



**commodities  
for the future**

# Interim report 2023



**BERGBAU AG**

commodities for the future

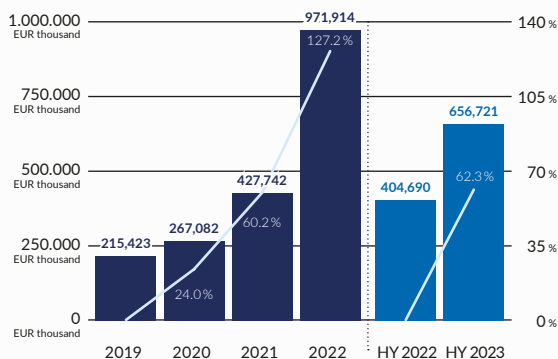
# Group Key Figures

## BALANCE SHEET FIGURES

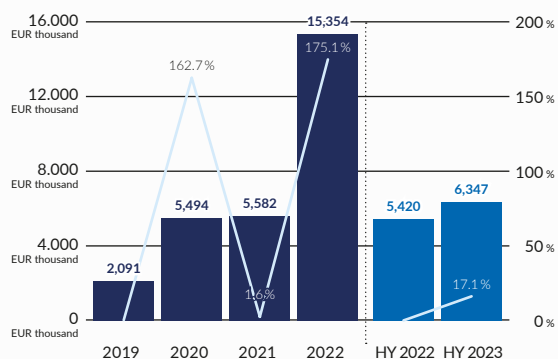
	30/06/2023 EUR thousand	31/12/2022 EUR thousand
Total assets	226,656	130,472
Non-current assets	18,472	19,724
Current assets	205,867	108,553
Shareholders' equity	37,047	32,155
Provisions	10,612	14,229
Liabilities	178,997	84,089

## INCOME STATEMENT FIGURES

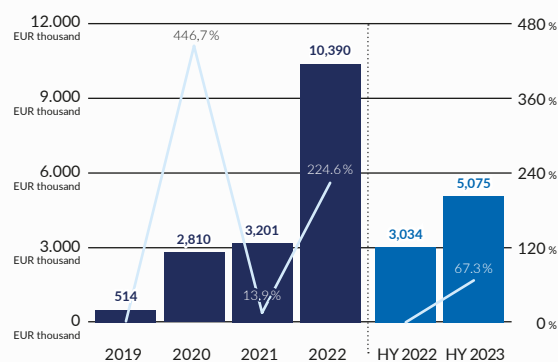
### SALES



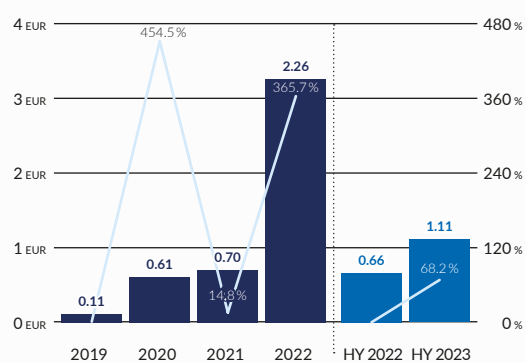
### EBITDA



### NET PROFIT



### EARNINGS PER SHARE



# Inhalt

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<b>Letter to Shareholders</b>	<b>4</b>
<b>Overall economic development</b>	<b>6</b>
<b>Investor Relations</b>	<b>10</b>
<b>Management report</b>	<b>14</b>
<b>Financial statement as of 30 June 2023</b> PROVISIONAL BALANCE SHEET	<b>20</b>
<b>Financial statement as of 30 June 2023</b> PROVISIONAL INCOME STATEMENT	<b>22</b>
<b>Imprint</b>	<b>23</b>

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# Financial Calendar

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<b>31 December 2023</b>	End of the financial year 2023
<b>1 January 2024</b>	Start of the financial year
<b>31 May 2024</b>	Annual financial statements 2023
<b>August 2024</b>	Annual General Meeting
<b>30 September 2024</b>	Interim Report 2024
<b>31 December 2024</b>	End of the financial year 2024

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# Letter to Shareholders

## DEAR LADIES AND GENTLEMEN,

The volatility of the commodity markets proved historic in the 2022 financial year and continues to do so in the current 2023 financial year. The sharp increases in energy raw material prices witnessed in 2022 have been followed by a trend reversal in 2023, with some raw material prices plummeting and returning to their pre-crisis levels by mid-2023. At the same time, geopolitical crises, high inflation, rising interest rates, trade conflicts and somewhat cautious economic forecasts have led to market conditions that are difficult to predict.

In such a challenging environment, the advantages of a flexible, internationally broad-based commodity trading group became clear. In the first half of 2023, HMS Bergbau AG responded by adapting its business practices. Based on an expanded financing framework and the high volatility of the market, we have further strengthened risk management in particular.

In its process of transforming from a coal trader to an internationally positioned commodity trading and marketing group, the Group also achieved the following milestones in the first six months of 2023:

- Steadily optimising value creation through the vertical integration of production, handling and transport
- Expanding in markets such as the USA, Africa and the Far East according to plan by strengthening the trading business
- Trading in raw materials such as ores, metals, cement products and petcoke, in addition to coal
- Initiating and expanding the operating activities of the subsidiaries established in 2022 in Zimbabwe and Dubai, one of the world's most important trading centres for commodities

- Commissioning the production facility for cement products, silica sand and tile adhesives in July 2023 in Durban, South Africa, which is 51 per cent-held by HMS

From the management's perspective, the most important milestone is the acquisition of two majority stakes in companies with mining and exploration licences for lithium, cobalt, nickel, tantalum and rare earths in the Alatau region (Republic of Kazakhstan). HMS Bergbau AG is the first German company to secure mining licences in Kazakhstan, which promise high earnings potential in the years ahead.

The strength of the operating activities is reflected in the financial results achieved for the first six months of the current 2023 financial year. The 2023 half-year results significantly exceeded the record results of the first half of 2022. As of 30 June 2023, sales of EUR 656.7 million were generated, corresponding to a year-on-year increase of almost 62 per cent. The significant increase in sales of EUR 252 million, driven primarily by a rise in tonnage, led to EBITDA of EUR 6,347 thousand in the first half of 2023, compared to EUR 5,420 thousand in the same period of 2022. Net profit amounted to EUR 5,075 thousand as of 30 June 2023, compared to EUR 3,034 thousand as of 30 June 2022. Liquidity as of the 30 June 2023 reporting date amounted to around EUR 25.5 million (31 December 2022: EUR 31.0 million), creating additional room for manoeuvre for HMS Bergbau AG in terms of its continued development into a responsible international vertically and horizontally positioned commodity trader.

The management of HMS Bergbau AG continues to regard the medium-term operating outlook as positive as a result of the growing global demand for energy and raw materials. The Group considers itself well positioned, primarily due to its international trade relations, local representative offices and the successes achieved during its transformation process.

The management confirms its forecasts for the current year 2023 and plans to generate a gross margin at the previous year's level of approximately 3 per cent, based on sales of around EUR 1 billion. EBITDA is anticipated to reach approximately EUR 17 million.

