production for each Yancoal owned mine that contributed to the financial results of the Group for the half-years ended 30 June 2026 and 30 June 2025.

		HALF-YEAR ENDED 30 JUNE		
	OWNERSHIP %[6]	2026 MT	2025 MT	CHANGE (%)
SALEABLE PRODUCTION				
Moolarben	98.75	9.7	9.3	5%
MTW	83.6	4.5	4.6	(3%)
HVO	51	3.7	3.4	10%
Yarrabee	100	1.1	1.3	(13%)
Ashton	100	0.8	0.4	128%
Attributable		**19.8**	**18.9**	**5%**
Middlemount (equity-accounted)	~50	0.6	0.6	—%
Total - equity basis		**20.4**	**19.5**	**5%**
Thermal		16.7	15.7	6%
Metallurgical		3.7	3.8	(3%)
		20.4	**19.5**	**5%**

The Group's attributable saleable coal production, excluding Middlemount, increased by 5% from 18.9Mt in 1H 2025 to 19.8Mt in 1H 2026, and including Middlemount, increased by 5% from 19.5Mt in 1H 2025 to 20.4Mt in 1H 2026.

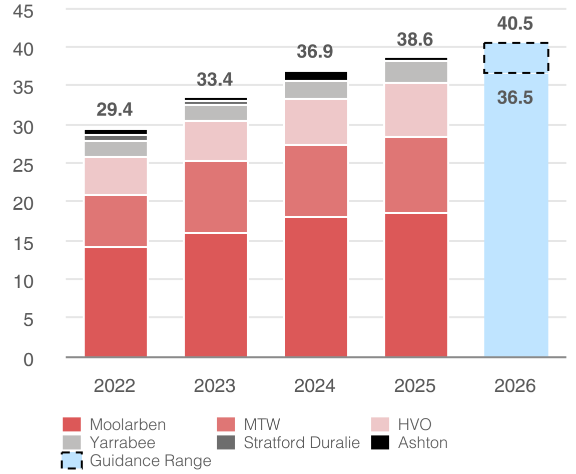
The attributable saleable production contribution of the Group's tier-one assets was 90% in 1H 2026, a decrease from 92% in 1H 2025.

Thermal coal saleable production increased by 6% from 15.7Mt in 1H 2025 to 16.7Mt in 1H 2026 and metallurgical coal saleable production decreased by 3% from 3.8Mt in 1H 2025 to 3.7Mt in 1H 2026. Thermal coal represented 82% of total saleable coal production in 1H 2026, an increase from 80% in 1H 2025.

[6] Ownership percentage stated as at 30 June 2026.

The chart below shows the longer-term trend in the Group's attributable saleable production.

ATTRIBUTABLE SALEABLE PRODUCTION (MT)



In 2022, saleable production was 29.4Mt, impacted by the continued severe and persistent wet weather encountered in NSW and Queensland and the impacts from labour availability including the escalation of COVID-19 throughout the first half of the year.

In 2023 and 2024, the site recovery plans, aided by generally improved weather conditions, enabled a return to "steady state" conditions that progressively delivered increased saleable production.

In 2025, the Group achieved record attributable saleable production of 38.6Mt as sites delivered on productivity improvements together with 0.2Mt being contributed by the additional 3.75% interest in Moolarben from 3 October 2025.

The Group's attributable saleable production guidance for the current full year is between 36.5Mt and 40.5Mt. Attributable saleable production for 1H 2026 was 19.8Mt, above the annualised mid-point of the guidance range.

The key risks affecting the Group's operations and where applicable, the strategies and measures taken to manage these risks, are detailed in the Corporate Governance Statement included in the Annual Report for the year ended 31 December 2025.

HEALTH AND SAFETY

Yancoal remains committed to operating safely and transparently to achieve its objective of zero harm to our employees and contractors. Yancoal operates its mines to meet legislative and safety standards and aims to be an industry leader in this aspect of its business.

Under the direction of the Board and the Health, Safety, Environment and Community ("HSEC") Committee, Yancoal utilises Core Hazard and Critical Controls across all operations, identifying critical hazards within the workplace and instituting appropriate controls. These controls are regularly verified to ensure that they are operating as intended for our people's safety.

12-MONTH ROLLING TRIFR

Our 12-month rolling TRIFR[7] at 30 June 2026 was 6.64, representing an increase from 6.14 at 31 December 2025.

Although still below the comparable industry weighted average of 9.23, it shows a need to refocus on improving our safety performance through further targeted safety intervention activities.

During the period, stages three and four of the four-year, four stage Mental Health Programme continued.

SUSTAINABILITY

Detailed commentary on sustainability governance, reporting, emissions and the Safeguard Mechanism is included in the Sustainability Report included in the Annual Report for the year ended 31 December 2025.

During the period, management commenced work on developing a Climate Transition Action Plan to strengthen climate resilience and support the Yancoal P4 Sustainability Strategy.

Management is also developing its Scope 3 calculation methodologies and data collection processes ahead of mandatory disclosure in the 2026 Sustainability Report.

The Group's 2025 P4 Report was published in April 2026 and provides an annual update on sustainability activities including progress in delivering the Company's P4 Sustainability Strategy The report is available on the Company's website.

ENVIRONMENT

Yancoal's operations are subject to environmental approvals and licences. To support compliance with these regulatory obligations, and to meet the requirements of Yancoal's management directives, Yancoal has implemented a range of environmental compliance systems, processes and practices. These are subject to ongoing review and are periodically audited by third parties to provide "third line" assurance to the Board and the HSEC Committee regarding both systems and performance.

Yancoal's Independent Environmental Assurance Audit ("IEAA") program is designed to assess the risks associated with key environmental aspects at each operation. During the

[7] TRIFR includes Moolarben, MTW, Stratford Duralie, Yarrabee, Ashton, Donaldson, Austar and the Corporate offices; it excludes HVO and Middlemount (not operated by Yancoal). The weighted average industry TRIFR combines proportional components from the relevant New South Wales and Queensland Industry references.

period an audit was completed at the managed Cameby Downs mines. The level of environmental management demonstrated by this site has been found to be effective, with some "opportunities for improvement" identified to improve environmental performance further.

SOCIAL

Yancoal seeks to make a positive contribution to the communities in which it operates. Yancoal is progressing the roll-out of its 2026 Community Support Program (CSP), which contributes funds to environmental, education, arts, culture and community initiatives. The Yancoal CSP is a two-tier programme, with larger Tier-1 programmes being managed by the corporate team, and local/regional initiatives managed by sites and directed into local communities.

Yancoal also works with its community stakeholders, utilising community consultative committees, local newsletters, local media, community days and site-specific websites to ensure communities are engaged and informed of relevant matters related to nearby operations.

Yancoal's Code of Conduct and Anti-Corruption and Sanctions Policy set out the Group's requirements and expectations for all employees and suppliers, including the requirement to act ethically at all times. Further details including related policies are set out in the Corporate Governance Statement of this report.

Yancoal is required to submit an annual modern slavery statement under the *Modern Slavery Act 2018 (Cth)* and has developed procedures aimed at identifying and minimising the risk of modern slavery in its operations and supply chains. The modern slavery statements are available on the Company's website.

WATER MANAGEMENT

Diligent management of pre and post wet weather events coupled with site-wide water management controls are essential elements in the performance of open cut coal mines. While large quantities of water are required for the processing of ROM coal in the wash plant and for dust control on haul roads, too much water, through sudden or prolonged rainfall events, can result in flooding, suspension of operations or unlicensed discharges into local rivers, potentially causing environmental harm. Sites construct and maintain water management infrastructure including sedimentation and storage dams for holding and segregating clean and mine affected water.

The Group developed, implemented and embedded wet weather mitigation measures following the severe wet weather events experienced in 2021 and 2022. These measures together with additional pumping and water storage capacity and improved operational wet weather preparedness and mine plan adaptations continue to mitigate the potential impacts of adverse weather events, with no reductions in production volumes experienced during the period.

FINANCIAL RESULTS REVIEW

RESULTS FOR THE HALF-YEAR ENDED 30 JUNE 2026

For the management discussion and analysis, the Group's operating results for the half-year ended 30 June 2026 are compared with the operating results for the half-year ended 30 June 2025.

All financial numbers included below, and in the commentary to follow, are stated in Australian dollars (A$ or $) unless otherwise stated.

	HALF-YEAR ENDED 30 JUNE						
	2026			2025			
	IFRS REPORTED $M	NON-OPERATING $M	OPERATING $M	IFRS REPORTED $M	NON-OPERATING $M	OPERATING $M	CHANGE %
Revenue	**3,024**	**149**	**3,173**	**2,675**	**(52)**	**2,623**	**21%**
Other income	16	(3)	13	31	(26)	5	160%
Changes in inventories of finished goods and work in progress	(47)	—	(47)	128	—	128	(137%)
Raw materials and consumables	(714)	—	(714)	(604)	—	(604)	18%
Employee benefits	(433)	—	(433)	(409)	—	(409)	6%
Transportation	(427)	—	(427)	(402)	—	(402)	6%
Contractual services and plant hire	(288)	—	(288)	(292)	—	(292)	(1%)
Government royalties	(318)	—	(318)	(262)	—	(262)	21%
Coal purchases	(72)	—	(72)	(63)	—	(63)	14%
Other operating expenses	(158)	50	(108)	(160)	30	(130)	(17%)
Share of (loss) / profit of equity-accounted investees, net of tax	(61)	49	(12)	1	—	1	(1300%)
EBITDA	**522**	**245**	**767**	**643**	**(48)**	**595**	**29%**
EBITDA %	***17 %***	**–**	***24 %***	***24 %***	**–**	***23 %***	
Depreciation and amortisation	(442)	—	(442)	(383)	—	(383)	15%
EBIT	**80**	**245**	**325**	**260**	**(48)**	**212**	**53%**
EBIT %	***3 %***	**–**	***10 %***	***10 %***	**–**	***8 %***	
Net finance (cost) / income [8]	(24)	27	3	(21)	40	19	(84%)
Non-operating items	—	(272)	(272)	—	8	8	
Profit before income tax	**56**	**—**	**56**	**239**	**—**	**239**	**(77%)**
Profit before income tax %	***2 %***	**–**	***2 %***	***9 %***	**–**	***9 %***	
Income tax expense	(39)	—	(39)	(76)	—	(76)	(49%)
Profit after income tax	**17**	**—**	**17**	**163**	**—**	**163**	**(90%)**
Profit after income tax %	***1 %***	**–**	***1 %***	***6 %***	**–**	***6 %***	
Attributable to:							
- Owners of Yancoal	17	—	17	163	—	163	(90%)
- Non-controlling interests	—	—	—	—	—	—	—%
Profit per share attributable to the ordinary equity holders of the Company							
Basic profit per share (cents)	1.3	—	1.3	12.4	—	12.4	(90%)
Diluted profit per share (cents)	1.3	—	1.3	12.4	—	12.4	(90%)

To supplement the Group's consolidated financial statements, which are presented in accordance with International Financial Reporting Standards ("IFRSs"), the Group also uses adjusted Operating EBITDA and Operating EBIT as additional financial measures, as set out in the table above, which are unaudited and not required by or presented in accordance with, IFRSs. These financial measures are presented because they are used by management to evaluate the Group's financial performance. These non-IFRS measures provide additional information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as they help management compare the financial results across accounting periods with those of our peer companies, by removing one-off or non-operating items.

As presented by the management, Operating EBITDA represents profit before income tax for the half-year as adjusted for net finance (cost) / income, depreciation and amortisation and any significant non-operating items, while Operating EBIT represents profit before income tax as adjusted for net finance (cost) / income and any significant non-operating items.

[8] Includes the reclassification of interest income of $39 million (1H 2025: $52 million) from revenue to net finance (cost) / income and bank fees and other charges of $12 million (1H 2025: $12 million) from other operating expenses to net finance (cost) / income as these amounts are excluded from operating EBITDA.

PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Profit after income tax decreased by 90% from $163 million in 1H 2025 to $17 million in 1H 2026 and was fully attributable to the owners of Yancoal with no non-controlling interests.

Profit attributable to the owners of Yancoal of $17 million was impacted by a number of non-operating items in 1H 2026. These totalled a net loss before tax impact of $272 million comprising a $188 million fair value loss recycled from the hedge reserve, a $49 million impairment recognised for Middlemount, $20 million of contingent royalty payments together with a $3 million contingent royalty remeasurement gain and an $18 million royalty receivable remeasurement loss. These are discussed in more detail separately in the section "Overview of non-operating items" below and have been excluded from the operating commentary.

OVERVIEW OF OPERATING RESULTS

The analysis in this section includes ex-mine sales tonnes, saleable production and ex-mine revenue comprising (i) 98.75% of the Moolarben unincorporated joint venture; (ii) 83.6% of the combined unincorporated Mount Thorley and Warkworth joint ventures (MTW); (iii) 51% of the unincorporated HVO joint venture; and (iv) 100% of Yarrabee and Ashton[9].

The operating results of Middlemount are excluded from the line-by-line operational commentary below as its operating loss after tax of $31 million (1H 2025: $15 million loss), as an incorporated equity accounted investment, is included in share of (loss) / profits of equity accounted investees, net of tax in the statement of profit and loss and is discussed separately below.

On 3 October 2025, the Company completed the purchase of an additional 3.75% interest in the Moolarben Joint Venture, increasing the Group's interest to 98.75% from that date.

REVENUE

	HALF-YEAR ENDED 30 JUNE		
	2026 $M	2025 $M	CHANGE (%)
Ex-mine coal sales[10]	3,058	2,479	23%
Sale of purchased coal	40	73	(45%)
Other	6	6	—%
Sale of coal	**3,104**	**2,558**	**21%**
Sea freight	42	39	8%
Royalty revenue	13	13	—%
Other	14	13	8%
Revenue	**3,173**	**2,623**	**21%**

Total revenue increased by 21% from $2,623 million in 1H 2025 to $3,173 million in 1H 2026 primarily due to a 21% increase in coal sales revenue from $2,558 million in 1H 2025 to $3,104 million in 1H 2026.

