commodities
for the future

Annual Report 2024

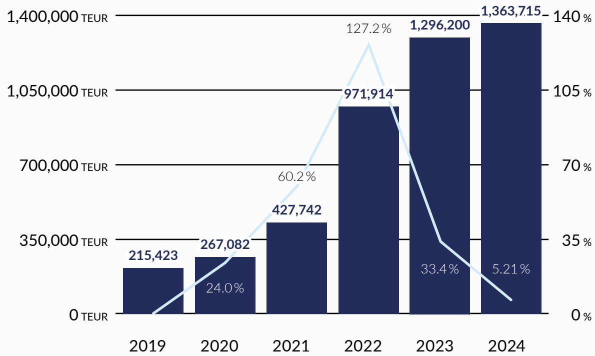
HMS
BERGBAU AG
commodities for the future

Group Key Figures

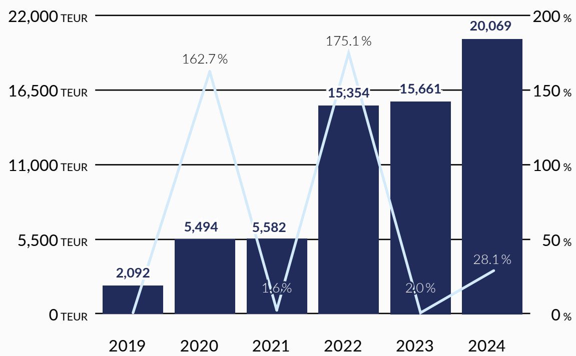
BALANCE SHEET FIGURES	31.12.2022 EUR thousand	31.12.2023 EUR thousand	31.12.2024 EUR thousand
Total assets	130.472	281.596	220.051
Non-current assets	19.724	21.116	20.893
Current assets	108.553	257.818	195.854
Shareholders' equity	32.155	40.714	51.052
Provisions	14.229	13.990	17.258
Liabilities	84.089	226.892	151.741

INCOME STATEMENT FIGURES

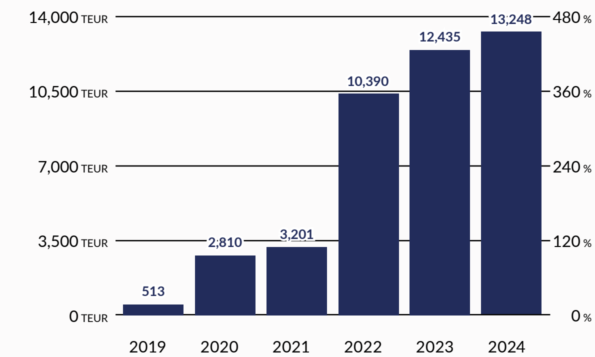
SALES EUR THOUSAND | GROWTH %



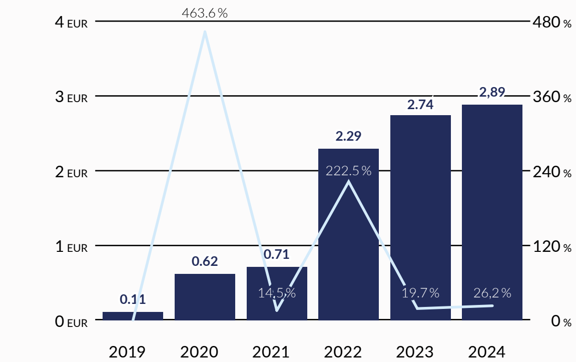
EBITDA EUR THOUSAND | GROWTH %



NET PROFIT EUR THOUSAND



EARNINGS PER SHARE EUR | GROWTH %



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Financial Calendar

1 January 2025	Start of the financial year
14 August 2025	Annual General Meeting
30 September 2025	Interim Report 2025
31 December 2025	End of the financial year 2025
30 June 2026	Annual financial statements 2025

Letter to Shareholders

DEAR SHAREHOLDERS,

HMS Bergbau AG looks back on a strong 2024 financial year. Despite a persistently weak global economic environment and a continuing decline in commodity prices, we achieved dynamic growth and further strengthened our solid market position. We successfully expanded our trading volume, shipping capacities and trade financing. Looking at the key financial figures for 2024, we believe we are well positioned for further growth in the coming years. One of our key growth drivers is the unabated energy demand in the emerging Asian markets – HMS Bergbau's primary customer base. The sustained catch-up development in these countries and their dynamic growth rates are driving demand for an easily accessible and convenient energy source such as coal.