The Management Board  
Berlin, September 2023



**DENNIS SCHWINDT**  
Chief Executive Officer



**JENS MOIR**  
Chief Financial Officer

## MEMBERS OF THE EXECUTIVE BOARD IN THE REPORTING PERIOD

### **DENNIS SCHWINDT** CHIEF EXECUTIVE OFFICER

Dennis Schwindt is Chief Executive Officer of HMS Bergbau AG. Mr Schwindt holds a degree in economics from the Humboldt University in Berlin and has been managing several operating projects at HMS Bergbau AG as the Company's authorised representative and in the area of commodity trading since 2012. He gained extensive experience in the oil and gas industry and in plant engineering in his previous positions at both medium-sized German companies and international groups.



### **JENS MOIR** CHIEF FINANCIAL OFFICER

Jens Moir is Chief Financial Officer of HMS Bergbau AG. Mr Moir has more than 20 years of hands-on experience as a CFO and financial executive in international steel construction, oil and gas, renewable energy and entertainment companies. In his latest role, he oversaw various technology start-ups. Mr Moir is a British and German national with international experience in Germany, Poland, Austria and the USA.



## MEMBERS OF THE SUPERVISORY BOARD IN THE REPORTING PERIOD

### **HEINZ SCHERNIKAU** CHAIRMAN OF THE SUPERVISORY BOARD

### **DR. H. C. MICHAEL BÄRLEIN** DEPUTY CHAIRMAN OF THE SUPERVISORY BOARD

### **PATRICK BRANDL** MEMBER OF THE SUPERVISORY BOARD

# Macroeconomic developments

## GLOBAL OUTLOOK

In its forecast for the global economy in July 2023, the International Monetary Fund (IMF) sees the growth outlook as slightly more positive overall than it did in the spring of 2023. For 2023, IMF experts are projecting global economic growth of 3.0 per cent and the same for the year 2024. In the period 2000 to 2019, global economic growth averaged 3.8 per cent per year.

## OUTLOOK FOR EUROPE

According to a forecast by the EU Commission, the growth in the European Union's economy will be slower than recently expected. In its September 2023 outlook, the Commission is expecting growth of 0.8 per cent in 2023 for the EU as well as for the eurozone. Weak consumer spending and further increases in consumer prices in the first half of 2023 were primarily responsible for the relatively poor growth performance in Europe.

## OUTLOOK FOR GERMANY

According to the International Monetary Fund (IMF), the German economy will shrink by 0.3 per cent in the current year 2023. Based on the July 2023 projection, IMF economists brought down their forecasts for Germany, published in April 2023. As a result, Germany was the only G7 country for which the IMF did not increase its spring 2023 forecast.

## RAW MATERIALS

Almost all raw material segments experienced price increases in the first half of 2022, which in some cases were very drastic. This was followed by steep price declines in raw material markets during the first half of the 2023 financial year, which according to the experts of the Hamburg Institute of International Economics

(HWWI), included energy and industrial raw materials, as well as food and beverages.

## COAL

The fossil fuel coal has seen prices falling continuously since record levels of over USD 400 were reached in August 2022. Coal has now reached a price level equal to before Russia's war of aggression against Ukraine began. According to the API-2 coal price index, the price per tonne of coal at the end of June 2023 had fallen from over USD 400 to USD 121.

## COAL PRODUCTION

In 2022, global coal production increased by 8.2 per cent to over 8 billion tonnes worldwide.

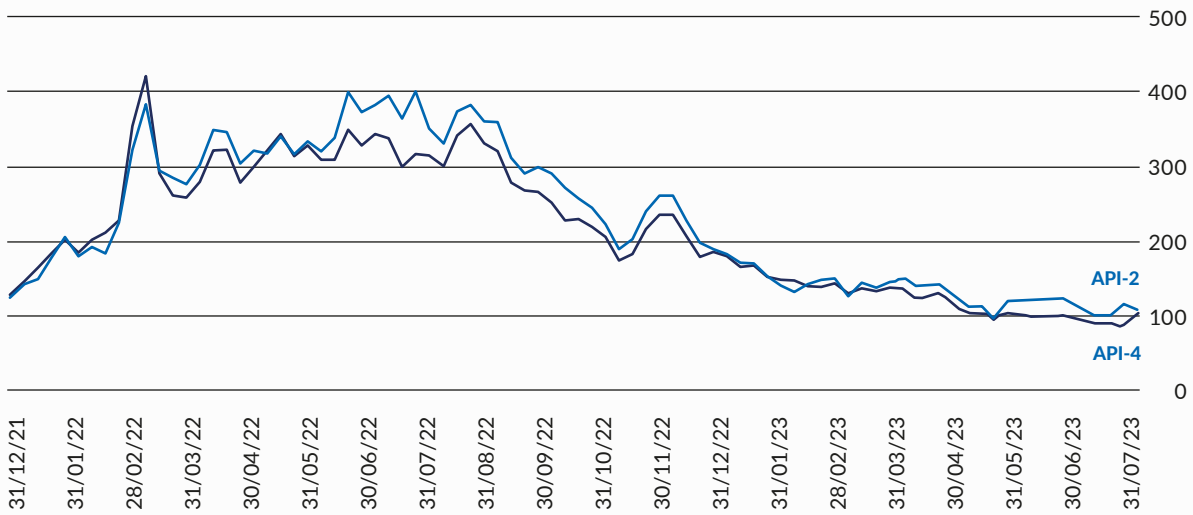
Asian coal-producing countries, which account for more than 70 per cent of global coal production, increased their production by an above-average 11 per cent in 2022.

In Europe, the steep rise in gas prices triggered a 4.8 per cent increase in coal production in 2022. The growth rates in Turkey (11 percent) and the Czech Republic (12 percent) were above average. Germany, too, increased its coal production by 3.5 per cent. In the CIS states, production output remained relatively steady at a plus of 0.3 per cent and in Russia output was just 0.4 per cent higher due to Western sanctions. In the US, on the other hand, production output increased slightly by 3 per cent.

In 2022, China remained the world's largest producer of hard coal and lignite, accounting for more than half of deliveries (51 percent in 2022). China's share continues to grow, followed by India (11 per cent) and Indonesia (8 per cent).