With respect to the increase in coal sales revenue, the key factors were:

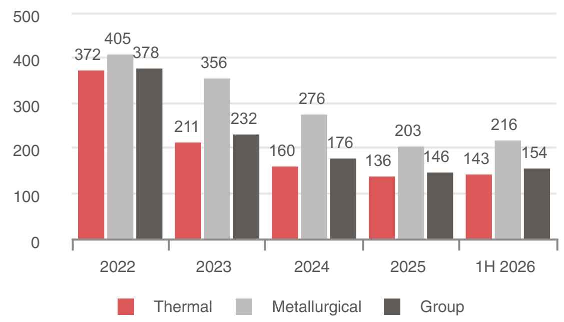
	HALF-YEAR ENDED 30 JUNE		
	2026	2025	CHANGE (%)
THERMAL COAL			
Average selling price (A$ per tonne)	143	138	4%
Sales volume (Mt)	16.8	13.8	22%
% of total ex-mine sales volume	85 %	83 %	2%
Total ex-mine thermal coal revenue (A$ million)	**2,396**	**1,903**	**26%**
METALLURGICAL COAL			
Average selling price (A$ per tonne)	216	207	4%
Sales volume (Mt)	3.1	2.8	11%
% of total ex-mine sales volume	15 %	17 %	(12%)
Total ex-mine metallurgical coal revenue (A$ million)	**662**	**576**	**15%**
TOTAL COAL			
Average selling price (A$ per tonne)	154	149	3%
Total ex-mine sales volume (Mt)	19.8	16.6	20%
Total ex-mine coal revenue (A$ million)	**3,058**	**2,479**	**23%**

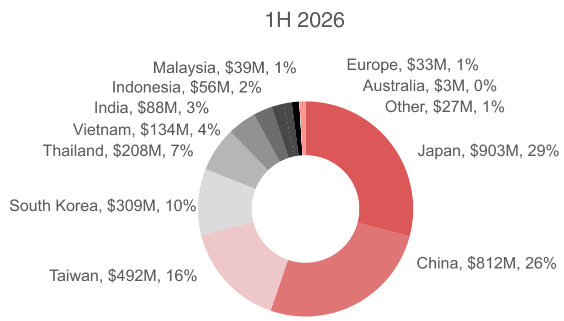
- The Group's overall average ex-mine selling price of coal increased by 3% from A$149 per tonne in 1H 2025 to A$154 per tonne in 1H 2026 mainly as a result of an increase in global USD coal prices with the weekly average GCNewc thermal coal index price increasing by US$24 per tonne (24%) during the same period; the weekly API5 coal index price increasing by US$16 per tonne (23%) during the same period; and the weekly average Platts semi-soft coking coal index price increasing by US$35 per tonne (31%) during the same period; partially offset by the Australian dollar strengthening against the US dollar by 11% from an average of 0.6340 in 1H 2025 to 0.7026 in 1H 2026.
- The Group's average selling price of thermal coal increased from A$138 per tonne to A$143 per tonne and metallurgical coal increased from A$207 per tonne to A$216 per tonne.
- The Group's ex-mine sales volume increased by 20% from 16.6Mt in 1H 2025 to 19.8Mt in 1H 2026 in contrast to the 5% increase in attributable saleable production during the same period. This was primarily due to the rail network outages and restricted vessel movements at the Port of Newcastle late in 1H 2025 that reduced sales volumes and increased period end stockpiles at NSW sites and the port.
- A 45% decrease in the net revenue impact from the sale of purchased coal from $73 million in 1H 2025 to $40 million in 1H 2026. This amount includes (i) the sale of externally purchased coal to customers; and (ii) the sale of internally purchased coal to meet corporate sales made under a long-term fixed price contract acquired as part of the Coal & Allied acquisition. The higher coal prices during the period effectively increased the negative impact of the fixed price contract on the Group's consolidated revenue.

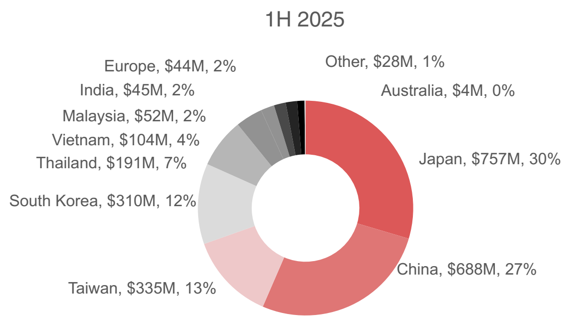
[9] Ownership percentages stated as at 30 June 2026.
[10] Ex-mine coal sales include only coal that has been produced at one of the Group's mines adjusted for any estimated material provisional pricing. It excludes the sale of coal that has been purchased from third parties.

The charts below show the longer-term trend in the Group's average realised A$ selling price and the split of coal sales revenue by end user destination.

AVERAGE A$ SELLING PRICE







Other include: Chile and Cambodia
(1H 2025: Chile and Indonesia)

Sales revenue by destination, as a percentage of total coal sales revenue, remained consistent between periods.

Sales revenue to Japan, South Korea and Taiwan, remained stable at 55%.

Sales revenue to China decreased marginally from 27% in 1H 2025 to 26% in 1H 2026.

Sales revenue to Thailand and Vietnam remained stable at 7% and 4%, respectively.

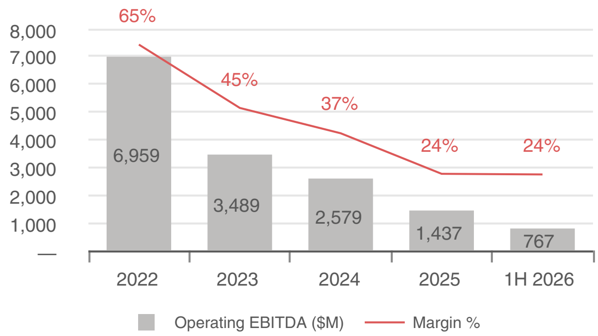
Sales revenue to other countries increased marginally from 7% in 1H 2025 to 8% in 1H 2026.

OPERATING EBITDA AND OPERATING EBITDA MARGIN

Operating EBITDA increased by 29% from $595 million in 1H 2025 to $767 million in 1H 2026. The $172 million increase was primarily due to (i) the $550 million 21% increase in revenue, noted above; (ii) an $8 million increase in other income; (iii) a $175 million relative decrease in inventory movement; (iv) a $189 million increase in costs; (v) a $9 million increase in coal purchases; and (vi) a $13 million decrease in equity accounted profit. Operating EBITDA margin as a percentage of operating revenue increased from 23% in 1H 2025 to 24% in 1H 2026.

The chart below shows the longer-term trend in the Group's Operating EBITDA and Operating EBITDA margin.

OPERATING EBITDA



OTHER INCOME

	HALF-YEAR ENDED 30 JUNE		
	2026 $M	2025 $M	CHANGE (%)
Rehabilitation provision decrease	11	—	—%
Sundry income	2	5	(60%)
Other income	**13**	**5**	**160%**

Other income increased from $5 million in 1H 2025 to $13 million in 1H 2026 and included an $11 million decrease in the Stratford Duralie rehabilitation provision based on the updated closure cost estimate.

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Changes in inventories of finished goods and work in progress changed from a net increase in inventory of $128 million in 1H 2025 to a net decrease in inventory of $47 million in 1H 2026. The significant increase in inventory in the prior period was primarily due to rail network outages and restricted vessel movements at the Port of Newcastle at the end of the period that resulted in a significant backlog of coal through the supply chain.

PRODUCTION COSTS

All-in total production costs include cash and non-cash operating costs, representing costs directly attributable to the production, transportation and selling of coal by our operating mines, but excludes care and maintenance costs, closure costs, including redundancy provisions, and non-cash changes in rehabilitation provisions. It also includes indirect corporate costs, in particular, corporate employee costs, but excludes corporate transaction costs. Cash operating costs comprise the cost of raw materials and consumables used, employee benefits, contractual services and plant hire, transportation and other operating expenses. Non-cash operating costs include depreciation and amortisation.

PER EX-MINE SALES TONNE

	HALF-YEAR ENDED 30 JUNE	
	2026	2025
	$/T	$/T
CASH OPERATING COSTS		
Raw materials and consumables used	36	36
Employee benefits	21	25
Transportation	20	22
Contractual services and plant hire	14	17
Other operating expenses	5	5
Cash operating costs (excluding royalties)	**96**	**105**
Royalties	16	16
Cash operating costs	**112**	**121**
NON-CASH OPERATING COSTS		
Depreciation and amortisation	22	20
Total production costs	**134**	**141**
Total production costs (excluding royalties)	**118**	**125**

The table above is prepared on a cost per sales tonne basis. Over a financial period, ex-mine sales tonnes and saleable production are not necessarily aligned due to changes in coal inventories, as was particularly the case during 1H 2025. The table below has been restated on a per saleable production tonne basis to remove the impact of inventory movements and more accurately represent the cost of production during the period. Royalties have been removed as these are based on sales revenue and are driven by ex-mine sales tonnes.

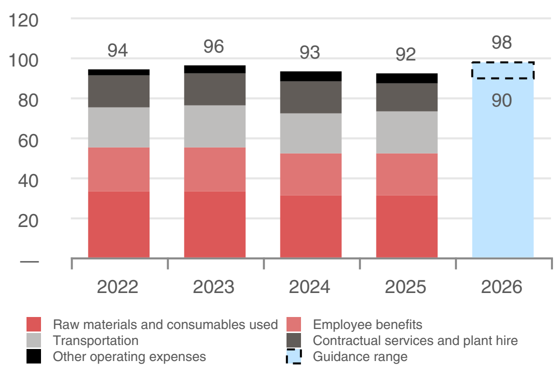
PER SALEABLE PRODUCTION TONNE

	HALF-YEAR ENDED 30 JUNE	
	2026	2025
	$/T	$/T
CASH OPERATING COSTS		
Raw materials and consumables used	36	32
Employee benefits	21	22
Transportation	20	19
Contractual services and plant hire	14	15
Other operating expenses	5	5
Cash operating costs (excluding royalties)	**96**	**93**
NON-CASH OPERATING COSTS		
Depreciation and amortisation	22	20
Total production costs (excluding royalties)	**118**	**113**

The Group's cash operating costs, after capitalised development, per saleable tonne increased by $3/t from $93/t in 1H 2025 to $96/t in 1H 2026. The key drivers of the increase was the increase in the diesel price and increased maintenance spend together with other ongoing inflationary cost impacts, partially offset by lower demurrage costs and volume and productivity improvements.

The chart below shows the longer-term trend in the Group's full year cash operating costs per product tonne.

CASH OPERATING COSTS PER PRODUCT TONNE (A$)



In 2022, cash operating costs were $94/t including the impact of (i) a 20% decrease in production volumes primarily impacted by the severe and ongoing wet weather and labour shortages including COVID-19; (ii) incurring additional preventative and remediation costs with respect to water management, including pumping and pit design; (iii) inflationary cost increases including labour, diesel, explosives, equipment parts and electricity; and (iv) increases in NCIG port costs following the introduction of an additional coal price linked toll charge from 1 July 2022.

In 2023, cash operating costs increased to $96/t, comprising first half costs of $109/t, as the site recovery plans sought to arrest the cost increases in 2022, before those plans began to deliver improved production volumes in the second half, driving costs down to $86/t in the second half.

Across 2024 and 2025, cash operating costs decreased to $92/t as the site recovery plans progressively returned the sites to "steady state" operations, with improved volumes and productivity improvements offsetting ongoing inflationary cost pressures.

The Group's cash operating cost guidance for the current full year is $90/t - $98/t with costs likely to be in the upper half.

RAW MATERIALS AND CONSUMABLES USED

Raw materials and consumables used increased by 18% from $604 million in 1H 2025 to $714 million in 1H 2026, primarily due to a 5% increase in attributable saleable production together with a $58 million increase due to the increase in the diesel price and a $43 million increase in maintenance spending primarily due to the timing of scheduled maintenance. This contributed to an increase in per saleable product tonne raw materials and consumables used from $32 to $36 over the same period.

EMPLOYEE BENEFITS

Employee benefits expense increased by 6% from $409 million in 1H 2025 to $433 million in 1H 2026 primarily due to (i) wage and salary inflation; (ii) a $5 million increase in statutory superannuation contributions; and (iii) a $4 million increase in redundancy provisions related to Ashton; partially offset by (i) an $11 million decrease in share based payments; and (ii) production efficiencies from the higher volumes. This contributed to a decrease in per saleable product tonne employee benefits from $22 to $21 over the same period.

TRANSPORTATION

Transportation costs increased by 6% from $402 million in 1H 2025 to $427 million in 1H 2026 including a $14 million decrease in demurrage costs resulting from the extended vessel queue off the Port of Newcastle in the prior period. Excluding the decrease in demurrage, transportation costs increased by $39 million, representing a 10% increase. The attributable sales volume increased by 20% over the same period with the long-term take or pay arrangements for rail and port in-part moderating the volume impact. However, both general inflationary cost increases as well as above rail (train) diesel cost increases were incurred during the period. This contributed to an increase in per saleable product tonne transportation costs from $19 to $20 over the same period.

CONTRACTUAL SERVICES AND PLANT HIRE

Contractual services and plant hire expenses decreased by 1% from $292 million in 1H 2025 to $288 million in 1H 2026 and included $7 million of transaction costs (1H 2025: $4 million). This contributed to a decrease in per saleable product tonne contractual service and plant hire costs from $15 to $14 over the same period.

GOVERNMENT ROYALTIES

Government royalty expenses increased by 21% from $262 million in 1H 2025 to $318 million in 1H 2026, primarily due to the 23% increase in ex-mine coal sales revenue. Royalties are determined on an ad valorem basis by reference to the value of coal sold, the type of mine and the State the mine is in and are payable to the appropriate State government. This contributed to a consistent per ex-mine sales tonne government royalties of $16 over the same period.

COAL PURCHASES

Coal purchases increased by 14% from $63 million in 1H 2025 to $72 million in 1H 2026 and represents the equivalent of 2% of ex-mine coal sales revenue. External coal purchases are utilised to meet contractual commitments and optimise blending opportunities, adding value through market arbitrage opportunities in the process.

OTHER OPERATING EXPENSES

Other operating expenses decreased by 17% from $130 million in 1H 2025 to $108 million in 1H 2026 and included a $7 million net loss on foreign exchange recognised primarily on holding US dollar cash balances as the Australian dollar strengthened during the period (1H 2025: net loss $30 million). Excluding this loss, other operating expenses decreased by $4 million, and included a $5 million increase in Safeguard Mechanism expenses, partially offset by a $4 million decrease in rates and other levies. The per saleable product tonne other operating expenses remained flat at $5 over the same period.