We have successfully met our forecasts for the 2024 financial year, increasing sales from EUR 1.296 billion to EUR 1.364 billion, for a rise of 5.2 per cent. EBITDA saw a marked, disproportionate year-on-year increase of 28.1 per cent, from EUR 15.661 million to EUR 20.069 million. We had projected sales of around EUR 1.3 billion and a positive EBITDA in the lower double-digit million-euro range. As of the end of December 2024, net profit stood at EUR 13.248 million for a year-on-year increase of 6.5 percent (previous year: EUR 12.435 million).

Coal demand reached another record high in 2024. According to figures from the International Energy Agency, 8.8 billion tonnes of coal were consumed globally. Demand for coal is expected to remain strong in 2025 and beyond, although a slowdown can be seen. Demand will continue to be driven in particular by emerging and developing countries. As a globally active commodity trader specialising in coal, with a regional focus on Asia and a strong international partner network, we are ideally positioned to profit from this trend.

To capitalise on the opportunities in these expanding markets, we secured a substantial credit facility in the reporting period in the lower three-digit million USD range with Vietcombank, one of Vietnam's largest banks. This much higher facility enables us to expand our trading activities and finance further transactions. At present, HMS Bergbau AG has access to around USD 400 million in trade finance lines. In 2024, the number of ships utilised rose around 15 percent. By increasing the tonnage handled, we have been able to boost income and offset the decline in coal prices underway since 2023.

To further advance its international development, HMS Bergbau established a new subsidiary, HMS Bergbau Switzerland SA, in Geneva in August 2024.

HMS Bergbau AG has a robust financial structure and a high degree of financial flexibility. As of 31 December 2024, available liquidity remained at a high level of EUR 39.6 million (previous year: EUR 36.0 million). Equity was reported at EUR 51.1 million (previous year: EUR 40.7 million).

Due to the increasing uncertainty in the development of international trade and the international economy, it is also difficult for us to fully assess the consequences of the current turbulence. From a current perspective and based on the results of the first few months of the year, HMS Bergbau AG expects the positive business development to continue in the current financial year 2025.

The shareholders of HMS Bergbau AG should also appropriately participate in the Company's success this year. The Management Board is therefore proposing a dividend of EUR 1.05 (2024: EUR 0.92) to the Annual General Meeting to be held on 14 August 2025.

The Management Board
Berlin, May 2025

DENNIS SCHWINDT
Chief Executive Officer

JENS MOIR
Chief Financial Officer

Report of the Supervisory Board

LADIES AND GENTLEMEN,

During the 2024 financial year, the Supervisory Board of HMS Bergbau AG carried out its tasks as stipulated by law and the Company's Articles of Association and continuously monitored and advised the Management Board in its work. The Supervisory Board obtained comprehensive information on the current economic and financial position of the Group; its business performance; financial, investment and personnel planning, as well as its strategic development at regular board meetings and through additional verbal and written reports submitted to the Supervisory Board by the Management Board. The reports also pertained to the current earnings situation, opportunities and risks and risk management. The Supervisory Board discussed all fundamentally important decisions in-depth with the Management Board. The Supervisory Board assessed any business transactions requiring its approval in detail before the relevant resolutions were adopted. The Supervisory Board voted on reports and proposals put forward by the Management Board when required by law or the Articles of Association.

KEY ITEMS OF DISCUSSION IN THE MEETINGS

The Supervisory Board of HMS Bergbau AG held a total of 5 meetings in the 2024 financial year. Subjects that were regularly discussed included the current business performance of the Company and its subsidiaries, as well as its liquidity, net assets and financial position. All of the resolutions required by law and the Articles of Association were passed. The Management Board informed the Supervisory Board promptly between meetings about important matters. If required, resolutions were passed by circular procedure.