## API-2 AND API-4

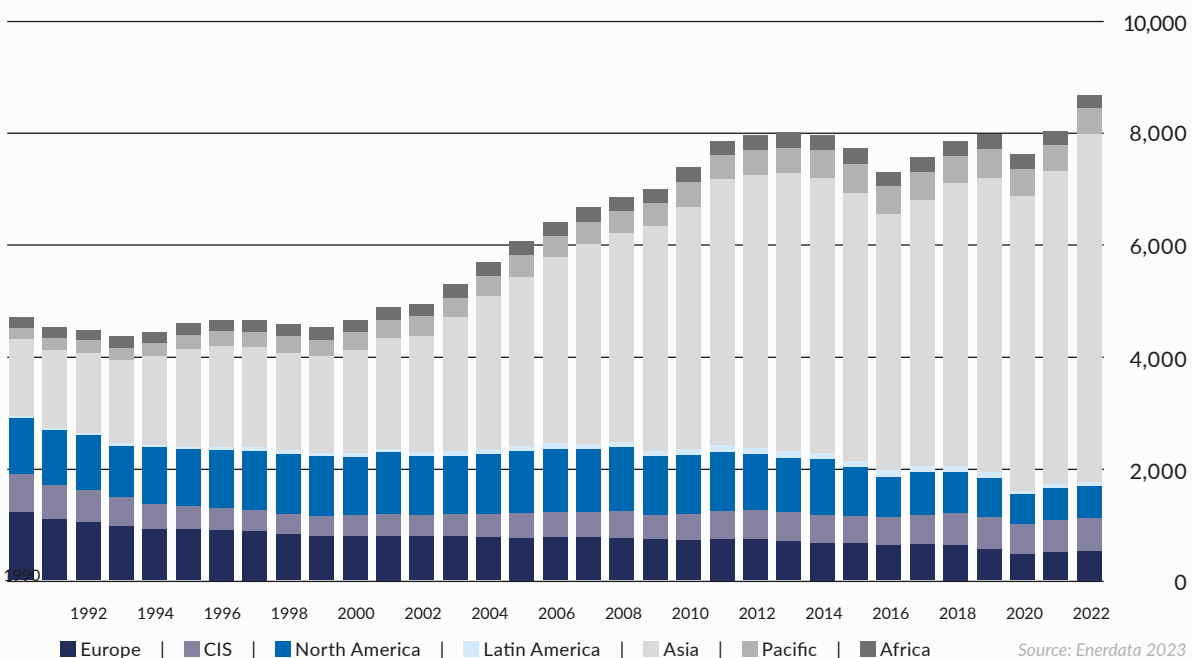
US DOLLAR PER TONNE



Source: Argus Overview 2022/23, HMS Bergbau AG

## COAL PRODUCTION TRENDS

MEGATONNE



Source: Enerdata 2023

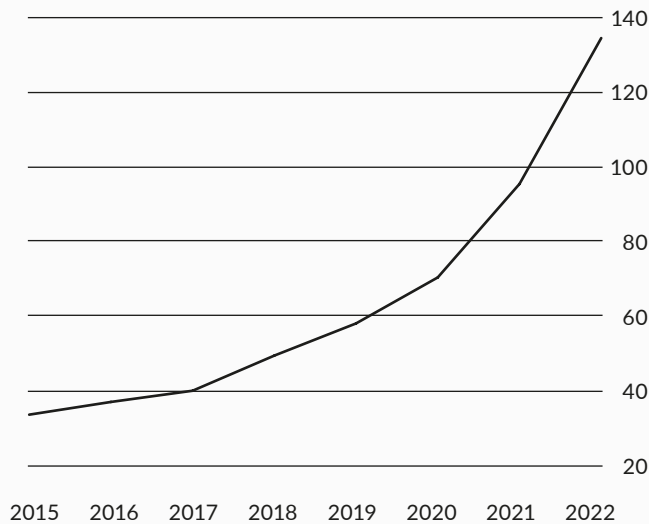
## LITHIUM

There is a growing demand for raw materials relevant to electrification, such as nickel, manganese, graphite and particularly cobalt

and lithium. According to data from the United States Geological Survey, global lithium demand recorded an increase from 40,000 tonnes in 2015 to 134,000 tonnes in 2022.

## GLOBAL LITHIUM DEMAND

THOUSAND TONS



Source: US Geological Survey 2023

## TONNES OF LITHIUM MINED

WORLDWIDE 2020

COUNTRIES	2020	SHARE
Australia	39,700	48.8 %
Chile	21,500	26.2 %
China	13,300	16.2 %
Argentina	5,900	7.2 %
Brasil	620	0.6 %
USA	450	0.5 %
Simbabwe	417	0.5 %
Portugal	230	0.3 %
Other countries	0	0.0 %
<b>Gesamt</b>	<b>82,117</b>	<b>100.0 %</b>

Source: Deutsche Rohstoffagentur

According to researchers at KU Leuven in Belgium, demand is expected to continue to grow strongly until 2050, up to a level of 861,000 tonnes in 2050 in the EU alone.

The largest producers of lithium are currently Australia, Chile and China, which together account for over 90 per cent of global lithium production.

### PRIMARY ENERGY CONSUMPTION

The increase in global goods trade, steadily rising goods production and ongoing population growth continue to lead to strong increases in global energy consumption. In the past four decades, consumption has more than doubled. In addition to a rise in absolute consumption volumes of the respective energy sources, the energy mix has also changed, among others, due to the increase in renewable energies.

In the view of the IEA, the muted economic outlook, clouded by inflation and the energy crisis, leads to reduced energy demand growth forecasts. High energy prices, heightened energy security concerns and stricter climate

policies, in particular, are putting an end to a decade of rapid progress for natural gas. In the IEA's Stated Policies Scenario (STEPS), annual demand growth for natural gas will slow to 0.4 per cent from now until the year 2030, down from 2.3 per cent from 2010 to 2019.

Coal, on the other hand, is seeing a temporary revival in demand from the power and industrial sectors in response to the new global environment and the sharp rise in gas prices in many regions. Experts expect a further increase in coal demand into 2025, which is still forecast at more than 8 billion tonnes p.a.

Despite all the turbulence in the market and the efforts to reduce emissions, coal remained the most important and, above all, flexible, most available energy source in the G20 countries in 2021, accounting for 32 per cent of the primary energy mix, ahead of oil (27 per cent) and gas (22 per cent).



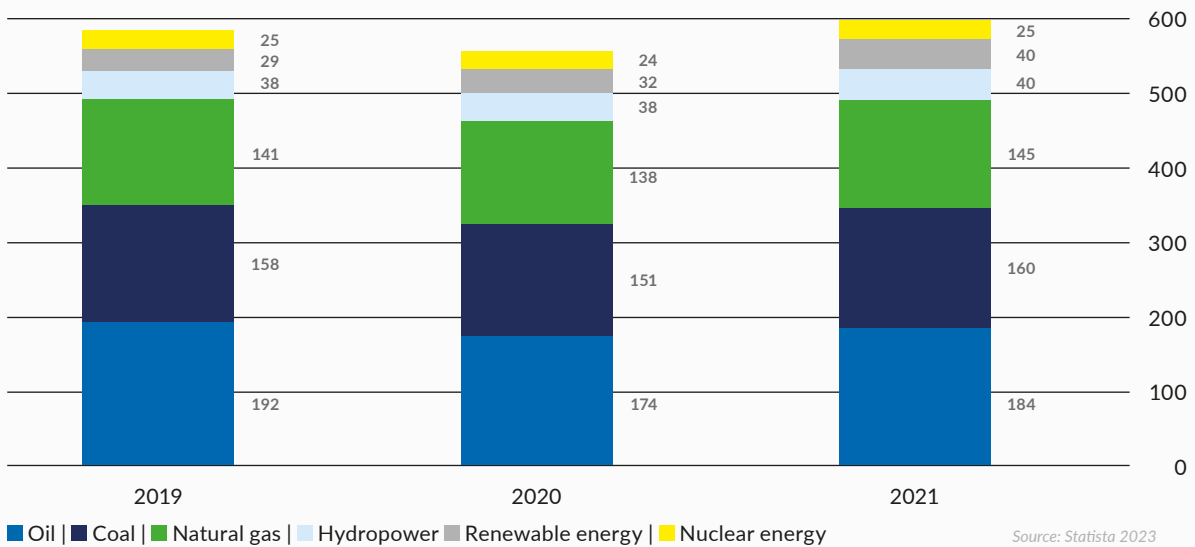
Fossil fuels, such as oil, natural gas and coal, are still expected to account for more than 60 per cent of global primary energy consumption in 2040.