SHARE OF (LOSS) / PROFIT OF EQUITY-ACCOUNTED INVESTEES, NET OF TAX

Share of (loss) / profit of equity-accounted investees, net of tax moved from a net profit of $1 million in 1H 2025 to a net loss of $12 million in 1H 2026 primarily due to the increased loss after tax performance of the incorporated Middlemount joint venture impacted by increasing costs, including diesel.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation expenses increased by 15% from $383 million in 1H 2025 to $442 million in 1H 2026 primarily due to the impact of a 3% increase in attributable ROM production that included a 28% increase in underground attributable ROM production, that typically carries a higher depreciation rate. Per saleable production tonne depreciation and amortisation costs increased from $20 to $22 over the same period.

OPERATING EBIT AND OPERATING EBIT MARGIN

Operating EBIT increased by 53% from $212 million in 1H 2025 to $325 million in 1H 2026 primarily due to a 29% increase in Operating EBITDA partially offset by a 15% increase in depreciation and amortisation as noted above. Operating EBIT margin as a percentage of operating revenue increased from 8% in 1H 2025 to 10% in 1H 2026.

NET FINANCE (COST) / INCOME

Net finance income decreased by 84% from $19 million in 1H 2025 to $3 million in 1H 2026.

Interest expense and bank fees and charges increased by 9% from $33 million in 1H 2025 to $36 million in 1H 2026 primarily due to a $5 million increase in the unwind of discount on provisions.

Interest income decreased by 25% from $52 million in 1H 2025 to $39 million in 1H 2026 primarily due to a decrease in the cash balance held during the period.

OPERATING PROFIT BEFORE INCOME TAX AND PROFIT BEFORE INCOME TAX MARGIN

As a result of the aforementioned reasons, operating profit before income tax increased from a profit of $231 million in 1H 2025 to a profit of $328 million in 1H 2026. Operating profit before income tax margin as a percentage of operating revenue increased from 9% to 10% over the same period.

PROFIT BEFORE INCOME TAX AND PROFIT BEFORE INCOME TAX MARGIN

As a result of the aforementioned reasons, and the non-operating items discussed below, profit before income tax decreased by 77% from $239 million in 1H 2025 to $56 million in 1H 2026. Profit before income tax margin as a percentage of operating revenue decreased from 9% to 2% over the same period.

INCOME TAX EXPENSE

Income tax expense decreased from $76 million in 1H 2025 to $39 million in 1H 2026. The effective tax rate was 31.8% and 69.6% in the same periods, respectively, compared to the Australian corporate income tax rate of 30%. In 1H 2026, the higher effective tax rate was primarily due to the relatively large non-taxable equity-accounted loss of $61 million in comparison to the profit before tax of $56 million, and adjustments related to prior year tax provision estimates. In 1H 2025, the higher effective tax rate was primarily due to adjustments related to prior year tax provision estimates.

PROFIT AFTER INCOME TAX AND PROFIT AFTER INCOME TAX MARGIN

As a result of the aforementioned reasons profit after income tax decreased by 90% from $163 million in 1H 2025 to $17 million in 1H 2026. Profit after income tax margin as a percentage of operating revenue decreased from 6% to 1% over the same period.

PROFIT PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY

Basic earnings per share decreased by 90% from 12.4 cents per share in 1H 2025 to 1.3 cents per share in 1H 2026 and diluted earnings per share decreased by 90% from 12.4 cents per share in 1H 2025 to 1.3 cents per share in 1H 2026 primarily due to the aforementioned profit after income tax with no change in the number of ordinary shares on issue. The basic and diluted earnings per share are impacted by the number of treasury shares[11] held on behalf of the Company and the diluted earnings per share is impacted by the rights on issue to senior management.

OVERVIEW OF NON-OPERATING ITEMS

Non-operating items in the half-year ended 30 June 2026 and 30 June 2025 included the following:

	HALF-YEAR ENDED 30 JUNE	
	2026	2025
	$M	$M
NON-OPERATING ITEMS		
Fair value losses recycled from hedge reserve	(188)	—
Equity accounted investee impairment	(49)	—
Contingent royalty expense	(20)	(18)
Re-measurement of royalty receivable	(18)	2
Re-measurement of contingent royalty	3	24
(Loss) / Profit before tax impact	**(272)**	**8**

Fair value losses recycled from the hedge reserve of $188 million (2025: nil) represent retranslation losses on the Group's US dollar-denominated loans which are attributable to changes in USD:AUD foreign exchange rates. Under the Group's natural hedge policy, such losses are recycled to the statement of profit and loss during the year of the scheduled loan maturity dates. The amount of any fair value loss or gain recycled from the hedge reserve in a period is a function of the amount of the hedged US dollar loan scheduled to mature in that period and the respective USD:AUD exchange rates at the time the hedge was put in place and at the time the loan matured.

Middlemount's equity-accounted loss after tax of $80 million included an impairment loss of $49 million based on an assessment that the recoverable amount was below the book value. Management consider this amount to be non-operating in nature.

Contingent royalty expense of $20 million (1H 2025: $18 million) relates to the contingent coal price-linked royalty payable to Rio Tinto for the half-year ended 30 June 2026, as part of the purchase consideration on the Coal & Allied acquisition, due to the GlobalCOAL Newcastle quarterly index price being above the 2026 threshold price for both quarters.

Re-measurement of the royalty receivable down by $18 million (1H 2025: up by $2 million) relates to the change in the estimated fair value of the Group's Middlemount royalty receivable recognised on its right to receive a royalty of 4% of Free on Board Trimmed Sales on 100% of the Middlemount mine coal sales.

Re-measurement of the contingent royalty provision down by $3 million (1H 2025: $24 million) represents a decrease in the provision recognised on the Coal & Allied acquisition with respect to the contingent coal price-linked royalty potentially payable to Rio Tinto for the remaining period from 1 July 2026 to 31 August 2030.

CASH FLOW ANALYSIS

	HALF-YEAR ENDED 30 JUNE		
	2026	2025	CHANGE
	$M	$M	$M
Net operating cash flows	462	473	(11)
Net investing cash flows	(306)	(400)	94
Net financing cash flows	(184)	(713)	529
Net decrease in cash	**(28)**	**(640)**	**612**

NET OPERATING CASH FLOWS

Net operating cash inflows decreased by $11 million (2%) to $462 million primarily due to (i) a $117 million decrease in net receipts from customers over payments to suppliers largely reflecting the movements in trade receivables and payables offset by a $109 million decrease in tax payments.

NET INVESTING CASH FLOWS

Net investing cash outflows decreased by $94 million (24%) to $306 million due to a $153 million decrease in capital expenditure partially offset by the US$40 million (A$56 million) deposit paid on execution of the Kestrel acquisition.

NET FINANCING CASH FLOWS

Net financing cash outflows decreased by $529 million (74%) to $184 million, as set out in the table below.

	HALF-YEAR ENDED 30 JUNE		
	2026	2025	CHANGE
	$M	$M	$M
Dividends paid	(161)	(687)	526
Lease payments	(23)	(26)	3
Net financing cash flows	**(184)**	**(713)**	**529**

In 1H 2026 the net financing cash outflow included (i) a $161 million dividend payment being the settlement of the 2025 final declared dividend; and (ii) $23 million of lease repayments. In 1H 2025, the net financing cash outflow included (i) a $687 million dividend payment being the settlement of the 2024 final declared dividend; and (ii) $26 million of lease repayments.

FINANCIAL RESOURCES AND LIQUIDITY

	30 JUNE 2026	31 DECEMBER 2025	CHANGE
	$M	$M	$M
Current assets	3,218	3,218	—
Current liabilities	(1,172)	(1,390)	218
Net current assets	**2,046**	**1,828**	**218**
Total assets	11,990	12,205	(215)
Total liabilities	(2,969)	(3,172)	203
Total equity	**9,021**	**9,033**	**(12)**

Current assets remained flat at $3,218 million at 30 June 2026 primarily due to an increase in trade and other receivables of $120 million; partially offset by (i) a decrease in cash and cash equivalents of $33 million; and (ii) a decrease in inventory of $70 million.

[11] The purchase of shares by a trustee for settlement of awards under the equity incentive plan of the Company are referred to as "treasury shares" in the Company's interim financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares as defined under the HK Listing Rules.

Current liabilities decreased by $218 million to $1,172 million at 30 June 2026, primarily due to (i) a $121 million decrease in trade and other payables; (ii) a $39 million decrease in the current tax liability payable to the Australian Tax Office; and (iii) a $52 million decrease in current provisions.

Total assets decreased by $215 million to $11,990 million at 30 June 2026 primarily due to (i) a $47 million decrease in property, plant and equipment; (ii) a $126 million decrease in mining tenements primarily due to amortisation in the period; (iii) a $68 million decrease in interest in other entities including the $49 million Middlemount impairment.

Total liabilities decreased by $203 million to $2,969 million at 30 June 2026 primarily due to the aforementioned decrease in current liabilities of $218 million partially offset by an $37 million increase in non-current provisions.

Total equity decreased by $12 million to $9,021 million at 30 June 2026 mainly reflecting (i) the $17 million profit after tax for the half year; and (ii) the $132 million hedge reserve (net of tax) release; offset by the $161 million dividend paid out of retained earnings.

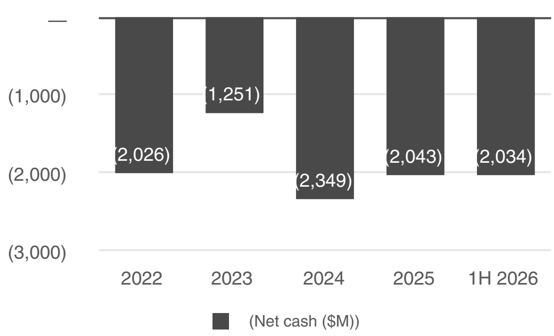
The Group's primary sources of liquidity was its opening cash position of $2,127 million and operating cash flows that contributed $462 million in the half-year ended 30 June 2026. The Group's sources of liquidity enabled the payment for investing activities of $306 million and financing activities of $184 million.

For the year ahead, the primary source of liquidity is expected to continue to be operating cash flows for ongoing business and potentially additional interest-bearing liabilities or new equity for any possible transactions. Historically, the Group's primary sources of liquidity have consisted of operating cash flows, interest-bearing liabilities, including shareholder loans, and new equity.

The Group's capital structure is set out in the table below.

	30 JUNE 2026 $M	31 DECEMBER 2025 $M	CHANGE $M
Interest-bearing liabilities	60	84	(24)
Less: cash and cash equivalents	(2,094)	(2,127)	33
Net (cash) / debt	**(2,034)**	**(2,043)**	**9**
Total equity	9,021	9,033	(12)
Net debt + total equity	**6,987**	**6,990**	**(3)**

NET DEBT AND GEARING



The Group's objective when managing its capital structure is to provide capital towards sustaining capital expenditure, pay down interest-bearing liabilities to a supportable level whilst providing dividends to equity holders and pursuing organic and inorganic expansion opportunities when appropriate.

The Group's net cash position at 30 June 2026 was $2,034 million, a decrease from $2,043 million at 31 December 2025. With the Group in a net cash position its gearing ratio, which is defined as net debt (being interest-bearing liabilities less cash and cash equivalents) divided by the sum of net debt and total equity, is effectively nil.

The Group's interest-bearing liabilities includes lease liabilities of A$60 million (31 December 2025: A$84 million) denominated in Australian and US dollars.

The Group's cash and cash equivalents include A$1,036 million (31 December 2025: A$1,467 million) and US$727 million (31 December 2025: US$442 million).

While the Group operates entirely in Australia[12], and its costs are primarily denominated in its functional currency, the Australian dollar, foreign currency exposure arises particularly in relation to coal supply contracts, which generally are priced and payable in US dollars, procurement of diesel and imported plant and equipment, which can be priced in US dollars or other foreign currencies, any dividend payments denominated in Hong Kong dollars and any debt denominated in US dollars.

The impact of exchange rate movements will vary depending on factors such as the nature, magnitude and duration of the movements, the extent to which currency risk is hedged under forward exchange contracts or other hedging instruments and the terms of these contracts.

The hedging policy of the Company aims to protect against the volatility of cash expenditures or reduced collection in the above mentioned transactions as well as to reduce the volatility of profit or loss for retranslation of US dollar denominated loans at each period end.

Operating foreign exchange risk that arises from firm commitments or highly probable transactions is managed through the use of bank issued forward foreign currency contracts. The Company hedges a portion of contracted US dollar sales and asset purchases settled in foreign currencies in each currency to mitigate the adverse impact on cash flow due to the future rise or fall in the Australian dollar against the relevant currencies.

[12] The group does have a captive insurance company located in Guernsey.

More details on financial liabilities, cash and cash equivalents and equity, including types of instrument used, security provided, maturity profile of interest-bearing liabilities, interest rates and hedging strategies are included in Notes D1, D2 and D7 of the Annual Report for the year ended 31 December 2025.

AVAILABLE DEBT FACILITIES

As at 30 June 2026, the Group had $251 million of undrawn bank guarantees under its A$1.35 billion contingent liability facilities that are provided for operational purposes in favour of port, rail, government departments and other operational functions in the normal course of business with a maturity date in November 2030.

Yankuang Energy (formerly Yanzhou Coal) have provided a letter of support whereby unless revoked by giving not less than 24 months' notice, for so long as Yankuang Energy owns at least 51% of the shares of the Company, Yankuang Energy will ensure that the Group continues to operate so that it remains solvent.

CAPITAL EXPENDITURE AND COMMITMENTS

During the half-year ended 30 June 2026, capital expenditure cash outflows of the Group for property, plant and equipment amounted to $254 million (1H 2025: $407 million). In addition, cash outflows of the Group for capitalised exploration and evaluation activities amounted to nil (1H 2025: $1 million).

Included in the capital expenditure of $254 million is capitalised operating expenses, net of any applicable revenue, incurred on open-cut and underground development activities of $60 million (1H 2025: $40 million). Amortisation of such capitalised costs commences on either (i) the start of commercial production from the new mine or pit for open-cuts; and (ii) over the life of mine if development roads service the entire mine or over the life of the longwall panels accessible from the development roads, if shorter, for undergrounds.

As at 30 June 2026, commitments of the Group comprised capital commitments of $108 million (31 December 2025: $146 million).

SIGNIFICANT INVESTMENTS

The Group continues to look for high quality acquisition opportunities and will inform the market as required, if and when any material transaction occurs. The Group also focuses on organic growth opportunities and business as usual capital expenditure.

The Group continues to pursue its long-term strategy for organic growth, with a commitment to progressing its brownfield expansion and extension projects.