The central topics in the Supervisory Board meetings in the 2024 financial year, as in previous years, were the Group's strategic focus and corporate planning, the corresponding adjustments to the organisational structure and personnel at the Company and its subsidiaries. The strategic position of Maatla Resources (Pty.) Ltd, the Silesian Coal International Group of Companies S.A., the projects in Kazakhstan, the funding of operational activities, the international footprint of the HMS Group, the development and volatile price trends in the global coal markets – particularly given the significant geopolitical changes – were regular topics for discussion at the meetings. The rapid growth of the HMS Group and the related challenges were also discussed. The Supervisory Board also dealt with options relating to the financing of the local subsidiaries' trading activities and the provision of the necessary guarantees by HMS Bergbau AG. Issues relating to the current crises and wars, the short-, medium-, and long-term geopolitical changes, environmental protection, global CO_2 developments, ESG conformity and sustainable business practices, including implementation in trade agreements, were also discussed at the Supervisory Board meetings. HMS Bergbau AG has once again made its operations CO_2-neutral in the 2024 financial year.

The Management Board regularly informed the Supervisory Board about general market developments, price and earnings forecasts and intended actions. The Management Board also presented and discussed additional potential future projects with the Supervisory Board. Important transactions approved by the Supervisory Board are described in the combined management report for the Company and the Group.

NO PERSONNEL CHANGES IN EITHER THE MANAGEMENT BOARD OR SUPERVISORY BOARD: MANAGEMENT BOARD CONTRACT OF DENNIS SCHWINDT EXTENDED UNTIL 2029

The Supervisory Board remained unchanged in the 2024 financial year. In addition to Heinz Schernikau (Chairman of the Supervisory Board), the founder of HMS Bergbau AG, Dr. h. c. Michael Bärlein (Deputy Chairman of the Supervisory Board) and Patrick Brandl are represented on the Supervisory Board of HMS Bergbau AG.

There were also no changes to the Management Board of HMS Bergbau AG in the 2024 financial year. In addition to Dennis Schwindt, the Chief Executive Officer (CEO), Jens Moir continues to serve on the Management Board as Chief Financial Officer (CFO).

2024 ANNUAL FINANCIAL STATEMENTS

The annual and consolidated financial statements of HMS Bergbau AG for the 2024 financial year were prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB). The Company's auditor for the 2024 financial year, PANARES GmbH Wirtschaftsprufungsgesellschaft Steuerberatungsgesellschaft, Berlin, was appointed to audit the annual and consolidated financial statements of HMS Bergbau AG, as well as the combined management report and the report of the Management Board on the relationships with associated companies in the 2024 financial year, in accordance with a resolution of the Annual General Meeting.

The auditor reviewed the annual and consolidated financial statements of HMS Bergbau AG and the combined management report for the Company and the Group, including the accounting system, in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer – IDW) and issued unqualified audit opinions. The internal control system was also deemed to be effective.

All Supervisory Board members had access in due time to the annual and consolidated financial statements, the combined management report for the Company and the Group, and the corresponding audit reports. The documents were reviewed and discussed in detail by the Supervisory Board at the meeting on 09 May 2025. Both the Management Board and the auditor were present at the meeting and provided detailed answers to all questions posed by the Supervisory Board. The auditor also reported on the key findings of the audit. The examination of the annual and consolidated financial statements, as well as the combined management report for the Company and the Group by the Supervisory Board, did not lead to any objections, resulting in the approval of the audit results. Based on the final review of all documents, the Supervisory Board did not raise any objections and approved the annual financial statements of HMS Bergbau AG as at 31 December 2024 and the consolidated financial statements as at 31 December 2024, as prepared by the Management Board, at its meeting on 09 May 2025. The 2024 annual financial statements have therefore been adopted in accordance with Section 172 of the German Stock Corporation Act (AktG).

The Supervisory Board also examined and approved the proposal of the Management Board dated 09 May 2025 to distribute a dividend of EUR 1.05 per ordinary share entitled to a dividend and to carry forward the remaining unappropriated retained earnings of HMS Bergbau AG of EUR 3,820,355.51 in full to the new account.

There were no conflicts of interest of members of the Supervisory Board during the reporting period.

The Supervisory Board would like to thank the Management Board and all employees for their commitment and dedication in the 2024 financial year.

Berlin, May 2025

HEINZ SCHERNIKAU
Chairman of the Supervisory Board

Members of the Management Board

DURING 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

DURING 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

Investor Relations

In the 2024 financial year, the global economy continued the moderate trend seen in the 2023 financial year. According to the International Monetary Fund (IMF), global economic output expanded 3.2 per cent, representing a slight decrease compared to the 3.3 per cent growth recorded in 2023.