Although the share of non-fossil energy in the energy mix increases substantially in the IEEJ scenario, it does not seem realistic that non-fos-

sil energy can cover all energy consumption in the future. In the time axis up to 2050, it can therefore be assumed that a combination of fossil fuels and non-fossil energy will be made available globally. This is especially true in emerging and developing countries, where consumption is set to increase significantly.

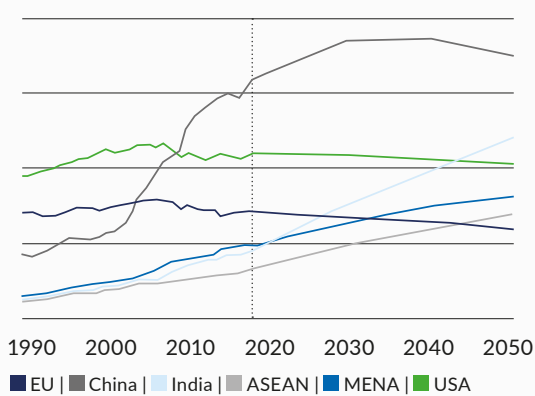
### PRIMARY ENERGY CONSUMPTION WORLDWIDE BY ENERGY SOURCE

EXAJOULE



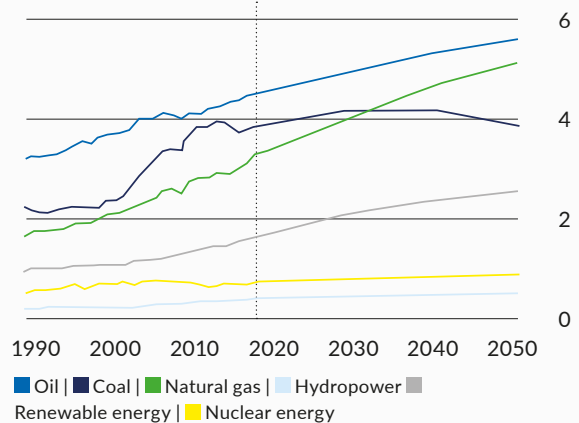
### PRIMARY ENERGY CONSUMPTION WORLDWIDE BY REGION

BILLION TONNES OF OIL EQUIVALENT



### PRIMARY ENERGY CONSUMPTION WORLDWIDE BY ENERGY SOURCE

BILLION TONNES OF OIL EQUIVALENT



# Investor Relations

## **DEVELOPMENT OF THE STOCK MARKETS**

Global economic forecasts in the 2023 financial year are once again subject to significant uncertainties. These include a slower-than-expected decline in inflationary trends, resulting in more pronounced monetary policy tightening by central banks, the risk of an energy shortage in Europe in the winter of 2023/2024 and a continued possible escalation in the war in Ukraine. At the same time, geopolitical tensions between the USA and China are increasing, which could place a significant burden on global goods trade and international supply chains should they further escalate.

Despite these downside risks, slowing inflationary momentum and declining prices on the global energy markets year-to-date have led to a moderate global economic recovery. The hope that positive trends would continue, led, in part, to significant rallies of the global stock indices in 2023 despite major interest rate hikes by central banks. The Dow Jones Index, for example, began the 2023 calendar year at 33,138 points and, by 31 August 2023, had already gained around 4.78 per cent.

The European stock market indices EURO STOXX 50 and DAX recorded price gains in 2023 year-to-date of 13.35 per cent and 14.54 per cent, respectively. As of 31 August 2023, the EURO STOXX 50 stood at 4,297 points, while the DAX closed at around 15,947 points.

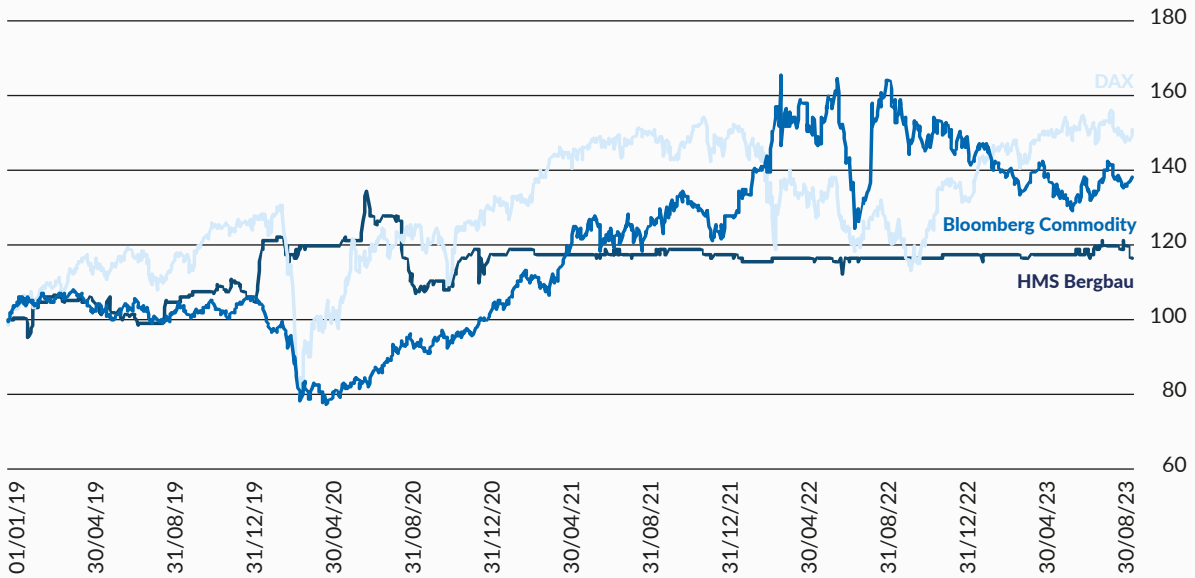
## **DEVELOPMENT OF HMS SHARES**

In relative comparison to the DAX and the Bloomberg Commodity indices, the performance of HMS Bergbau shares was mixed. While the DAX Performance Index recorded a significant gain of 15.98 per cent in the first six months of 2023, the Bloomberg Commodity Index lost 10.06 percentage points. HMS Bergbau shares closed at EUR 20.60 on 30 June 2023 (31 December 2022: EUR 21.00).

The market capitalisation of HMS Bergbau AG equalled EUR 94.6 million at the end of the 30 June 2023 reporting period, compared to EUR 96.4 million as of 31 December 2022.