In the year ahead, the Group will continue to focus on exploration and potential expansion works across Moolarben, MTW and HVO, to be funded from operating cash flows.

The MTW underground mine is subject to further feasibility assessment. Should the development proceed, this project could significantly extend the future production profile of the mine without increasing its annual production limits.

At HVO, the Joint Venture has been working through the approval process for a material extension to the mine life within the existing mining leases. The NSW Department of Planning, Housing & Infrastructure ("DPHI") has completed its assessment, and the project has now been referred to the Independent Planning Commission ("IPC") for determination, with a public hearing held during July 2026. We expect to receive an IPC determination by the end of Q3 2026 and federal approval by the end of Q4 2026. Whilst we believe the HVO application is robust, there is no guarantee the mine life extension will be granted.

In the interim, the mine is operating under an 18-month extension of time to 31 December 2026 to enable continuity of mining. HVO operations are not presently impacted by this ongoing approval process.

The Stratford Renewable Energy Project recently received NSW Government planning approval and is progressing its federal application under the Environment Protection & Biodiversity Conservation Act. It is still subject to ongoing commercial viability evaluation; assessment of funding and operating models for the project; and both internal and external approval processes.

Yancoal continually examines opportunities to grow the business. The Company is open to expanding or extending the operational profile of its existing assets with organic projects. It would also consider acquiring additional coal assets or diversifying into other minerals should suitable opportunities arise. Any new initiative would be subject to careful evaluation and require Board consideration and approval before commencement.

Organic growth opportunities will likely be funded through operating cashflows as part of the group's overall capital expenditure program where possible, and potentially interest-bearing liabilities, depending on the debt market availability at the time.

Funding of any inorganic opportunities will be assessed on a case-by-case basis and could include funding from operating cashflows and potentially interest-bearing liabilities depending on the debt market availability at the time, and issuing new shares subject to compliance and listing requirements.

MATERIAL ACQUISITIONS AND DISPOSALS

On 14 April 2026, the Group announced the acquisition of 100% of the share capital of Kestrel Coal Group Pty Ltd, which holds an 80% interest in the Kestrel Coal Mine, for US$1.85 billion upfront cash consideration and up to US$550m contingent consideration. The acquisition is a strong strategic fit for Yancoal's portfolio and is expected to positively contribute to Yancoal's production and operating cash flow.

Completion is targeted towards the end of the September quarter 2026, but possibly earlier, subject to conditions precedent being satisfied in a timely manner. To date, good progress has been made on satisfaction of the conditions precedent. Notably, Yancoal has received Foreign Investment Review Board (FIRB) approval for the transaction.

The upfront consideration will be funded via a combination of available cash and a US$1.2 billion five-year syndicated acquisition loan facility, with additional support available through a US$200 million working capital facility. Any contingent consideration payable is expected to be funded out of operating cash flows.

EMPLOYEES

As at 30 June 2026, the Group had approximately 3,900 employees (including contract labour who are full time equivalents), all located in Australia, in addition to other contractors and service providers who support the Group's operations by delivering fixed scopes of work. For the period, the total employee costs (including director's emoluments, HVO employees who are not included in the employee number above and excluding contract labour, contractors and service providers whose costs are included in Contractual services and plant hire) amounted to $433 million (1H 2025: $409 million).

Remuneration packages and benefits are determined in accordance with market terms, industry practice as well as the nature of duties, performance, qualifications and experience of employees and are reviewed on an annual basis.

Remuneration packages include base wages or salaries, short-term site production bonuses, short and long-term staff incentives, allowances, non-monetary benefits, superannuation and long service leave contributions and insurance.

The Group's remuneration policies ensure remuneration is equitable, aligns with the long-term interests of the Group and Shareholders, complies with the diversity policy, provides market competitive remuneration to attract and retain skilled and motivated employees, and structures incentives to link rewards with performance.

Details of the Group's incentive plans are included in the Remuneration Report included in the Annual Report for the year ended 31 December 2025.

The Company believes that capable and competent employees contribute to the success of the Group. The Group invests in competence development and assurance programs to ensure statutory compliance and target zero harm to its employees. The Group also contributes to the ongoing professional development of its employees as maintaining a skilled and engaged workforce is critical to success.

The Yancoal Learning Academy ("YLA") continues to provide a structured calendar of leadership and professional development programs for salaried employees. During 2026, 72 employees have participated in YLA programs, with the curriculum expanded to include new modules focussed on the Foundations of Coaching, alongside existing offerings in Emotional Intelligence, Inspiring Change and Innovation, and Decision Making and Problem Solving.

The LEAD the Way frontline leadership program continues to build capability across the Group's supervisors and frontline leaders. During 2026, 52 new leaders commenced the program and 57 leaders completed their learning pathway, with 11 workshops delivered across the business and further workshops underway. Since the program commenced in 2023, more than 600 frontline leaders have participated, significantly exceeding annual participation targets and reinforcing leadership capability across all Yancoal operations.

During 2026, Yancoal also commenced the rollout of its Our Way Leadership & Behaviours program to strengthen the Yancoal culture, leadership capability, collaboration and alignment across the organisation. The program has been delivered to the Executive Leadership Team, all Site Leadership Teams and the Corporate General Manager and Group Manager cohort, establishing a consistent leadership framework and shared behavioural expectations across the business. The initiative has reinforced an enterprise-wide approach to the Yancoal culture, leadership and collaboration.

The Company remains committed to building an inclusive and diverse workforce. During 2026, the Diversity and Inclusion Committee expanded to 31 members, incorporating frontline operational leaders from every site and establishing three strategic pillars of Attraction, Retention and Promotion to guide enterprise-wide initiatives. The Committee is overseeing nine key initiatives focused on strengthening attraction, retention and career progression, supporting the Company's long-term diversity objectives and fostering a more inclusive workplace.

Yancoal remains committed to fostering a respectful, inclusive and psychosocially safe workplace. As at June 2026, more than 2,800 employees (73%) had completed the updated Respect@Yancoal workplace behaviours refresher training, with the rollout continuing across the business and on track for completion by the end of 2026.

EVENTS OCCURRING AFTER THE REPORTING DATE

Other than as described below, no matters or circumstances have occurred subsequent to the end of the period which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state-of-affairs of the Group.

On 19 August 2026, the Directors declared a fully franked 2026 interim dividend of A$92 million, A$0.0700 per share, with a record date of 3 September 2026 and a payment date of 18 September 2026.

FINANCIAL AND OTHER RISK MANAGEMENT

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include currency risk, price risk, interest rate risk, credit risk and liquidity risk and are detailed in Note D7 of the Annual Report for the year ended 31 December 2025. The Board reviews and agrees policies and procedures for management of these risks.

Coal sales are predominately initially provisionally priced with price finalisation either referenced to the relevant index or for term contracts, final agreement with the customer. Provisional pricing mechanisms embedded within these sales arrangements have the character of a commodity derivative and are carried at fair value through profit and loss as part of trade receivables or payables. The final sales price is determined normally 7 to 90 days after delivery to the customer. At 30 June 2026, there were $241 million of provisionally priced sales still to be finalised. If prices were to increase / decrease by 10%, provisionally priced sales would increase / decrease by $24 million.

CONTINGENT LIABILITIES

The contingent liabilities of the Group as at 30 June 2026 comprised (i) $1,099 million (31 December 2025: $1,065 million) of bank guarantees and surety bonds comprising $376 million (31 December 2025: $380 million) of performance guarantees provided to third parties and $723 million (31 December 2025: $685 million) of guarantees provided in respect of the cost of restoration of certain mining leases given to government departments as required by statute with respect to the Group's owned and managed mines; (ii) a letter of support provided to the Middlemount Coal Pty Limited joint venture; and (iii) a number of claims have been made against the Group as part of the Group's day to day operations. The Directors do not believe that the outcome of these claims will have a material impact on the Group's financial position.

See Note D6 to the financial statements in this report for further details on the Group's contingent liabilities.

CHARGES ON ASSETS

The A$1.35 billion contingent liability facilities, being the bank guarantee and surety bond facilities, are secured by the assets of Yancoal Australia Ltd and its wholly owned Australian subsidiaries (subject to certain exclusions). All the contingent liability facilities are provided subject to a single Common Terms Deed Poll, with semi-annual compliance testing against the same set of financial covenants. Please refer to Note D1 for details.

On 15 July 2026, the contingent liability facility limit was increased from A$1.35 billion to A$1.5 billion.

FUTURE PROSPECTS

Having produced 19.8Mt of attributable saleable production during 1H 2026, the Group is well positioned to target full year attributable saleable production in the upper half of its guidance range of 36.5Mt to 40.5Mt.

With first half cash operating costs per product tonne of $96/t impacted by higher diesel prices, the Group's full year cash costs are likely to be in the upper half of its guidance range of $90/tonne to $98/tonne.

Capital expenditure for property, plant and equipment in 1H 2026 was $254 million and the original guidance range of $750 million to $900 million has been revised down to $600 million to $750 million primarily due to the timing of spend moving into 2027.

The guidance commentary provided excludes the expected benefit of the acquisition of the 80% interest in the Kestrel Coal Mine, targeted to complete towards the end of Q3 2026, but possibly earlier.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 30 June 2026

	NOTES	30 JUNE 2026 $M	30 JUNE 2025 $M
Revenue	B2	3,024	2,675
Other income	B3	16	31
Changes in inventories of finished goods and work in progress		(47)	128
Raw materials and consumables used		(714)	(604)
Employee benefits	B4	(433)	(409)
Depreciation and amortisation		(442)	(383)
Transportation		(427)	(402)
Contractual services and plant hire		(288)	(292)
Government royalties		(318)	(262)
Coal purchases		(72)	(63)
Other operating expenses	B4	(158)	(160)
Finance costs	B4	(24)	(21)
Share of (loss) / profit of equity-accounted investees, net of tax	E1	(61)	1
Profit before income tax		**56**	**239**
Income tax expense	B5	(39)	(76)
Profit after income tax		**17**	**163**
PROFIT IS ATTRIBUTABLE TO:			
Owners of Yancoal Australia Ltd		17	163
Non-controlling interests		—	—
		17	**163**
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges:			
Fair value losses reclassified to profit and loss	D5	188	—
Deferred income tax expense	D5	(56)	—
Other comprehensive income, net of tax		**132**	**—**
Total comprehensive income		**149**	**163**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD IS ATTRIBUTABLE TO:			
Owners of Yancoal Australia Ltd		149	163
Non-controlling interests		—	—
		149	**163**
EARNINGS PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic earnings per share (cents per share)	B6	1.3	12.4
Diluted earnings per share (cents per share)	B6	1.3	12.4

These half-year financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

As at 30 June 2026

	NOTES	30 JUNE 2026 $M	31 DECEMBER 2025 $M
ASSETS			
Current assets			
Cash and cash equivalents		2,094	2,127
Trade and other receivables	C6	650	530
Inventories	C7	419	489
Royalty receivable	D7	19	17
Other current assets		36	55
Total current assets		**3,218**	**3,218**
NON-CURRENT ASSETS			
Trade and other receivables	C6	97	105
Property, plant and equipment	C1	4,236	4,283
Mining tenements	C2	3,467	3,593
Exploration and evaluation assets	C4	241	240
Intangible assets	C5	130	131
Royalty receivable	D7	155	175
Interest in other entities	E1	380	448
Other non-current assets		66	12
Total non-current assets		**8,772**	**8,987**
Total assets		**11,990**	**12,205**
LIABILITIES			
Current liabilities			
Trade and other payables	C8	963	1,084
Interest-bearing liabilities	D1	37	43
Current tax liabilities		35	74
Provisions		137	189
Total current liabilities		**1,172**	**1,390**
NON-CURRENT LIABILITIES			
Trade and other payables		56	64
Interest-bearing liabilities	D1	23	41
Deferred tax liabilities		273	269
Provisions		1,445	1,408
Total non-current liabilities		**1,797**	**1,782**
Total liabilities		**2,969**	**3,172**
Net assets		**9,021**	**9,033**
EQUITY			
Contributed equity	D2	6,698	6,698
Reserves	D5	7	(125)
Retained earnings		2,314	2,458
Capital and reserves attributable to owners of Yancoal Australia Ltd		**9,019**	**9,031**
Non-controlling interests		2	2
Total equity		**9,021**	**9,033**

These half-year financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 30 June 2026

	NOTES	ATTRIBUTABLE TO OWNERS OF YANCOAL AUSTRALIA LTD					
		CONTRIBUTED EQUITY $M	RESERVES $M	RETAINED EARNINGS $M	TOTAL $M	NON-CONTROLLING INTEREST $M	TOTAL EQUITY $M
Balance at 1 January 2025		**6,698**	**(170)**	**2,787**	**9,315**	**2**	**9,317**
Profit after income tax		—	—	163	163	—	163
Other comprehensive income		—	—	—	—	—	—
Total comprehensive income		**—**	**—**	**163**	**163**	**—**	**163**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:							
Dividends paid	D4	—	—	(687)	(687)	—	(687)
Movements in other reserves		—	10	—	10	—	10
		—	10	(687)	(677)	—	(677)
Balance at 30 June 2025		**6,698**	**(160)**	**2,263**	**8,801**	**2**	**8,803**
Balance at 1 January 2026		**6,698**	**(125)**	**2,458**	**9,031**	**2**	**9,033**
Profit after income tax		—	—	17	17	—	17
Other comprehensive income		—	132	—	132	—	132
Total comprehensive income		**—**	**132**	**17**	**149**	**—**	**149**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:							
Dividends paid	D4	—	—	(161)	(161)	—	(161)
Movements in other reserves		—	—	—	—	—	—
		—	—	(161)	(161)	—	(161)
Balance at 30 June 2026		**6,698**	**7**	**2,314**	**9,019**	**2**	**9,021**

These half-year financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 30 June 2026

	NOTES	30 JUNE 2026 $M	30 JUNE 2025 $M
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		3,067	2,831
Payments to suppliers and employees		(2,510)	(2,157)
Interest paid		(2)	(4)
Interest received		40	52
Payment for ACCUs		(3)	(10)
Income tax paid		(130)	(239)
Net cash inflow from operating activities		**462**	**473**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(254)	(407)
Payments for capitalised exploration and evaluation activities		—	(1)
Proceeds from sale of property, plant and equipment		—	1
Dividends received		7	7
Payments for acquisition of interest in joint operation (net of cash acquired)		(59)	—
Net cash outflow from investing activities		**(306)**	**(400)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividends	D4	(161)	(687)
Repayment of lease liabilities		(23)	(26)
Net cash outflow from financing activities		**(184)**	**(713)**
Net decrease in cash and cash equivalents		**(28)**	**(640)**
Cash and cash equivalents at the beginning of the financial period		2,127	2,461
Effects of exchange rate changes on cash and cash equivalents		(5)	(26)
Cash and cash equivalents at the end of the period		**2,094**	**1,795**

These half-year financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS INDEX

A BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These financial statements for the half-year ended 30 June 2026 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These half-year financial statements are for the consolidated entity (the "Group") consisting of Yancoal Australia Ltd (the "Company") and the entities it controlled at the end of, or during, the half-year ended 30 June 2026 ("the period"). These half-year financial statements do not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 31 December 2025 and any public announcements made by Yancoal Australia Ltd during the half-year ended 30 June 2026 in accordance with the continuous disclosure requirements of the *Corporations Act 2001*, Australian Securities Exchange ("ASX") and the Stock Exchange of Hong Kong.