Fuelled by strong consumer demand and rising wages, the U.S. economy achieved growth of 2.8 per cent in the 2024 reporting period, compared to 2.9 per cent in 2023. Economic growth in China, on the other hand, slowed from 5.2 per cent in 2023 to 4.8 per cent in the 2024 financial year, largely due to the continued weakness in the real estate sector and a growing decline in consumer confidence. The eurozone, in contrast, posted moderate growth of 0.7 per cent in 2024, after reporting a mere 0.6 per cent increase in 2023.

Growing obstacles, particularly import tariffs, protectionism and geopolitical tensions among the major economic regions of the U.S., Europe and China, are increasingly weighing on global trade. Additionally, the aggressive "MAGA" (Make America Great Again) agenda of re-elected U.S. President Donald Trump is challenging the geopolitical post-war world order. As a result, Europe's quest for economic and military independence will necessitate substantial investments in infrastructure and defence.

Global inflation fell from 6.7 per cent in 2023 to 4.3 per cent in 2024, driven by tighter monetary policies and easing supply chain constraints. Consequently, major central banks, including the U.S. Federal Reserve (the Fed) and the European Central Bank, reduced their benchmark interest rates.

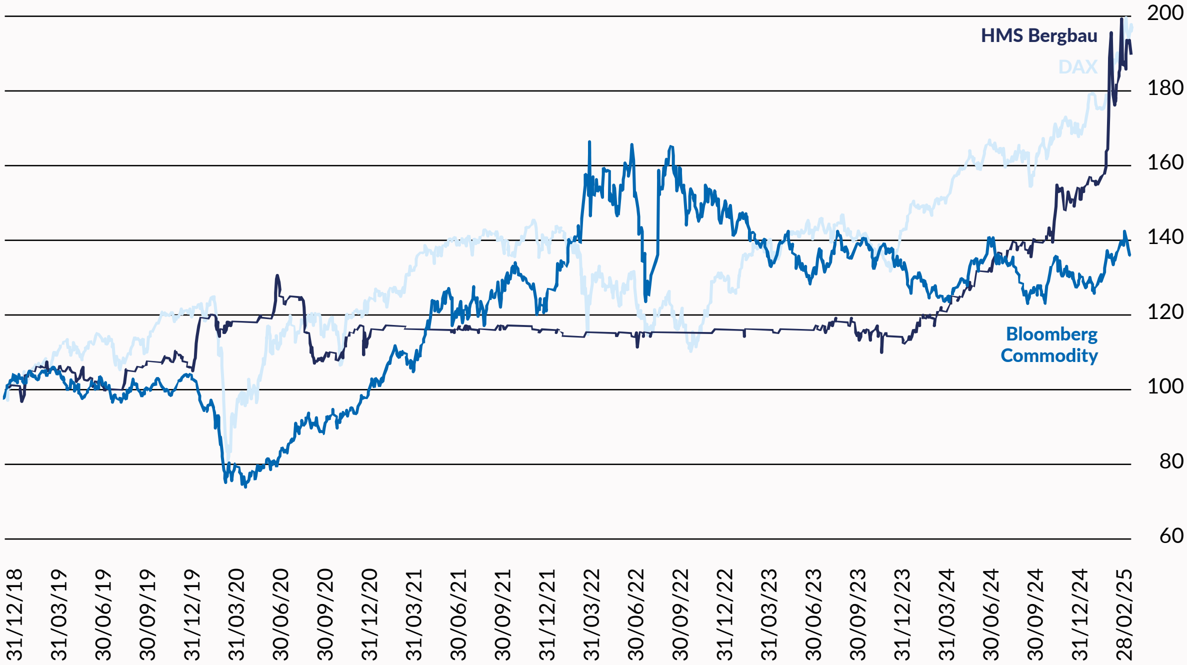
The fight against the globally high inflation rates seen from 2021 to 2023 through central bank interest rate hikes appears to have been successful, without excessively dampening growth momentum. As economic growth slowed and inflation rates stabilised around 2 per cent, the ECB initiated its first rate cut in June 2024. This was followed by several further reductions in key interest rates throughout 2024, as well as in February and March 2025. The deposit rate currently stands at 2.5 per cent, while the main refinancing rate is 2.65 per cent.