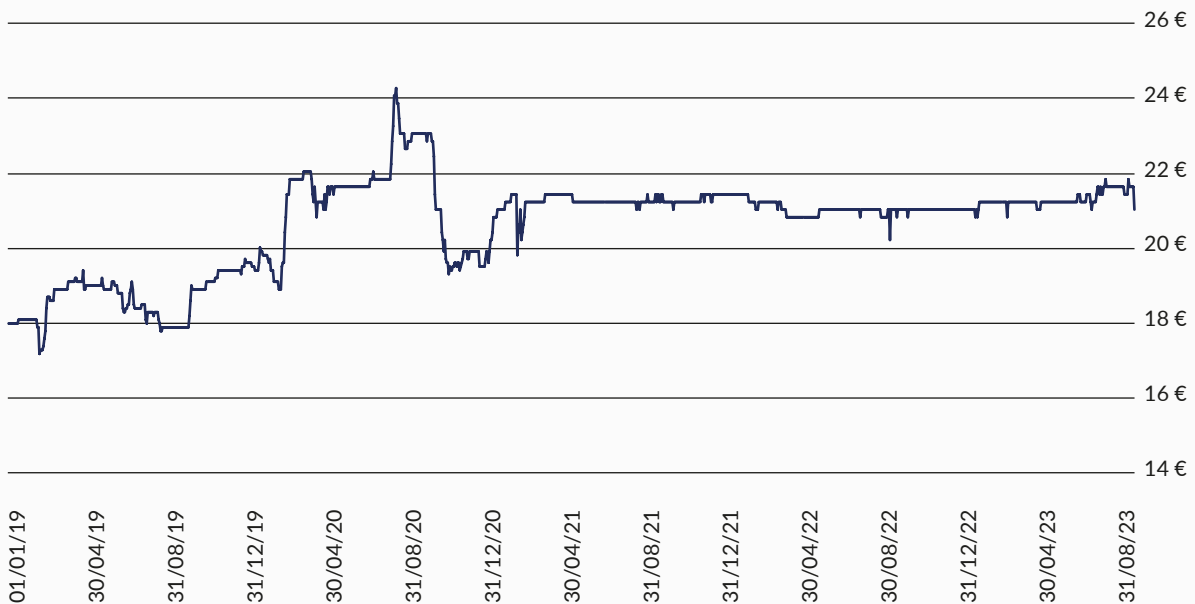
HMS Bergbau shares overall continued the positive performance they have sustained for years.

**PERFORMANCE OF HMS SHARES COMPARED TO THE DAX AND BLOOMBERG COMMODITY INDICES FROM THE BEGINNING OF 2019 TO 31 AUGUST 2023**



Source: Finanzen.net, HMS Bergbau AG

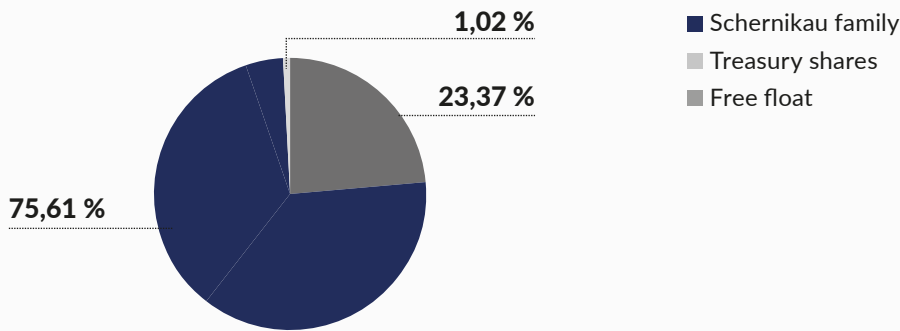
**SHARE PRICE OF HMS BERGBAU AG FROM THE BEGINNING OF 2019 TO AUGUST 2023**



Source: Deutsche Börse AG, HMS Bergbau AG

## UNCHANGED SHAREHOLDER STRUCTURE AS OF 30 JUNE 2023

### SHAREHOLDER STRUCTURE AS OF 30 JUNE 2023



Source: HMS Bergbau AG

As of 30 June 2023, the share capital of HMS Bergbau AG was unchanged and consisted of 4,590,588 shares, each with a nominal value of EUR 1.00, amounting in total to EUR 4,590,588.00. ERAG Energie und Rohstoff AG holds 36.98 per cent of the shares, and LaVo Verwaltungsgesellschaft mbH holds 34.28 per cent. The Schernikau family holds 4.36 per cent, and 1.02 per cent are held as treasury shares by HMS Bergbau AG. The free float equals 23.37 per cent of the share capital.

### ANNUAL GENERAL MEETING 2023 – DIVIDEND OF EUR 0.77 RESOLVED

The Annual General Meeting of HMS Bergbau AG was held on 29 August 2023. In addition to the usual proposed resolutions on ratifying the actions of the Management Board and Supervisory Board and electing the auditor, the agenda again included a proposed resolution for the distribution of a dividend. After resolving and paying a dividend in 2022 of EUR 0.04 per share, this year's dividend resolution amounted to EUR 0.77 per share. HMS Bergbau AG is

thereby allowing all its shareholders to participate in the solid operating results generated in the 2022 financial year. All agenda items at the 2023 Annual General Meeting were passed with 100 per cent or almost 100 per cent of the votes present.

### INVESTOR RELATIONS ACTIVITIES

In addition to the publication of the annual and half-year reports, the Management Board of HMS Bergbau AG informs shareholders promptly and comprehensively about current developments at HMS Bergbau AG through capital market announcements. All news relevant to the capital market is written and published in the German and English languages, which is above and beyond the disclosure requirements for a Basic Board listing on the Frankfurt Stock Exchange. In addition, the Management Board is available to institutional investors, financial journalists and industry analysts at all times to discuss the business model and the Company's future prospects, as well as other topics relevant to the capital markets.

## KEY SHARE DATA AS OF 30 JUNE 2022

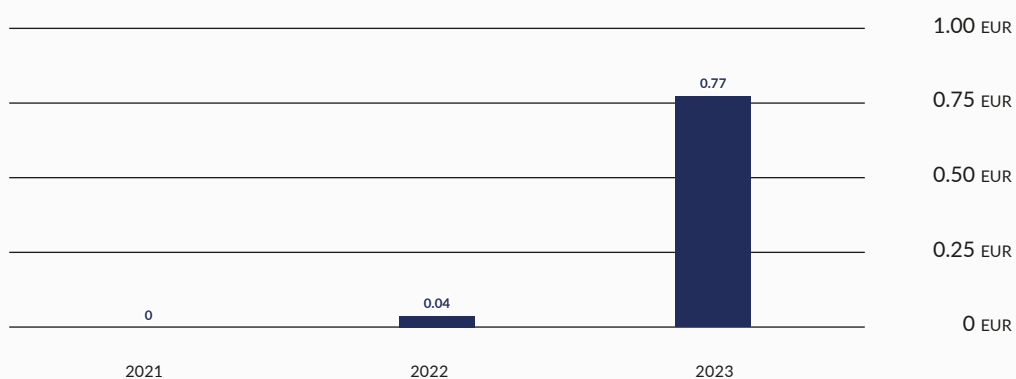
### BASIC DATA

ISIN/WKN	DE0006061104
WKN	606110
Ticker symbol	HMU
Bloomberg symbol	HMU GY
Reuters symbol	HMUG.DE
Market segment /Transparency level	Open Market / Basic Board
Designated sponsor	mwb fairtrade Wertpapierhandelsbank AG
Investor relations	GFEI Aktiengesellschaft
Share capital	EUR 4,590,588.00
Number of shares	4,590,588
Free float	23.37 %

### PERFORMANCE DATA

Share price as at 31 December 2021 (Xetra closing price)	EUR 21.00
Share price as at 30 June 2022 (Xetra closing price)	EUR 20.60
Market capitalisation as at 31 December 2021	EUR 96,402,348
Market capitalisation as at 30 June 2022	EUR 94,566,113

### DIVIDEND



# MANAGEMENT REPORT

## OVERVIEW OF ACTIVITIES AND SUSTAINABILITY

The HMS Bergbau Group is a globally active group that serves as a trading and distribution partner to renowned international electricity producers, cement manufacturers and industrial consumers, supplying them with coal and energy raw materials such as steam coal, coking coal and coke products. Other raw materials such as ores, cement and fertilisers are also increasingly becoming the focus of supply activities as part of the Group's strategic transformation process. Recently, the Group acquired licences in Kazakhstan to explore for lithium, tantalum and rare earths.