These half-year financial statements were authorised for issue in accordance with a resolution of the Directors on 19 August 2026.

The accounting policies adopted are consistent with those of the most recent Annual Financial Report and the corresponding half-year financial report in the prior period.

The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards. The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2026/183 and in accordance with that instrument, all financial information presented in Australian dollars has been rounded to the nearest million dollars unless otherwise stated.

(i) Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(ii) Auditor sign-off

The independent auditor's review report on these consolidated financial statements is unqualified and unmodified.

In addition:

- the half-year financial statements have been reviewed by the Company's external auditors per Appendix 16 paragraph 46(6) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"); and
- the accounting information given in the half-year financial report has not been audited per Appendix 16 paragraph 43 of the Listing Rules.

(iii) New and amended accounting standards adopted by the Group

The Group has assessed AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments. The amendments provide an accounting policy election for derecognition of certain financial liabilities settled via electronic payment systems. The amendments are not having a material impact on the Group's consolidated financial statements, although they may affect the timing of derecognition of trade and other payables settled electronically.

All other effective mandatory standards have been adopted and have not resulted in any changes to the Group's accounting policies and have no impact on the amounts reported for the current or prior periods.

(iv) Impact of standards issued but not yet applied by the Group

Australian Accounting Standards and Interpretations issued but not yet applicable for the half-year ended 30 June 2026 have not been early adopted by the Group.

The Group has not yet determined the potential impacts of other amendments on the Group's financial statements.

B PERFORMANCE

B1 SEGMENT INFORMATION

Management has determined the operating segments based on the strategic direction and organisational structure of the Group together with reports reviewed by the Chief Operating Decision Makers ("CODM"),defined as the Executive Committee, that are used to make strategic decisions including resource allocation and assessment of segment performance.

The reportable segments are considered at a regional level being New South Wales ("NSW") and Queensland ("QLD"). NSW includes the Austar and Stratford Duralie mines that are undertaking closure activities.

Non-operating items of the Group are presented under the segment “Corporate” which includes administrative expenses, foreign exchange gains and losses recycled from hedge reserve, and the elimination of intersegment transactions and other consolidation adjustments.

(a) Segment information

The segment information for the reportable segments for the half-year ended 30 June 2026 is as follows:

	COAL MINING			
	NSW	QLD	CORPORATE	TOTAL
30 JUNE 2026	$M	$M	$M	$M
Total segment revenue (i)	2,824	280	(188)	2,916
Add: Fair value losses recycled from hedge reserve	—	—	188	188
Revenue from external customers	**2,824**	**280**	**—**	**3,104**
Operating EBIT	213	(105)	217	325
Operating EBITDA	630	(82)	219	767

(i) Total segment revenue consists of revenue from the sale of coal whereas revenue disclosed in the profit and loss also includes other revenue such as sea freight, rents and sub-lease rentals, interest income, dividend income and royalty income. Refer to Note B1(b) below.

	COAL MINING			
	NSW	QLD	CORPORATE	TOTAL
30 JUNE 2026	$M	$M	$M	$M
MATERIAL INCOME OR EXPENSE ITEMS				
Non-cash items				
Depreciation and amortisation	(417)	(23)	(2)	(442)
Rehabilitation provision decrease	11	—	—	11
Remeasurement of contingent royalty	—	—	3	3
Remeasurement of royalty receivable	—	—	(18)	(18)
Equity accounted investee impairment	—	—	(49)	(49)
	(406)	**(23)**	**(66)**	**(495)**
Total capital expenditure	**259**	**4**	**1**	**264**
AT 30 JUNE 2026				
Segment assets	8,713	702	2,195	11,610
Interests in other entities	215	—	165	380
Total assets	**8,928**	**702**	**2,360**	**11,990**

The segment information for the reportable segments for the half-year ended 30 June 2025 and segment assets as at 31 December 2025 are as follows:

	COAL MINING			
	NSW	QLD	CORPORATE	TOTAL
30 JUNE 2025	$M	$M	$M	$M
Total segment revenue (i)	2,277	281	—	2,558
Revenue from external customers	**2,277**	**281**	**—**	**2,558**
Operating EBIT	278	(55)	(11)	212
Operating EBITDA	637	(34)	(8)	595
MATERIAL INCOME OR EXPENSE ITEMS				
Non-cash items				
Depreciation and amortisation	(358)	(22)	(3)	(383)
Rehabilitation provision increase	(3)	—	—	(3)
Remeasurement of contingent royalty	—	—	24	24
Remeasurement of royalty receivable	—	—	2	2
	(361)	**(22)**	**23**	**(360)**
Total capital expenditure	**400**	**55**	**3**	**458**
AT 31 DECEMBER 2025				
Segment assets	8,878	748	2,131	11,757
Interests in other entities	203	—	245	448
Total assets	**9,081**	**748**	**2,376**	**12,205**

There were no other significant non-cash items recognised during the half-year ended 30 June 2026 and 30 June 2025 other than those disclosed above.

(i) Total segment revenue consists of revenue from the sale of coal whereas revenue disclosed in the profit and loss also includes other revenue such as sea freight, rents and sub-lease rentals, interest income, dividend income and royalty income. Refer to Note B1(b) below.

(b) Other segment information

(i) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties for the reportable segments are measured in a manner consistent with that in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

Revenue from external customers are derived from the sale of coal from operating mines and coal purchases. Segment revenues are allocated based on the geographical location of the mine sites. Refer to Note B2 for segment revenue from sale of coal disaggregated by primary geographical market based on the end-destination of coal sold.

Revenue from the top five external customers was $1,125 million (30 June 2025: $918 million) which in aggregate represent approximately 36% (30 June 2025: 36%) of the Group's revenue from the sale of coal. This revenue was attributable to the NSW and Queensland coal mining segments.

Segment revenue reconciles to total revenue as follows:

	30 JUNE 2026 $M	30 JUNE 2025 $M
Total segment revenue	**2,916**	**2,558**
Sea freight	42	39
Interest income	39	52
Royalty revenue	13	13
Other revenue	14	13
Total revenue (refer to Note B2)	**3,024**	**2,675**

(ii) Operating EBITDA

The Executive Committee assesses the performance of the operating segments based on a measure of Operating EBITDA. This measure excludes the effects of non-recurring expenditure or income from the operating segments such as restructuring costs, business combination related expenses and impairments of cash-generating units. Furthermore, the measure excludes the effects of fair value re-measurements and foreign exchange gains / (losses) on interest-bearing liabilities. Interest income and expense are not allocated to the NSW and QLD segments, as this type of activity is driven by the corporate function, which manages the cash position of the Group.

A reconciliation of Operating EBITDA to profit before income tax from continuing operations is provided as follows:

	30 JUNE 2026 $M	30 JUNE 2025 $M
Operating EBITDA	**767**	**595**
Depreciation and amortisation	(442)	(383)
Operating EBIT	**325**	**212**
Interest income	39	52
Finance costs	(24)	(21)
Bank fees and other charges	(12)	(12)
Fair value losses recycled from hedge reserve	(188)	—
Equity accounted investee impairment	(49)	—
Contingent royalty payments	(20)	(18)
Remeasurement of royalty receivable	(18)	2
Remeasurement of contingent royalty	3	24
Profit before income tax	**56**	**239**

(iii) Segment capitalised expenditure

Amounts with respect to capital expenditure are measured in a manner consistent with that of the financial statements. Reportable segment's capital expenditure is set out above see Note B1(a).

All segment assets are located in Australia.

(iv) Segment liabilities

A measure of total liabilities for reportable segments are not provided to the Executive Committee. The Executive Committee reviews the liabilities of the Group at a consolidated level.

B2 REVENUE

Contracts with customers

The Group has recognised the following amounts relating to revenue in the profit or loss:

	30 JUNE 2026 $M	30 JUNE 2025 $M
FROM CONTINUING OPERATIONS		
Sales revenue		
Sale of coal	3,104	2,558
Fair value losses recycled from hedge reserve	(188)	—
	2,916	**2,558**
Other revenue		
Sea freight	42	39
Interest income	39	52
Royalty revenue	13	13
Other items	14	13
	108	**117**
	3,024	**2,675**

At 30 June 2026 there are $241 million (30 June 2025: $281 million) of provisionally priced sales, still to be finalised, of which $57 million is yet to be collected (30 June 2025: $13 million). These amounts are included in the revenue recognised above.

There was $188 million of fair value losses recycled from the hedge reserve during the period (30 June 2025: nil).

Disaggregation of revenue

In the following table, revenue from the sale of coal is disaggregated by primary geographical market and major products/service lines, based on the end-destination of coal sold. The table also includes a reconciliation of the disaggregated revenue with the Group's three reportable segments (see Note B1) however Corporate is not presented in this table as this segment has no coal sales.

30 JUNE 2026	NSW $M	QLD $M	TOTAL $M
PRIMARY GEOGRAPHICAL MARKETS			
Japan	796	107	903
China	812	—	812
Taiwan	492	—	492
South Korea	246	63	309
Thailand	208	—	208
Vietnam	86	48	134
India	48	40	88
Indonesia	56	—	56
Malaysia	39	—	39
Europe	15	18	33
Chile	19	—	19
Cambodia	8	—	8
Australia (Yancoal's country of domicile)	3	—	3
Total	**2,828**	**276**	**3,104**
PRODUCT MIX			
Thermal coal	2,498	—	2,498
Metallurgical coal	330	276	606
Total	**2,828**	**276**	**3,104**

30 JUNE 2025	NSW $M	QLD $M	TOTAL $M
PRIMARY GEOGRAPHICAL MARKETS			
Japan	652	105	757
China	688	—	688
Taiwan	335	—	335
South Korea	252	58	310
Thailand	191	—	191
Vietnam	40	64	104
Malaysia	52	—	52
India	9	36	45
Europe	26	18	44
Indonesia	20	—	20
Chile	8	—	8
Australia (Yancoal's country of domicile)	4	—	4
Total	**2,277**	**281**	**2,558**
PRODUCT MIX			
Thermal coal	1,970	—	1,970
Metallurgical coal	307	281	588
Total	**2,277**	**281**	**2,558**

In the first six months of 2026, 10% of coal sales were attributable to the largest customer and 36% to the top five customers (first six months of 2025: 9% and 36% respectively).

Contract balances

The Group has recognised the following revenue-related receivables, contract assets and liabilities:

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Receivables from contracts with customers	585	425

There are no other contract assets, liabilities or costs as at 30 June 2026 or 31 December 2025.

B3 OTHER INCOME

	30 JUNE 2026 $M	30 JUNE 2025 $M
Rehabilitation provision decrease	11	—
Gain on remeasurement of contingent royalty	3	24
Sundry income	2	5
Gain on remeasurement of royalty receivable	—	2
	16	**31**

B4 EXPENSES

Profit before income tax includes the following specific expenses:

(a) Employee benefits

	30 JUNE 2026 $M	30 JUNE 2025 $M
Employee benefits	392	370
Superannuation contributions	41	39
Total employee benefits	**433**	**409**

During the six months ended 30 June 2026, 15 million of employee benefits were capitalised (30 June 2025: $20 million).

(b) Finance costs

	30 JUNE 2026 $M	30 JUNE 2025 $M
Unwinding of discount on provisions and deferred payables	22	17
Lease charges	2	4
Total finance costs	**24**	**21**

(c) Other operating expenses

	30 JUNE 2026 $M	30 JUNE 2025 $M
Safeguard expenses	22	17
Contingent royalty payments	20	18
Rates and other levies	19	23
Loss on remeasurement of royalty receivable	18	—
Information technology	17	16
Insurance	14	14
Travel and accommodation	13	13
Other operating expenses	13	12
Bank fees and other charges	12	12
Net loss on foreign exchange	7	30
Rental expense	3	2
Rehabilitation provision increase	—	3
Total other operating expenses	**158**	**160**

(d) Largest suppliers

In the first six months of 2026, 9% of total operating expenses relate to the largest supplier and 27% to the top five suppliers (first six months of 2025: 8% and 29% respectively).

B5 TAXATION

(a) Income tax expense

(i) Income tax expense

	30 JUNE 2026 $M	30 JUNE 2025 $M
Income tax expense	(39)	(76)
Income tax expense is attributable to:		
Profit from continuing operations	**(39)**	**(76)**

(ii) Reconciliation of income tax expense to prima facie tax payable

	30 JUNE 2026 $M	30 JUNE 2025 $M
Profit from continuing operations before tax	56	239
Tax expense at the Australian tax rate of 30% (2025- 30%)	(17)	(72)
Tax effect of amounts which are not deductible / taxable in calculating taxable income		
Share of (loss) / profit of equity-accounted investees not assessable	(18)	—
Under provision in prior years	(3)	(3)
Other	(1)	(1)
Income tax expense	**(39)**	**(76)**

The income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the financial period. The estimated average tax rate used for the half-year ended 30 June 2026 is 69.6% (30 June 2025: 31.8%). The estimated average tax rate takes into account non-temporary differences that arise from the equity-accounting of associates and other matters with the higher effective tax rate during the period primarily due to the relatively large equity-accounted loss of $61 million in comparison to the profit before tax of $56 million.