The Fed also made significant interest rate cuts in 2024. Overall, it lowered key interest rates by a total of 1.0 per cent to 4.25 to 4.50 per cent.

Due to economic uncertainties, particularly related to the tariffs introduced by President Donald Trump, the Fed decided in March 2025 to keep interest rates unchanged.

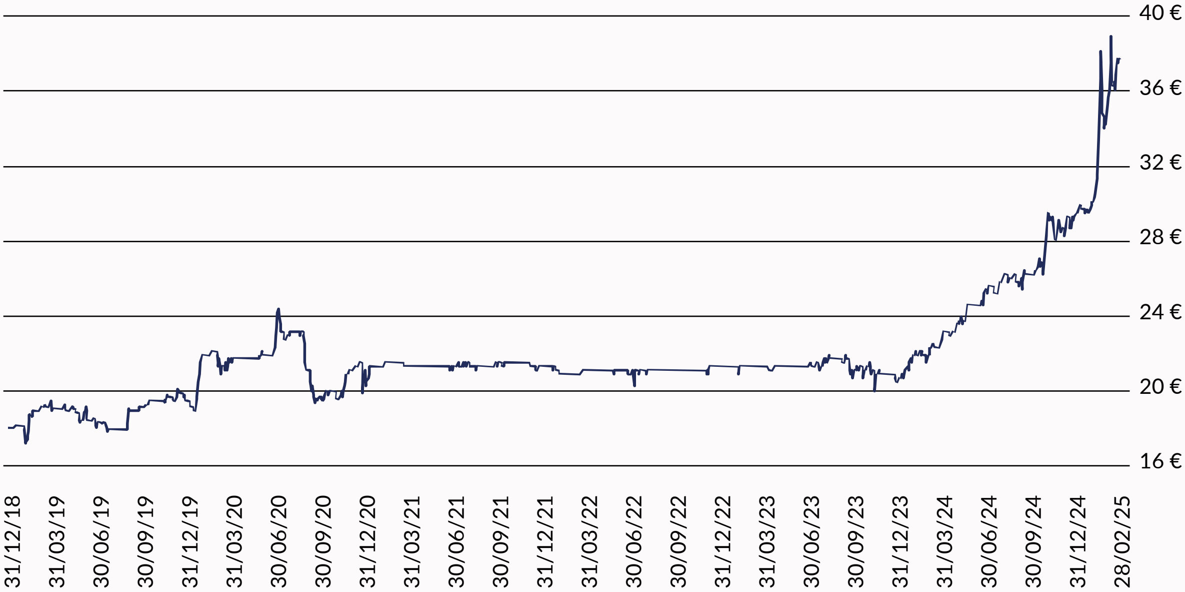
In 2024, global stock markets, particularly the DAX and the Dow Jones Industrial Average (DJIA), recorded remarkable performance. While the EURO STOXX 50 Index saw an increase of around 8.3 per cent in 2024, closing at 4,896 points, the Dow Jones rose 13.3 per cent to 42,454 points. The performance of the German DAX stock index was even better. It ended the 2024 financial year with a gain of about 19 per cent at 19,909 points – close to the all-time high of over 20,000 points. In the initial months of 2025, the DAX continued its positive performance and closed at 22,844 points at the end of February 2025. Following the turmoil on the stock markets caused by the tariffs announced by President Trump and the subsequent 3-month moratorium on the suspension of tariffs, the DAX stood at 22,163 point on 30 March 2025.

PERFORMANCE OF HMS SHARES IN COMPARISON TO THE DAX AND BLOOMBERG COMMODITY INDICES FROM THE BEGINNING OF 2019 THROUGH 28 FEBRUARY 2025



Source: Finanzen.net, HMS Bergbau AG

HMS BERGBAU AG SHARE PRICE FROM 2018 TO 28 FEBRUARY 2025



Source: Deutsche Börse AG, HMS Bergbau AG

PERFORMANCE OF THE HMS SHARE

Despite significant gains in global stock markets, the HMS Bergbau AG share once again performed better in relative terms compared to the DAX and Dow Jones.