HMS Bergbau AG is increasingly developing into a diversified international commodity trading group. In the current financial year, the Group is continuing its strategy of expanding its business activities to include other raw materials, such as lithium, sand, tile adhesives, cement, beryllium, manganese ore, chrome ore, clinker and phosphates. The focus of its activities remains the coal business. HMS Bergbau AG has spent decades building up its widely recognised expertise throughout the entire value chain, from the mining of raw materials and transport logistics to customer deliveries. HMS Bergbau AG trades coal, more than 90 per cent of which is used in industrial applications. The main users are steel and cement producers. Customers also include glassworks, paper mills and waste processing plants, among others. Our customer base consists of private and state-owned companies from Asia, Europe, the Middle East and Africa.

HMS Bergbau AG exports about 90 per cent of its coal trading volume to developing countries, such as Bangladesh, Pakistan, Vietnam,

China and India, that lack alternatives to the basic energy supply with coal. These countries, including China, were exempted from the Paris Climate Agreement from the global decisions on CO<sub>2</sub> reduction in the interest of the climate. The background to these exemptions is precisely this lack of alternatives to the basic energy supply with relatively low-cost coal. These countries often lack both the financial resources and natural conditions for the development of wind or solar energy. For this reason, all UN resolutions support developing countries in the use of fossil fuels until viable alternatives are available to them. By supplying these countries, we believe we are contributing to economic development and, thereby, to greater prosperity. This economic development is a prerequisite for the inflow of financial resources that can be made available for the development of infrastructure for alternative energy production.

The HMS Bergbau Group cooperates with renowned and reliable producers, mainly in Indonesia, Australia, South Africa, Poland, and North and South America. We also represent numerous selected international coal producers. The HMS Bergbau Group handles the complete marketing of coal in selected markets.

## VERTICAL INTEGRATION

In order to extend our coverage of the value chain from mining through logistics to customer delivery and ensure the future security of supply in the face of growing energy demand, it is imperative that we invest in our own resources. Particularly investments in exclusive marketing agreements as well as in the proprietary development of raw materials, make economic sense for HMS Bergbau AG.

Our long-term strategy of vertical integration is based on the following pillars:

## **STRONG TRADING BUSINESS**

Our future growth and business success are based on the continued expansion of our trading activities with solid, long-term supplier and customer relationships and steady value contributions.

## **GROWTH**

At HMS Bergbau AG, our aim is to achieve sustainable earnings growth through vertical integration and the resulting competitive advantages. This strategy specifically includes expanding our international coal marketing activities in the South African and Asian coal markets. HMS Bergbau AG is also striving to consolidate its existing business contacts and develop new ones through its subsidiaries in the United States and Dubai. We also plan to identify and seize short- and medium-term opportunities in Europe.

## **CORPORATE CULTURE**

Experiencing the everyday corporate culture of highly professional and ethical standards throughout the Group is a true advantage for HMS Bergbau Group in its competition for qualified international personnel who can drive forward our strategy.

## **SUSTAINABLE ACTION**

Environmental protection is part of responsible and sustainable action for a modern company like HMS Bergbau AG. For this reason, HMS Bergbau AG has been certified CO<sub>2</sub>-neutral. HMS Bergbau AG also considers its actions as a clear competitive advantage that is also offered to customers as additional added value.

## **HORIZONTAL INTEGRATION**

The expansion of global trading to include other raw materials is to be another important pillar of HMS Bergbau AG in the medium term. The constantly growing demand for a wide variety of raw materials from existing and potential

new customers is to be offered and covered via the HMS Bergbau structures. New markets, especially in the USA, Asia, Africa and the Middle East, are now more in focus than ever before. The existing network and know-how built up over the years, as well as the proven transport capabilities, are not only used for the Company's coal activities but also increasingly for other raw materials and products such as ores, metals, cement products, petcoke, rare earths and lithium. This strategy offers the advantage of higher utilisation of existing capacities while offering attractive opportunities to diversify risk and increase gross margins.

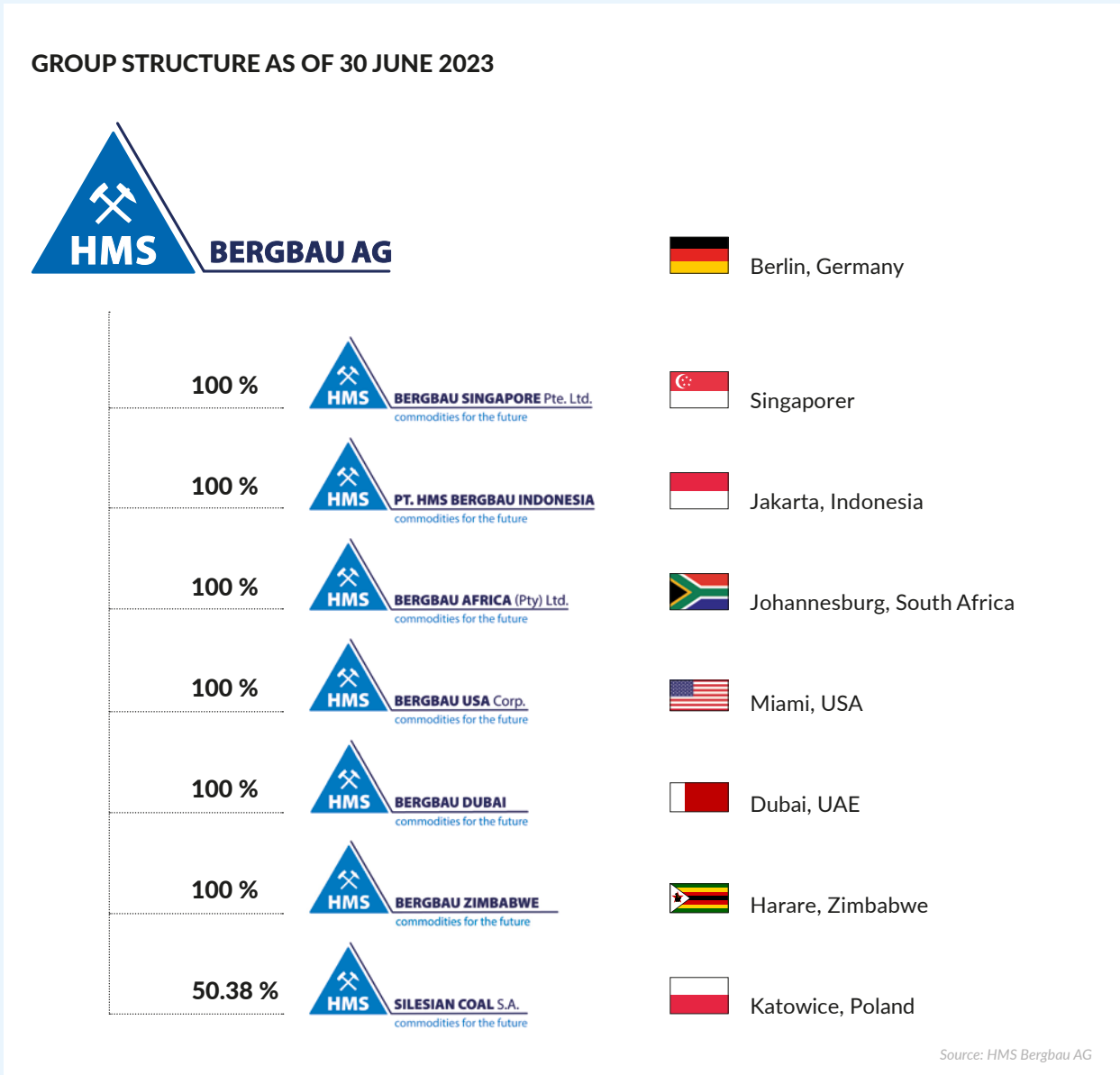
The share of deliveries to non-power plant customers is also steadily increasing. In 2022, more than 90 per cent of deliveries were made to industries in which coal or its ashes are used as materials and can therefore be substituted to only a limited extent. The steel and cement industries play an overriding role in the customer portfolio.