B6 EARNINGS PER SHARE

(a) Basic and diluted earnings per share

	30 JUNE 2026 CENTS	30 JUNE 2025 CENTS
Total basic earnings per share (cents)	1.3	12.4
Total diluted earnings per share (cents)	1.3	12.4

(b) Reconciliation of earnings used in calculating earnings per share

	30 JUNE 2026 $M	30 JUNE 2025 $M
Basic and diluted earnings per share		
Earnings used in calculating the basic and diluted earnings per share		
From continuing operations	17	163

(c) Weighted average number of shares used in calculating earnings per share

	30 JUNE 2026 NUMBER	30 JUNE 2025 NUMBER
Ordinary shares on issue at start of the period	1,320,439,437	1,320,439,437
Less: weighted average of treasury shares held (i)	(1,725,876)	(3,159,084)
Weighted average number of ordinary shares used in basic earnings per share	1,318,713,561	1,317,280,353
Adjusted for rights and options on issue	1,484,644	2,132,245
Weighted average number of shares used in diluted earnings per share	**1,320,198,205**	**1,319,412,598**

(i) The purchase of shares by a trustee for settlement of awards under the equity incentive plan of Yancoal are referred to as “treasury shares” in the Yancoal's interim financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares as defined under the HK Listing Rules.

C OPERATING ASSETS AND LIABILITIES

C1 PROPERTY, PLANT AND EQUIPMENT

	ASSETS UNDER CONSTRUCTION $M	FREEHOLD LAND AND BUILDINGS $M	MINE DEVELOPMENT $M	PLANT AND EQUIPMENT $M	RIGHT OF USE ASSETS $M	TOTAL $M
AT 31 DECEMBER 2025						
Cost or fair value	566	489	2,933	4,740	217	8,945
Accumulated depreciation	—	(122)	(1,424)	(2,995)	(121)	(4,662)
Net book amount	**566**	**367**	**1,509**	**1,745**	**96**	**4,283**
HALF-YEAR ENDED 30 JUNE 2026						
Opening net book amount	566	367	1,509	1,745	96	4,283
Transfers	(278)	11	91	176	—	—
Additions	232	—	—	31	1	264
Remeasurement	—	—	17	—	—	17
Disposals	—	—	—	(1)	(2)	(3)
Depreciation charge	—	(4)	(138)	(168)	(15)	(325)
Closing net book amount	**520**	**374**	**1,479**	**1,783**	**80**	**4,236**
AT 30 JUNE 2026						
Cost or fair value	520	500	3,047	4,878	210	9,155
Accumulated depreciation	—	(126)	(1,568)	(3,095)	(130)	(4,919)
Net book amount	**520**	**374**	**1,479**	**1,783**	**80**	**4,236**

During the six months ended 30 June 2026, $10 million of depreciation was capitalised (30 June 2025: $7 million).

C2 MINING TENEMENTS

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Opening net book amount	3,593	3,784
Additions from acquisition	—	42
Amortisation	(126)	(233)
Closing net book amount	**3,467**	**3,593**

C3 IMPAIRMENT OF ASSETS

(a) CGU assessment

The Group operates on a regional basis within NSW and as such the NSW mines of Moolarben, Mount Thorley Warkworth, Hunter Valley Operations and Ashton are considered to be one Cash Generating Unit (“CGU”). Yarrabee and Middlemount are considered separate CGU’s due to their location and ownership structure. Stratford Duralie and Austar have ceased mining and are now undertaking closure activities. As such, these mines are not included in the Group of NSW CGU’s. Life of Mine (“LOM”) models are reassessed on a regular basis and any change in the LOM model may result in a change in the recoverable amount and possibly result in an impairment charge.

(b) Assessment of fair value

Each CGU's fair value less costs of disposal has been determined using a discounted cash flow model over the expected life of mine (2 - 24 years). The fair value model adopted has been categorised as level 3 in the fair value hierarchy.

The key assumptions in the model include:

KEY ASSUMPTIONS	DESCRIPTION
Coal prices	The Group's cash flow forecasts are based on estimates of future coal prices, which assume the current benchmark coal prices increase in the near term before reverting to the group's assessment of the long term real coal prices of US$86 – US$136 per tonne (31 December 2025: US$86 – US$128 per tonne) for thermal and US$155 – US$231 per tonne (31 December 2025: US$147 – US$226 per tonne) for metallurgical coal. The Group receives long term forecast coal price data from multiple external sources when determining its benchmark coal price forecasts and then makes adjustments for specific coal qualities. The external sources have determined their benchmark coal price forecasts having regard to countries various National Energy Policies including Nationally Determined Contributions submitted in accordance with the 2015 Paris Agreement, and other measures announced during the subsequent COP meetings, including phasing down of coal fired power generation. The external sources note that the global seaborne demand for thermal coal could range between an increase of up to 23% or a decrease of up to 53% below 2025 levels by 2040, whilst the global seaborne demand for metallurgical coal will increase up to 2040. Key risks to the outlooks are increasing decarbonisation trends,trade disputes, protectionism, import control policies in the end markets, shareholder activism to divest from coal, the pace of renewable technology advancement, green steel and the commercialisation of hydrogen as a fuel source, and investor behaviour to coal project financing. The Group has considered the impacts of a more rigorous international response to climate change under the Paris Agreement incorporating updated pledges made during subsequent COP meetings and further commentary and financial modelling was included in the Sustainability Report of the Group's Annual Financial Report for the year ended 31 December 2025. For both thermal and metallurgical coal, the Group's forecast coal price is within the range of external price forecasts. These forecasts include the assumption that there is continued uncertainty in the trade balance given subdued economic conditions and current geopolitical events and that short-term price volatility will continue with seasonal or short-term disruptions. The forecast is based on a shifting global coal demand profile which still shows demand growing marginally until 2030 whilst limited supply will be brought online due to low investment in new coal production capacity over the last five to ten years. There is a risk that these assumptions are incorrect and that future coal prices are different from those forecast.
Foreign exchange rates	The long-term AUD/USD forecast exchange rate of $0.71 (31 December 2025: $0.71) is based on external sources. The 30 June 2026 AUD/USD exchange rate was $0.6869 per the Reserve Bank of Australia.
Production and capital costs	Production and capital costs are based on the Group's estimate of forecast geological conditions, stage of existing plant and equipment and future production levels. Future production is based on an assumption that any current or future permitting applications are approved in the normal course of business. This information is obtained from internally maintained budgets, the five year business plan, life of mine models, life of mine plans, JORC reports, and project evaluations performed by the Group in its ordinary course of business. All of the Group's operating mines fall within the revised Safeguard Mechanism and the model includes an estimate of the life of mine impact.
Coal reserves and resources	The Group estimates its coal reserves and resources based on information compiled in accordance with the JORC 2012 Code and ASX Listing Rules 2014. See discussion at Note C2 of the Group's Annual Financial Report for the year ended 31 December 2025.
Discount rate	The Group has applied a post-tax real discount rate of 8.25% (31 December 2025: 8.25%) to discount the forecast future attributable post-tax cash flows. The post-tax discount rate applied to the future cash flow forecasts represents an estimate of the rate the market would apply having regard to the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. This rate is also consistent with the Group's five year business plan, life of mine models and project evaluations performed in ordinary course of business.

Based on the above assumptions at 30 June 2026, the recoverable amount is determined to be above book value for the NSW and Yarrabee CGUs and equal to book value for the Middlemount CGU, resulting in no additional impairment.

In determining the value assigned to each key assumption, management has used: external sources of information; the expertise of external consultants; as well as the experience of experts within the Group to validate entity specific assumptions such as coal reserves and resources. Additionally various sensitivities have been determined and considered with respect to each of the key assumptions, further supporting the above fair value conclusions.

(c) Key sensitivity

The most sensitive input in the fair value model is forecast revenue, which is primarily dependent on estimated future coal prices and the AUD/USD forecast exchange rate.

	2026		
	NSW $M	YARRABEE $M	MIDDLEMOUNT $M
Book Value	5,298	308	165
Recoverable Amount	8,674	357	165
Head Room	3,376	49	—
USD COAL PRICE (i)			
+10%	2,381	324	153
-10%	(2,381)	(392)	(198)
EXCHANGE RATE (ii)			
+5 cents	(1,558)	(248)	(126)
-5 cents	1,794	246	119
DISCOUNT RATE (iii)			
+50 bps	(259)	(27)	(5)
-50 bps	272	29	6

(i) This represents the change in recoverable amount due to a +/- 10% change to our coal price assumption.

(ii) This represents the change in recoverable amount due to a +/- 5 cents change to the long-term US$:A$ foreign exchange rate adopted.

(iii) This represents the change in recoverable amount due to a +/- 50bps change in discount rate adopted.

If coal prices were 10% lower over life of mine, the NSW recoverable amount would exceed its book value; however, for the Yarrabee and Middlemount CGUs, the book value would exceed the recoverable amounts by $343 million and $198 million respectively. If the long-term forecast AUD/USD exchange rate was $0.76, the NSW recoverable amount would exceed book value, however for Yarrabee and Middlemount the book value would exceed the recoverable amounts by $199 million and $126 million respectively. If the real WACC was 8.75% or 0.5% higher, the NSW and Yarrabee CGUs recoverable amounts would exceed book value however for the Middlemount CGU the book value would exceed the recoverable amount by $5 million.

The Yarrabee goodwill was not subject to an impairment charge as the recoverable amount is greater than the carrying value for this CGU.

C4 EXPLORATION AND EVALUATION ASSETS

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Opening net book amount	240	239
Other additions	1	1
Transfers to mining tenements	—	—
Closing net book amount	**241**	**240**

C5 INTANGIBLE ASSETS

	GOODWILL $M	COMPUTER SOFTWARE $M	WATER RIGHTS $M	OTHER $M	TOTAL $M
AT 31 DECEMBER 2025					
Cost	60	47	56	17	180
Accumulated amortisation	—	(41)	—	(8)	(49)
Net book amount	**60**	**6**	**56**	**9**	**131**
HALF-YEAR ENDED 30 JUNE 2026					
Opening net book amount	60	6	56	9	131
Amortisation charge	—	(1)	—	—	(1)
Closing net book amount	**60**	**5**	**56**	**9**	**130**
AT 30 JUNE 2026					
Cost	60	47	56	17	180
Accumulated amortisation	—	(42)	—	(8)	(50)
Net book amount	**60**	**5**	**56**	**9**	**130**

The goodwill at 30 June 2026 relates to the acquisition of Yancoal Resources Limited (formally known as Felix Resources Limited) in a public offer to shareholders of the ASX listed company and was allocated to the Yarrabee mine. Refer to Note C3 for the details regarding the fair value less cost to sell calculation performed at 30 June 2026. The CGU for which goodwill was allocated was not subject to an impairment charge as the recoverable amount is greater than the carrying value for this CGU.

C6 TRADE AND OTHER RECEIVABLES

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
CURRENT		
Trade receivables from contracts with customers	585	425
Other trade receivables	65	105
	650	**530**
NON-CURRENT		
Receivables from other entities (i)	16	16
Long service leave receivables	81	89
	97	**105**

(i) Receivables from other entities includes the Group's investment in securities issued by Wiggins Island Coal Export Terminal Pty Ltd ("WICET") and other non-current receivables.

The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis, as appropriate. The following is an ageing analysis of trade receivables from contracts with customers based on the invoice dates at the reporting dates:

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
0-90 days	582	422
91-180 days	—	1
181-365 days	—	2
Over 1 year	3	—
Total	**585**	**425**

(a) Past due but not impaired

The ageing analysis of the Group's trade receivables based on the invoice dates, that were past due but not yet impaired as at 30 June 2026 and 2025, is as follows:

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
0-90 days	—	—
91-180 days	—	1
181-365 days	—	2
Over 1 year	3	—
Total	**3**	**3**

The Group does not hold any collateral over these balances. Management closely monitors the credit quality of trade receivables and considers the balance that are neither past due or impaired to be of good quality.

C7 INVENTORIES

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Tyres and spares - at cost	204	203
Coal - at lower of cost or net realisable value	174	221
Australian Carbon Credit Units ("ACCUs")	34	59
Fuel - at cost	7	6
	419	**489**

(a) Inventory expense

Write downs of inventories to net realisable value recognised as a provision at 30 June 2026 amounted to $2.6 million (31 December 2025: $7.8 million).A provision against slow moving stores inventory of $4.3 million is recognised at 30 June 2026 (31 December 2025: $3.1 million). The movement in the provision has been included in "Changes in inventories of finished goods and work in progress" in the profit or loss.

C8 TRADE AND OTHER PAYABLES

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Trade payables	760	871
Payroll costs payable	160	166
Other payables	43	47
	963	**1,084**

Trade payable ageing analysis shows $760 million (31 December 2025: $870 million) in 0 - 90 days, and Nil (31 December 2025: $1 million) in 91-180 days.

The average credit period for trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

D CAPITAL STRUCTURE AND FINANCING

D1 FINANCIAL LIABILITIES

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
CURRENT		
Lease liabilities	37	43
	37	**43**
NON-CURRENT		
Lease liabilities	23	41
	23	**41**
Total financial liabilities	**60**	**84**

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	LEASE LIABILITIES $M
Opening balance at 1 January 2026	84
Additions	1
Repayments	(25)
Disposals	(2)
Unwind of interest expenses and costs	2
Closing balance at 30 June 2026	**60**

(a) Guarantee facilities

Yancoal is a party to guarantee facilities that have been issued for operational purposes in favour of port, rail, government departments and other operational functions. On 28 November 2025, the Group refinanced its existing guarantee facilities under Yancoal Australia Ltd., increasing the facility limit from $1.2 billion to $1.35 billion, with a five-year tenor, maturing on 28 November 2030. Under the refinancing agreement, the Group had the option to increase the facility limit to $1.5 billion, subject to satisfaction of certain conditions. On 15 July 2026, those conditions were satisfied and the facility limit was increased to $1.5 billion.

PROVIDER	FACILITY AU $M	UTILISED AU $M	SECURITY
Twelve Australian and international financial institutions	1,350	1,099	The facilities are secured by the assets of Yancoal Australia Ltd and its wholly owned Australian subsidiaries (subject to certain exclusions). All financiers are subject to a single Common Terms Deed Poll, with semi-annual compliance testing against the same set of financial covenants.
Total	**1,350**	**1,099**	

The facilities include the following financial covenants to be tested half-yearly:

(a) The gearing ratio of the group must not exceed 45%

(b) Interest cover ratio must not be less than 5.0; and

(c) The consolidated net worth must not be less than A$6.5 billion

(b) Contractual maturities and cash flows of financial liabilities

The table below analyses the Group's interest-bearing liabilities into relevant maturity grouping based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows, which also includes interest, arrangement fees and withholding tax.