## **GROUP STRUCTURE**

The HMS Bergbau Group has established an international network of long-term business partners and consistently pursues its philosophy of building long-term and profitable business relationships with international producers and consumers. The Group's internationality is also a result of its subsidiaries HMS Bergbau Africa (Pty) Ltd., HMS Bergbau Singapore Pte Ltd., PT. HMS Bergbau Indonesia, HMS Bergbau Dubai FZCO, and HMS Bergbau USA Corp.

As of 31 December 2022, HMS Bergbau AG held a 55.38 per cent stake in the Group subsidiary Silesian Coal International Group of Companies S.A., Poland, which has already carried out geological explorations for the Orzesze area in Silesia. We are continuously working not only on the operational side of the project but also on further financing measures.

The group structure of the HMS Bergbau Group and its major subsidiaries as at 30 June 2023 was as follows:



In addition, HMS Bergbau AG holds two majority interests in companies with mining and exploration licences for lithium, cobalt, nickel, tantalum and rare earths in the Alatau region in the Republic of Kazakhstan. The exploration licences are valid for documented deposits of lithium, cobalt and nickel.

An agreement between the Federal Republic of Germany and the Republic of Kazakhstan is in place for the raw materials partnership that provides for the deepening of economic and political relations through a partnership cooperation covering the raw materials, industrial and technological sectors.



## **RESPONSIBILITY AT HMS BERGBAU AG SUSTAINABLE ACTION**

Megatrends such as energy efficiency, climate change and globalisation are currently leading to a rethink and, consequently, to a change in behaviour in almost all industries and services worldwide. The energy sector is also continuously working on new, more efficient energy generation systems, which at the same time should cause a minimum of environmental harm. The main focus is on the general supply of energy to the globally increasing population, but also on steady supply. According to leading energy analysis companies, these two objectives can only be achieved through a mix of renewable and fossil energy sources, such as coal.

At the same time, the steadily increasing awareness of sustainable energy supply and production is leading to changes in business processes and practices. The aforementioned global megatrends lead in the end to sustainable changes in working and trading conditions within the value chains. HMS Bergbau AG has also started to reduce its global footprint in recent years.

HMS Bergbau AG is convinced that the Group's targeted growth can be reconciled with sustainable and environmentally friendly production and sales processes. Sustainable action that is in balance with people, the environment and economic success is an important and long-term success factor for HMS Bergbau AG.

### **CO<sub>2</sub> COMPENSATION OF OWN ACTIVITIES**

HMS Bergbau AG had its operating activities certified as climate-friendly as early as September 2020. For this purpose, independent analysts determined the carbon balance, or CO<sub>2</sub> footprint, of the HMS Group, including all of its locations. The CO<sub>2</sub> emissions calculated in this way, which include factors such as energy and water consumption, travel expenses, own transport of goods, but also the commuting behaviour of the approximately 40 employees, have been compensated annually starting with the past financial year. To achieve this compensation, shares are acquired in international climate protection projects that are designated according to gold standards, which aim to sustainably reduce greenhouse gases and, at the same time, support the climate goals of the UN.



## GROUP RESULTS OF OPERATIONS

The **results of operations** of the HMS Group for the first half of 2023 compared to the same period of 2022 were as follows:

	30/06/2023		30/06/2022		Change	
	EUR	%	EUR	%	EUR	%
	thousand		thousand		thousand	
<b>TOTAL PERFORMANCE</b>	<b>656,721</b>	<b>100</b>	<b>404,690</b>	<b>100</b>	<b>252,031</b>	<b>62</b>
Cost of materials	642,660	98	392,885	97	249,775	62
Personnel costs	3,322	1	2,818	1	504	64
Depreciation and amortisation	231	0	197	0	34	18
Other operating expenses						17
./, other operating earnings	4,280	1	3,457	1	823	
Taxes (excluding income taxes)	2	0	2	0	0	24
<b>OPERATING EXPENSES</b>	<b>650,495</b>	<b>99</b>	<b>399,359</b>	<b>99</b>	<b>251,136</b>	<b>0</b>
<b>OPERATING RESULT</b>	<b>6,226</b>	<b>1</b>	<b>5,331</b>	<b>1</b>	<b>895</b>	<b>17</b>
Earnings from investment and financial result	-407		-618		211	34
Sale of shares	0		0		0	
Allocation to pension provisions <small>(1/15 of allocation under German Accounting Law Modernisation Act [BilMoG])</small>	-111		-111		0	0
<b>EARNINGS BEFORE INCOME TAXES</b>	<b>5,708</b>		<b>4,602</b>		<b>1,106</b>	<b>24</b>
Extraordinary expense	0		0		0	
Income taxes	-633		-1,568		935	60
<b>NET PROFIT*</b>	<b>5,075</b>		<b>3,034</b>		<b>2,041</b>	<b>67</b>

The results of operations of the HMS Group were significantly stronger in the first half of 2023 than in the same prior-year period. The increase in sales of around 62.3 per cent was driven primarily by the sharp rise in trading volumes, volatile commodity prices and strong trading business in Asia.

In the reporting period, the HMS Bergbau Group's sales increased from EUR 404.7 million to EUR 656.7 million. The cost of materials amounted to EUR 642.7 million in the reporting period (cost of materials ratio: 97.9 per cent,

compared to EUR 392.9 million (ratio: 97.1 per cent) in the first half of 2022. Despite a slight increase in personnel costs to EUR 3,322 thousand compared to EUR 2,818 thousand in the same prior-year period, there was a drop in the personnel cost ratio from around 0.7 per cent in the first half of 2022 to around 0.5 per cent in the first half of 2023. As of 30 June 2023, the HMS Group achieved a positive net profit of EUR 5,075 thousand compared to EUR 3,034 thousand in the first half of 2022, corresponding to an increase of 67.3 per cent.