	LESS THAN 1 YEAR $M	BETWEEN 1 AND 2 YEARS $M	BETWEEN 2 AND 5 YEARS $M	GREATER THAN 5 YEARS $M	TOTAL CASH FLOWS $M	CARRYING AMOUNT $M
AT 30 JUNE 2026						
Non-derivatives						
Trade and other payables	963	—	—	—	963	963
Lease liabilities	39	22	2	—	63	60
Total non-derivatives	**1,002**	**22**	**2**	**—**	**1,026**	**1,023**
AT 31 December 2025						
Non-derivatives						
Trade and other payables	1,084	—	—	—	1,084	1,084
Lease liabilities	47	32	10	1	90	84
Total non-derivatives	**1,131**	**32**	**10**	**1**	**1,174**	**1,168**

D2 CONTRIBUTED EQUITY

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
(i) Share capital		
Ordinary shares	6,219	6,219
(ii) Other contributed equity		
Contingent value right shares	263	263
Related party loan contribution	216	216
	479	**479**
Total contributed equity	**6,698**	**6,698**

D3 SHARE-BASED PAYMENTS

Participation in the share-based payment program (Long Term Incentive Program, "LTIP") by the issuing of rights is limited to Senior Executives of the Group. All rights are redeemable on a one-for-one basis for the Group's shares, subject to the achievement of certain performance hurdles. Dividends are not payable on rights. For more information on the operation of the LTIP refer to the Remuneration Report in the Group's Annual Report for the year ended 31 December 2025.

Outlined below are the rights that were on issue at 30 June 2026 and 31 December 2025.

DETAILS	DATE OF MEASUREMENT / GRANT	NUMBER OF RIGHTS	DATE OF EXPIRY	CONVERSIONS PRICE ($)
MANAGEMENT PERFORMANCE RIGHTS				
2023 LTIP (i)	1 January 2023	835,128	1 January 2026	Nil
2024 LTIP (ii)	1 January 2024	915,137	1 January 2027	Nil
2025 LTIP	1 January 2025	682,609	1 January 2028	Nil
Balance at 31 December 2025		**2,432,874**		
2024 LTIP (ii)	1 January 2024	864,614	1 January 2027	Nil
2025 LTIP	1 January 2025	633,793	1 January 2028	Nil
2026 LTIP (iii)	1 January 2026	—	1 January 2029	Nil
Balance at 30 June 2026		**1,498,407**		

(i) 2023 LTIP vested in January 2026.
(ii) 2024 LTIP is still on issue and expected to vest January 2027.
(iii) 2026 LTIP was not granted during the reporting period.

	2026 NO. OF RIGHTS	2025 NO. OF RIGHTS
Balance at beginning of the Period	2,432,874	5,234,278
Granted during the Period	—	682,609
LTIP settled in the Period	(334,044)	(1,500,266)
Forfeited during the Period	(99,339)	(1,654,412)
LTIP rights lapsed	(501,084)	(329,335)
Balance at the end of Period	**1,498,407**	**2,432,874**

Fair value of performance rights granted

The fair value of the LTIP performance rights has been determined using the following assumptions:

	2026 LTIP	2025 LTIP	2024 LTIP
Number of performance rights issued	—	682,609	1,533,906
Number of performance right on issue	—	682,609	915,137
Grant date	Not applicable	1 January 2025	1 January 2024
Average share price at grant date ($)	—	5.89	5.03
Expected dividend yield	—%	10%	10%
Vesting conditions	(a)	(a)	(a)
Value per performance right ($)	**—**	**4.42**	**3.78**

(a) The LTIP performance rights will vest dependent upon the outcome of cost and earnings per share targets. The rights are split 40% and 60% respectively to these conditions.

There are a maximum of 1,498,407 shares available for issue, which, if issued as new shares, would represent 0.1% of the share capital on issue at 30 June 2026 (31 December 2025: 2,432,874 shares, representing 0.4% of share capital).

The LTIP has been valued using the volume weighted average price of Yancoal's ordinary shares across a 20 day trading period around the grant date. The LTIP programs settle when the underlying rights vest, with transfer of treasury shares to the participants.

The purchase of shares by a trustee for settlement of awards under the equity incentive plan of Yancoal are referred to as "treasury shares" in the Yancoal's interim financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares as defined under the HK Listing Rules.

D4 DIVIDENDS

On 25 February 2026, the Board elected to declare a final 2025 dividend allocation of $161 million, A$0.1220 per share, fully franked with a record date of 20 March 2026 and payment date of 15 April 2026.

D5 RESERVES

(a) Reserve balances

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Hedging reserve	—	(132)
Treasury shares reserve (i)	(3)	(7)
Employee compensation reserve	10	14
	7	**(125)**

(i) The purchase of shares by a trustee for settlement of awards under the equity incentive plan of the Company are referred to as "treasury shares" in the Company's interim financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares as defined under the HK Listing Rules.

(b) Hedging reserve

The hedging reserve is used to record gains or losses on cash flow hedges that are recognised directly in equity through other comprehensive income.

During the period ended 30 June 2026, $188 million was transferred from other comprehensive income to profit or loss in respect of the hedging reserve (31 December 2025: loss of $51 million) in line with the occurrence of the originally designated forecast coal sales. Following the completion of these releases, the hedging reserve has been fully extinguished and no further amounts remain deferred in equity in relation to these cash flow hedges.

MOVEMENTS

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Hedging reserve - cash flow hedges		
Opening balance	(132)	(168)
Fair value losses recycled to profit or loss	188	51
Deferred income tax expense	(56)	(15)
Closing balance	**—**	**(132)**

(c) Employee compensation reserve

The fair value of equity plans granted is recognised in the employee compensation reserve over the vesting period. This reserve will be reversed against treasury shares when the underlying shares vest and transfer to the employee at the fair value. The difference between the fair value at grant date and the amount received against treasury shares is recognised in retained earnings (net of tax).

During the period, the movements related to any 2026 additional performance rights issued or forfeited is disclosed in Note D3.

D6 CONTINGENCIES

Contingent liabilities

The Group had contingent liabilities at 30 June 2026 in respect of:

(i) Bank guarantees and surety bonds

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
PARENT ENTITY AND GROUP		
Performance guarantees provided to external parties	125	99
Guarantees provided to government departments as required by statute	200	162
	325	**261**
JOINT VENTURES (EQUITY SHARE)		
Performance guarantees provided to external parties	189	216
Guarantees provided to government departments as required by statute	519	519
	708	**734**
GUARANTEES HELD ON BEHALF OF RELATED PARTIES (REFER TO NOTE E2(F) FOR DETAILS OF BENEFICIARIES)		
Performance guarantees provided to external parties	62	66
Guarantees provided to government departments as required by statute	4	4
	66	**70**
	1,099	**1,065**

(ii) Letter of Support provided to Middlemount Coal Pty Ltd

The Company has issued a letter of support dated 4 March 2015 to Middlemount Coal Pty Ltd ("Middlemount"), a joint venture of the Group confirming:

- it will not demand the repayment of any loan due from Middlemount, except to the extent that Middlemount agrees otherwise or as otherwise provided in the loan agreement; and
- it will provide financial support to Middlemount to enable it to meet its debts as and when they become due and payable, by way of new shareholder loans in proportion to its share of the net assets of Middlemount.

This letter of support will remain in force whilst the Group is a shareholder of Middlemount or until notice of not less than 12 months is provided or such shorter period as agreed by Middlemount.

(iii) Other contingencies

A number of claims have been made against the Group as part of the Group's day to day operations. The Directors do not believe that the outcome of these claims will have a material impact on the Group's financial position.

D7 FAIR VALUE MEASUREMENT OF ASSETS AND LIABILITIES

(i) Fair value hierarchy

The Group uses various methods in estimating the fair value of financial instruments. AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level in accordance with the following fair value measurement hierarchy:

a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and

c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The royalty receivable was classified as a level 3 financial instrument in 2026 and 2025. No other financial instruments were subject to recurring measurement.

(ii) Valuation techniques

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for the royalty receivable.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the half-year ended 30 June 2026:

	30 JUNE 2026 ROYALTY RECEIVABLE $M	31 DECEMBER 2025 ROYALTY RECEIVABLE $M
Opening balance	192	217
Remeasurement of the royalty receivable recognised in profit and loss	(18)	(25)
	174	**192**

Royalty receivable

The fair value of the royalty receivable is the fair value of the right to receive a royalty of 4% of Free on Board Trimmed Sales from the Middlemount Mine. The financial asset has a finite life being the life of the Middlemount Mine and will be measured on a fair value basis.

The fair value is determined using the discounted future cash flows that are dependent on the following unobservable inputs: forecast sales volumes, coal prices and fluctuations in foreign exchange rates. The forecast sales volumes are based on the internally maintained budgets, five year business plan and life of mine models. The forecast coal prices and long term exchange rates are based on external data consistent with the data used for impairment assessments (refer to Note C3). The risk-adjusted post-tax real discount rate used to determine the future cash flows is 7.3% (31 December 2025: 7.3%).The estimated fair value could increase significantly if the following unobservable inputs of sales volumes and coal prices were higher and if the Australian dollar weakens against the US dollar. The estimated fair value would also increase if the risk-adjusted discount rate was lower.

Sensitivity

The following tables summarise the sensitivity analysis of royalty receivable. This analysis assumes that all other variables remain constant.

	30 JUNE 2026 FAIR VALUE INCREASE/ (DECREASE) $M	31 DECEMBER 2025 FAIR VALUE INCREASE/ (DECREASE) $M
COAL PRICE		
+10%	17	17
-10%	(17)	(17)
EXCHANGE RATES		
+5 cents	(11)	(12)
-5 cents	13	15
DISCOUNT RATES		
+50 bps	(5)	(6)
-50 bps	5	7

(iv) Fair value of other financial instruments

The carrying amount is approximate to the fair value for the following:

(i) Trade and other receivables

(ii) Other financial assets

(iii) Trade and other payables

(iv) Interest-bearing liabilities

E GROUP STRUCTURE

E1 INTEREST IN OTHER ENTITIES

(a) Interest in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 30 June 2026 and 31 December 2025. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business.

		% OF OWNERSHIP INTEREST				CARRYING AMOUNT OF INVESTMENT	
NAME OF ENTITY	PLACE OF BUSINESS / COUNTRY OF INCORPORATION	2026 %	2025 %	NATURE OF RELATIONSHIP	MEASUREMENT METHOD	2026 $M	2025 $M
Port Waratah Coal Services Ltd	Australia	30 %	30 %	Associate	Equity method	215	203
WICET Holdings Pty Ltd	Australia	33 %	33 %	Associate	Equity method	—	—
Middlemount Coal Pty Ltd	Australia	49.9997 %	49.9997 %	Joint Venture	Equity method	165	245
HVO Coal Sales Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
HV Operations Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
HVO Services Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
Newcastle Coal Infrastructure Group Pty Ltd	Australia	27 %	27 %	Joint Venture	Equity method	—	—
Total						**380**	**448**

The Group's investment in WICET Holdings Pty Ltd has a carrying amount of nil that comprises the Group's percentage interest in the unaudited adjusted net assets of $52 million less an impairment provision of $52 million as the net asset value is not considered to be recoverable. The Groups interest in the unaudited profit after tax for the six-months ended 30 June 2026 was $18 million, this was fully offset by a corresponding impairment charge, resulting in a nil net impact on profit or loss.

	30 JUNE 2026 $M	30 JUNE 2025 $M
AMOUNT RECOGNISED IN PROFIT OR LOSS:		
Middlemount Coal Pty Ltd	(80)	(15)
Port Waratah Coal Services Ltd	19	16
	(61)	**1**

Middlemount's equity-accounted loss after tax of $80 million included an impairment loss of $49 million based on an assessment that the recoverable amount was below the book value.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

There were no commitments and no contingent liabilities in respect of the Group's associates and joint ventures, other than HVO and Middlemount as at 30 June 2026 as set out in Note D6(ii).

As a shipper in NCIG and WICET, the Group may be required to pay its share of any outstanding senior debt, amortised over the remaining years of that particular contract, if the Group's source mines are unable to maintain a minimum level of Marketable Coal Reserves. Furthermore, the Group may be required to pay its share of any outstanding senior debt in full, if NCIG or WICET are unable to refinance a tranche of its maturing debt and defaults on its remaining debt. If an NCIG or WICET shipper was to default on its contractual obligations and was unable to pay its share of the NCIG or WICET debt, the outstanding senior debt would be socialised amongst the remaining shippers. In this scenario the Group's share of the outstanding senior debt would increase.

The Group currently expects to remain in compliance with the minimum level of Marketable Coal Reserves and is unaware of any issues with NCIG or WICET refinancing their future debt maturities.

E2 RELATED PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is Yancoal Australia Ltd. The Group's majority shareholder is Yankuang Energy Group Company Limited ("Yankuang Energy"), incorporated in the People's Republic of China, formerly known as Yanzhou Coal Mining Company Limited. The ultimate parent entity and ultimate controlling party is Shandong Energy Group Company Limited ("Shandong Energy"), incorporated in the People's Republic of China, formerly known as Yankuang Group Corporation Limited.

(b) Yancoal International (Holdings) Co., Ltd

Yancoal International (Holding) Co., Ltd is a wholly owned subsidiary of Yankuang Energy and controls the following subsidiaries: Premier Coal Holdings Pty Ltd, Athena Holdings Pty Ltd, Tonford Holdings Pty Ltd, Wilpeena Holdings Pty Ltd, and Yancoal Energy Pty Ltd ("Yancoal International Group"). The Company manages these entities on behalf of Yankuang Energy.

(c) Associates and joint ventures

Refer to Note E1 for details on the associates and joint ventures.

(d) Transactions with other related parties

The following transactions occurred with related parties:

	NOTES	30 JUNE 2026 $'000	30 JUNE 2025 $'000
SALES OF GOODS AND SERVICES			
Sales of coal to Yankuang Lucky International Company Limited (i)		140,450	115,628
Sales of coal to Shandong Energy (Hainan) Intelligent International Technology Co., Ltd (i)		135,575	105,070
Sales of coal to Yancoal International Trading Co. Ltd (i)		22,449	94,894
Sales of coal to Shandong Energy (Jinan) Intelligent Investment Co., Ltd		3,823	—
Provision of marketing and administrative services to Yancoal International Group (i)		7,355	6,451
Provision of marketing and administrative services to Shandong Energy Group (i)		240	131
		309,892	**322,174**
PURCHASES OF GOODS AND SERVICES			
Purchases of coal from Syntech Resources Pty Ltd (i)		(23,828)	(21,611)
		(23,828)	**(21,611)**
EQUITY SUBSCRIPTION, DEBT REPAYMENT AND DEBT PROVISION			
Lease payments for NHL trucks with Zhongyin (Hong Kong) Co., Limited		(8,102)	(8,952)
		(8,102)	**(8,952)**
OTHER COSTS			
Port charges to NCIG		(122,631)	(135,998)
Port charges to WICET		(29,806)	(27,188)
Port charges to PWCS		(42,731)	(23,479)
		(195,168)	**(186,665)**
OTHER INCOME			
Royalty income charged to Middlemount		12,899	13,080
Dividend income received from PWCS		6,720	6,510
Bank guarantee fee charged to Yancoal International Group (ii)		766	1,318
		20,385	**20,908**

(i) Continuing connected transaction under Chapter 14A of HK Listing Rules.
(ii) Fully exempt continuing connected transaction under Chapter 14A of HK Listing Rules

(e) Outstanding balances arising from transactions with related parties

Balances outstanding at the reporting date to / from related parties are unsecured, non-interest bearing (except for loans receivable and loans payable) and are repayable on demand.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	30 JUNE 2026 $'000	31 DECEMBER 2025 $'000
CURRENT ASSETS		
Trade and other receivables		
Royalty receivable from Middlemount	7,775	7,582
Other receivable from Shandong Energy Australia	85	145
Receivable from Yancoal International Group in relation to cost reimbursement	—	2,441
Total assets	**7,860**	**10,168**
CURRENT LIABILITIES		
Trade and other payables		
Lease liabilities (NHL trucks) with Zhongyin (Hong Kong) Co., Limited	16,024	16,103
Payables to Yancoal International (Holding) Co Ltd	11,894	—
	27,918	**16,103**
NON-CURRENT LIABILITIES		
Other payables		
Lease liabilities (NHL trucks) with Zhongyin (Hong Kong) Co., Limited	3,848	12,260
	3,848	**12,260**
Total liabilities	**31,766**	**28,363**

(f) Guarantees

The financiers of the Group have issued undertakings and guarantees to government departments, and various external parties on behalf of the following related entities:

	30 JUNE 2026 $'000	31 DECEMBER 2025 $'000
YANCOAL INTERNATIONAL GROUP		
Syntech Resources Pty Ltd	36,621	40,163
Premier Coal Pty Ltd	29,000	29,000
AMH (Chinchilla Coal) Pty Ltd	49	49
Tonford Holdings Pty Ltd	10	10
Athena Joint Venture	3	3
	65,683	**69,225**

Refer to Note D6 for details of the nature of the guarantees provided.

(g) Terms and conditions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(h) Letter of support provided by parent

The Directors of Yankuang Energy have provided a letter of support whereby unless revoked by giving not less than 24 months' notice, for so long as Yankuang Energy owns at least 51% of the shares of the Company, Yankuang Energy will ensure that the Group continues to operate so that it remains solvent.

E3 ACQUISITION OF KESTREL COAL GROUP

On 14 April 2026, the Group announced the acquisition of 100% of the share capital of Kestrel Coal Group Pty Ltd, which ultimately holds an 80% interest in the Kestrel Coal Mine, for US$1.85 billion upfront cash consideration and up to US$550m contingent consideration.

On 14 April 2026, a deposit of US$40 million (A$56 million), rebateable against the upfront cash consideration, was paid to the vendors. The deposit is recognised as a non-current other asset on the consolidated balance sheet and as a payment for acquisition of interest in joint operation (net of cash acquired) in the consolidated statement of cash flows.

Completion is targeted towards the end of the September quarter 2026, but possibly earlier, subject to conditions precedent being satisfied in a timely manner. To date, good progress has been made on satisfaction of the conditions precedent. Notably, Yancoal has received Foreign Investment Review Board (FIRB) approval for the transaction.

The upfront consideration will be funded via a combination of available cash and a US$1.2 billion five-year syndicated acquisition loan facility, with additional support available through a US$200 million working capital facility. Any contingent consideration payable is expected to be funded out of operating cash flows.

Acquisition accounting has not been performed at 30 June 2026 as control is not transferred until completion.

F OTHER INFORMATION

F1 COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	30 JUNE 2026 $M	31 DECEMBER 2025 $M
Property, plant and equipment		
Not later than one year		
Share of joint operations	60	97
Other	45	46
Later than one year but not later than five years	1	1
Exploration and evaluation		
Not later than one year		
Share of joint operations	2	2
	108	**146**

F2 EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstances have occurred subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the Group, the result of those operations or the state of affairs of the Group or Company in subsequent financial periods except for the following:

- On 19 August 2026, the Directors declared a fully franked 2026 interim dividend of A$92 million, A$0.0700 per share, with a record date of 3 September 2026 and a payment date of 18 September 2026.

DIRECTORS' DECLARATION

For the half-year ended 30 June 2026

In the Directors' opinion:

(a) the financial statements and notes set out on pages 19 to 44 are in accordance with the *Corporations Act 2001,* including:

- (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001,* and
- (ii) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Gregory Fletcher

Gregory James Fletcher

Director

Sydney

19 August 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF YANCOAL AUSTRALIA LTD

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Yancoal Australia Ltd (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes including selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Yancoal Australia Ltd does not comply with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date, and

b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors' for the Financial Report

The directors of Yancoal Australia Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, 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 Australian Auditing Standards 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.

SW

SW Audit
Chartered Accountants

Cheuk Man Cheng

Cheuk Man (Rondy) Cheng
Partner

Rami Eltchelebi
Partner

Sydney, 19 August 2026

ADDITIONAL DISCLOSURES

Fulfilment of conditions and undertakings

The Company confirms that it has complied with the conditions and undertakings imposed by the Hong Kong Stock Exchange during the period from 1 January 2026 to 30 June 2026.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the half year ended 30 June 2026.

Disclosure of information pursuant to Rule 13.51B(1) of the HK Listing Rules

There is no change in the information required to be disclosed pursuant to Rule 13.51B(1) of the HK Listing Rules subsequent to the publication of the 2025 Annual Report of the Company.

Pre-emptive rights on new issues of shares

Under the *Corporations Act 2001* (Cth) and the Constitution, shareholders do not have the right to be offered any shares that are newly issued for cash before those Shares can be offered to non-Shareholders.

Share Option Scheme

As of 30 June 2026, the Group has no share option scheme.

GLOSSARY

AAS	Australian Accounting Standards
ACCC	Australian Competition & Consumer Commission
ACCU	Australian Carbon Credit Units
AMI	Aurelia Metals Ltd
AGM	Annual General Meeting
Aon	Aon Hewitt
API5	All Published Index 5 – 5,500 kCal coal index
ARMC	Audit and Risk Management Committee
ARTC	Australian Rail Track Corporation
ASX	The Australian Securities Exchange
ASX Recommendations	ASX Corporate Governance Council's Principles and Recommendations
AusIMM	Australasian Institute of Mining and Metallurgy
Board	Yancoal's board of directors
CEC	Chair of the Executive Committee
CEO	Chief Executive Officer
CER	Clean Energy Regulator
CFR	Cost and Freight contract
CFO	Chief Financial Officer
CGU	Cash-Generating Unit
CHPP	Coal Handling and Preparation Plant
Cinda	Cinda (HK) Holdings Company Limited Group
Coal & Allied	Coal & Allied Industries Ltd
CODM	Chief Operating Decision Makers
Coke (steel making)	A grey, hard, and porous fuel with a high carbon content and few impurities, made by heating coal or oil in the absence of air.
Continuing Connected Transactions	The Stock Exchange of Hong Kong requires disclosure of 'Continuing Connected Transactions' which are connected transactions involving the provision of goods or services, which are carried out on a continuing or recurring basis and are expected to extend over a period of time. They are usually transactions in the ordinary and usual course of business of the issuer. Connected transactions are transactions with connected persons, and specified categories of transactions with third parties that may confer benefits on connected persons through their interests in the entities involved in the transactions.
COP26	2021 United Nations Climate Change Conference of Parties
COP27	2022 United Nations Climate Change Conference of Parties
Costs Target	Costs Target vesting condition
COVID-19	Novel Coronavirus
CVR	Contingent Value Right
Deferred Share Rights	Rights to Yancoal shares with no dividend equivalent payments that vest over time subject to remaining employed
DE&I	The Yancoal Diversity, Equity and Inclusion strategy
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECL	Expected Credit Losses
EGM	Executive General Manager
EPS	Earnings per share
EPS Awards	Earnings per share vesting condition
ESA	Executive Service Agreement
ESG	Environment, Social and Governance
Executive KMPs	Nominated members of the Executive Committee.
Executives	Comprise the executive directors and Executive KMPs
FAR	Fixed Annual Remuneration
FAS	Free Alongside Ship
FOB Cash Costs	Free On Board Cash Costs (excluding royalties)
FVTPL	Fair Value Through Profit or Loss
FVTOCI	Fair Value Through Other Comprehensive Income
GCNewc	GlobalCOAL Newcastle 6,000kCal NAR Index
GiLTS	Gladstone Island Long Term Securities
HK Code	Corporate Governance Code in Appendix C1 to the HK Listing Rules.
HK Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
HKEx	The Stock Exchange of Hong Kong

GLOSSARY

HKExnews	Website for regulatory filings and disclosures of listed issuers on the Stock Exchange of Hong Kong
HSEC Committee	Health, Safety, Environment and Community Committee
HVO	The Hunter Valley Operations mine
HVO Entities	HVO Coal Sales Pty Ltd, HV Operations Pty Ltd and HVO Services Pty Ltd
IASB	International Accounting Standards Board
IFRSs	International Financial Reporting Standards
JORC	Joint Ore Reserves Committee
KMP	Key Management Personnel comprise the Directors of the Company and nominated members of the Executive Committees.
KPIs	Key Performance Indicators
LOM	Life of Mine
LPR	Loan Prime Rate
LTI/LTIP	Long-term incentive plan
LTIFR	The Lost Time Injury Frequency Rate is the number of lost time injuries occurring in a workplace per 1 million hours worked.
MCA	Minerals Council of Australia
Metallurgical coal	A collective term applied to coal used in the steel making process
Middlemount	Middlemount Coal Pty Ltd
Mineral Reserve	Parts of a Mineral Resource that can, at present, be economically mined. The two categories define an increasing level of geological confidence with Probable at the low end and Proved at the high end.
Mineral Resource	The concentration of material of economic interest in or on the earth's crust. The three categories define an increasing level of geological confidence with Inferred at the low end, then Indicated, and Measured at the high end.
MND	Monadelphous Group Ltd
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers
Moolarben	JV Moolarben Coal Joint Venture
MTW	The Mount Thorley Warkworth Mine
NAR	Net As Received
NCIG	Newcastle Coal Infrastructure Group is a coal export terminal in Newcastle, New South Wales
NGER	National Greenhouse and Energy Reporting
NRC	Nomination and Remuneration Committee
NSW	New South Wales
NSWMC	New South Wales Mineral Council
PBT	Profit Before Tax
PCI Coal	Pulverised Coal Injection coal is used heat source and supplementary fuel in the steel making process to reduce coke consumption.
Performance Rights	Rights to Yancoal shares with no dividend equivalent payments that vest over time subject to meeting performance criteria and remaining employed
Period	The 6 months ending 30 June 2026
PRD	Performance Review and Development
Protocol	Board Performance Evaluation Protocol
PWCS	Port Waratah Coal Services is a coal export terminal in Newcastle, New South Wales.
QLD	Queensland
ROM Coal	Run Of Mine Coal, the coal volume initially extracted from the mine
ROM tonnes	Run of Mine tonnes
Safeguard Mechanism	The Safeguard Mechanism is the Australian Government's policy for reducing emissions at Australia's largest industrial facilities. It applies to industrial facilities, including coal mines, that emit more than 100,000 tonnes of carbon dioxide equivalent and sets legislated limits known as baselines on the greenhouse gas emissions of these facilities. These emissions limits are set to decline, predictably and gradually. These limits will help achieve Australia's emission reduction targets of 43% below 2005 levels by 2030 and net zero by 2050.
Saleable coal	Coal volume remaining after processing to remove non-coal material
Scope 1 emissions	Scope 1 covers direct emissions from owned or controlled sources; for example emissions released from coal during the mining process.
Scope 2 emissions	Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.
Scope 3 emissions	Scope 3 includes all other indirect emissions that occur in a company's value chain; for example the emissions real during combustion of coal by the end users.
Semi-soft coking coal	Used to produce coke for the steel-making process, but it produces a lower quality coke with more impurities compared to hard coking coal.
Services	IT services, which comprise the granting of the permission to use the Company's hardware or software and the provision of IT support services.
SFO	Hong Kong Securities and Futures Ordinance
Shandong Energy	Shandong Energy Group Co. Ltd (formerly known as Yankuang Group Corporation Limited)
Sojitz	Sojitz Corporation
STI/STIP	Short-term incentive plan
TCFD	The Taskforce on Climate-related Financial Disclosures was established by the Financial Stability Board to develop a set of voluntary, consistent disclosure recommendations for use by companies in providing information to investors, lenders and insurance underwriters about their climate-related financial risks.

tCO_2-e	Emissions equivalent to a tonne of carbon dioxide emissions; it is the standard unit in carbon accounting to quantify greenhouse gas emissions.
The Company or Yancoal	Yancoal Australia Ltd
The Group	Yancoal Australia Ltd and its controlled entities
Thermal coal	A collective term applied to coal suited to combustion to generate electricity or other purposes.
Treasury Shares	Shares repurchased and held by an issuer in treasury, as authorised by the laws of the issuer's place of incorporation and its articles of association or equivalent constitutional documents which, for the purpose of the HK Listing Rules, include shares repurchased by an issuer and held or deposited in the HKEx Central Clearing and Settlement System for sale on the HKEx.
TRI & DI	Total Recordable Injuries & Disease Injuries
TRIFR	The Total Recordable Injury Frequency Rate is the number of fatalities, lost time injuries, substitute work, and other injuries requiring treatment by a medical professional per million hours worked.
UOP	Units of Production
VWAP	Volume Weighted Average Price gives the average price a security has traded at throughout a period, based on both volume and price
Watagan	Watagan Mining Company Pty Ltd
WICET	Wiggins Island Coal Export Terminal is a coal export terminal in at Gladstone, Queensland.
WIPS	Wiggins Island Preference Shares
Yankuang Energy	Yankuang Energy Group Company Limited
Yanzhou Coal	Yanzhou Coal Mining Company Ltd
YIT	Yancoal International Trading Company Limited