## GROUP NET ASSETS

The **net assets** of the HMS Group as of 30 June 2023 compared to 31 December 2022 can be summarised as follows:

	30/06/2023		30/12/2022		Change	
	EUR	%	EUR	%	EUR	%
	thousand		thousand		thousand	
<b>ASSETS</b>						
Non-current assets	18,472	8	19,724	15	-1,252	-6
Inventories	6,656	3	10,608	8	-3,952	-37
Receivables	166,684	74	62,901	48	103,783	> 100
Cash and cash equivalents	25,528	11	31,049	24	-5,521	-18
Other assets	9,316	4	6,190	5	3,126	51
	<b>226,656</b>	<b>100</b>	<b>130,472</b>	<b>100</b>	<b>96,184</b>	<b>74</b>
<b>CAPITAL</b>						
Shareholders' equity	37,429	17	32,560	25	4,869	15
Own shares	-382	0	-405	0	23	-6
Non-current liabilities	17,502	8	17,788	14	-286	-2
Current liabilities	172,107	76	80,529	62	91,578	> 100.0
	<b>226,656</b>	<b>100</b>	<b>130,472</b>	<b>100</b>	<b>96,184</b>	<b>74</b>

The total assets of HMS Bergbau AG as of the 30 June 2023 reporting date amounted to EUR 226.7 million, or around EUR 96.3 million higher than their level of EUR 130.5 million as of 31 December 2022. The significant increase in total assets resulted primarily from the reporting date-related rise in trade receivables to EUR 166.7 million (31 December 2022: EUR 62.9 million). This increase was mirrored on the liabilities side with a sharp rise in current trade payables to EUR 172.1 million (31 December 2022: EUR 80.5 million).

Cash and cash equivalents as of 30 June 2023 amounted to EUR 25.5 million, compared to EUR 31.0 million as of 31 December 2022.

On the liabilities side, equity increased from EUR 32.6 million as of 31 December 2022 to EUR 37.4 million as of 30 June 2023. Due to the reporting date-related expansion in total assets, the equity ratio as of 30 June 2023 equalled 16.5 per cent, compared to around 25.0 per cent as of 31 December 2022.

All other balance sheet items experienced only minor changes compared to the increase in sales due to reporting date-related postings that often concerned annually recurring effects.

### EVENTS AFTER THE REPORTING DATE

There were no significant events after the reporting date.

# Financial statement as of 30 June 2023

PROVISIONAL BALANCE SHEET (UNAUDITED / COMMERCIALY ROUNDED)

## ASSETS

	EUR	30/06/2023 EUR	31/12/2022 EUR
<b>A. NON-CURRENT ASSETS</b>			
<b>I. Intangible assets</b>			
1. Licences, industrial property rights, similar rights and values and licences in such rights and values	7,830		10,257
2. Company value	2,216,508		2,368,406
		<b>2,224,338</b>	<b>2,378,663</b>
<b>II. assets</b>			
1. Other equipment, office and factory equipment	53,451		55,981
2. Plant and Machinery	711,285		872,465
3. Advance payments and assets under construction	8,064,055		7,786,017
		<b>8,828,792</b>	<b>8,714,463</b>
<b>III. Financial assets</b>			
1. Shares in associated companies	25,171		25,171
2. Other long-term loans	7,394,162		8,606,142
		<b>7,419,334</b>	<b>8,631,314</b>
		<b>18,472,464</b>	<b>19,724,440</b>
<b>B. CURRENT ASSETS</b>			
<b>I. Inventories</b>			
1. Products	0		0
2. Advance payments made on inventories	6,655,984		10,608,127
		<b>6,655,984</b>	<b>10,608,127</b>
<b>II. Receivable and other assets</b>			
1. Trade receivables	166,684,183		62,901,215
2. Receivables from associates	6,236,548		3,381,856
3. Other assets	761,913		612,631
		<b>173,682,644</b>	<b>66,895,703</b>
<b>III. Cash and cash equivalents</b>		25,528,123	31,049,393
		<b>205,866,752</b>	<b>108,553,222</b>
<b>C. ACCRUALS AND DEFERRALS</b>		534,855	407,473
<b>D. DEFERRED TAX ASSETS</b>		1,781,522	1,787,330
		<b>226,655,593</b>	<b>130,472,465</b>

## SHAREHOLDERS' EQUITY AND LIABILITIES

	EUR	30/06/2023 EUR	31/12/2022 EUR
<b>A. SHAREHOLDERS' EQUITY</b>			
<b>I. Subscribed equity</b>	4,543,804		4,543,804
<b>II. Capital reserve</b>	10,399,082		10,399,082
		<b>14,942,886</b>	<b>14,942,886</b>
<b>III. Profit reserves</b>			
1. Statutory reserve	5,113		5,113
2. Other profit reserves	273,158		273,158
		<b>278,271</b>	<b>278,271</b>
<b>IV. Consolidated net profit/loss</b>	20,248,526		15,161,760
<b>V. Exchange differences</b>	-955,645		-772,521
<b>VI. Minority interests on shareholders' equity</b>	2,532,855		2,544,525
		<b>21,825,736</b>	<b>16,933,765</b>
		<b>37,046,894</b>	<b>32,154,923</b>
<b>B. DIFFERENCE AMOUNT OF CAPITAL CONSOLIDATION</b>		0	0
<b>C. PROVISIONS</b>			
1. Pension provisions and similar obligations	8,889,459		8,766,085
2. Tax provisions	402,059		2,921,012
3. Other provisions	1,320,646		2,541,487
		<b>10,612,164</b>	<b>14,228,584</b>
<b>D. LIABILITIES</b>			
1. Liabilities Bonds (convertible)	8,612,500		8,472,500
2. Liabilities to banks	37,407,133		7,798,189
3. Prepayments received on orders	1,635,597		3,881,320
4. Trade payables	130,611,116		63,220,937
5. Liabilities to Shareholder	0		11,228
6. Other liabilities	730,190		704,784
		<b>178,996,536</b>	<b>84,088,958</b>
<b>E. ACCRUALS AND DEFERRALS</b>		0	0
		<b>226,655,593</b>	<b>130,472,465</b>

# Financial statement as of 30 June 2023

PROVISIONAL INCOME STATEMENT (UNAUDITED / COMMERCIALY ROUNDED)

	30/06/2023 EUR	31/12/2022 EUR
<b>1. Sales</b>	<b>656,720,918</b>	<b>971,913,779</b>
2. Other operating earnings	302,793	905,157
	<b>657,023,711</b>	<b>972,818,936</b>
<b>3. Cost of materials</b>		
a) Costs for raw materials and supplies and for goods	-642,660,027	-943,834,319
b) Costs for services purchased	0	0
	<b>-642,660,027</b>	<b>-943,834,319</b>
<b>Gross Profit</b>	<b>14,363,684</b>	<b>11,875,038</b>
<b>4. Personnel costs</b>		
a) Wages and salaries	-3,193,502	-6,410,108
b) Social security costs and pension support costs	-128,795	-219,131
	<b>-3,322,298</b>	<b>-6,629,239</b>
<b>5. Amortisation</b>		
a) Amortisation of intangible assets and fixed assets	-231,051	-681,123
b) Amortisation of financial assets and securities held as current assets	0	0
	<b>-231,051</b>	<b>-681,123</b>
6. Other operating expenses	-4,694,104	-7,001,756
7. Other interest and similar earnings	312,532	447,795
8. Depreciation of financial assets and securities held as current assets	0	0
9. Interest and similar expenses	-718,609	-1,284,273
<b>10. Earnings from ordinary activities</b>	<b>5,710,154</b>	<b>13,836,022</b>
11. Income taxes	-632,740	-3,440,929
12. Other taxes	-2,319	-4,886
<b>13. NET PROFIT FOR THE PERIOD</b>	<b>5,075,095</b>	<b>10,390,206</b>
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	<b>6,347,282</b>	<b>15,353,623</b>

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