The DAX Performance Index and the Dow Jones Index gained 18.85 per cent and 13.46 per cent, respectively, over the course of 2024. This is in contrast to the Bloomberg Commodity Index, which ended 2024 almost unchanged, down around 0.36 percentage points. The price of the HMS Bergbau share equalled EUR 29.40 as at 31 December 2024 (31 December 2023: EUR 21.60), representing an increase of approximately 36.11 per cent.

The market capitalisation of HMS Bergbau AG amounted to EUR 134.96 million as at 31 December 2024, compared to EUR 99.16 million as at 31 December 2023.

Once again, the HMS Bergbau share followed the long-standing positive value development, underscoring the positive operational performance.

SHAREHOLDER STRUCTURE UNCHANGED AS AT 31 DECEMBER 2024

As at 31 December 2024, the share capital of HMS Bergbau AG remained unchanged, consisting of 4,590,588 shares with a nominal value of EUR 1.00 each, amounting to EUR 4,590,588.00. ERAG Energie und Rohstoff AG holds 36.98 per cent, and LaVo Verwaltungsgesellschaft mbH holds 34.28 per cent of the shares. The Schernikau family owns 4.36 per cent. HMS Bergbau AG holds 1.02 per cent as treasury shares. The remaining 23.36 per cent are classified as free float.

ANNUAL GENERAL MEETING 2024 – DIVIDEND PAYMENT OF EUR 0.92 RESOLVED

The ordinary Annual General Meeting of HMS Bergbau AG was held on 13 August 2024. In addition to the usual agenda items, including the discharge of the Management Board and Supervisory Board and the election of the auditor, a resolution proposal for dividend distribution was once again presented. Following the resolution and payment of a dividend of EUR 0.77 in 2023, the 2024 dividend was set at EUR 0.92 per share. With this decision, HMS Bergbau AG once again enabled its shareholders to share in the positive operating results of 2023. All agenda items – including those related to the creation of authorised and conditional capital – were approved with 100 per cent, or nearly 100 per cent, of the votes present.

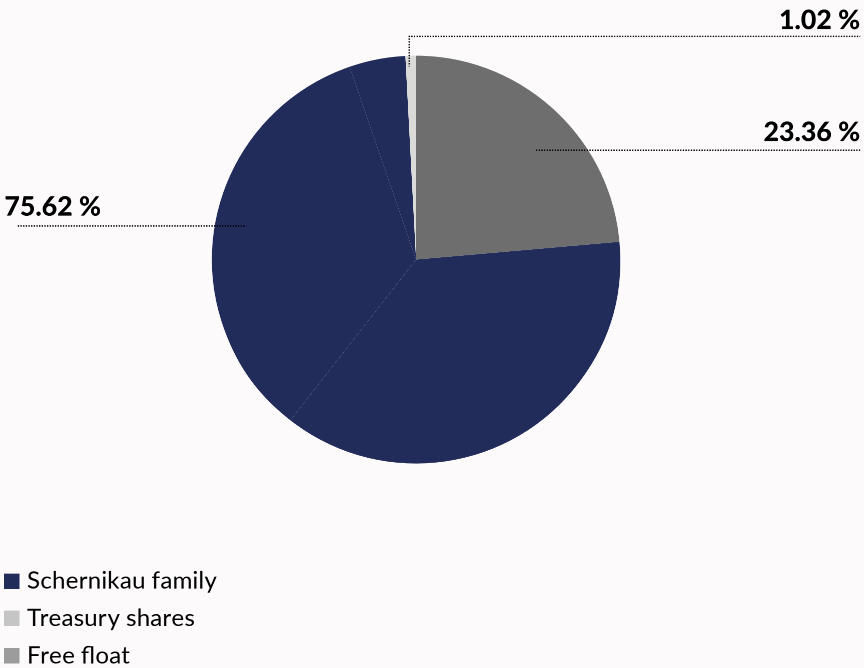
ANNUAL GENERAL MEETING ON 14 AUGUST 2025 – DIVIDEND PROPOSAL OF EUR 1.05

The Annual General Meeting for the 2024 financial year is expected to take place on 14 August 2025. In addition to the usual resolutions, an increased dividend of EUR 1.05 for the 2024 financial year is also to be proposed for approval.

INVESTOR RELATIONS ACTIVITIES

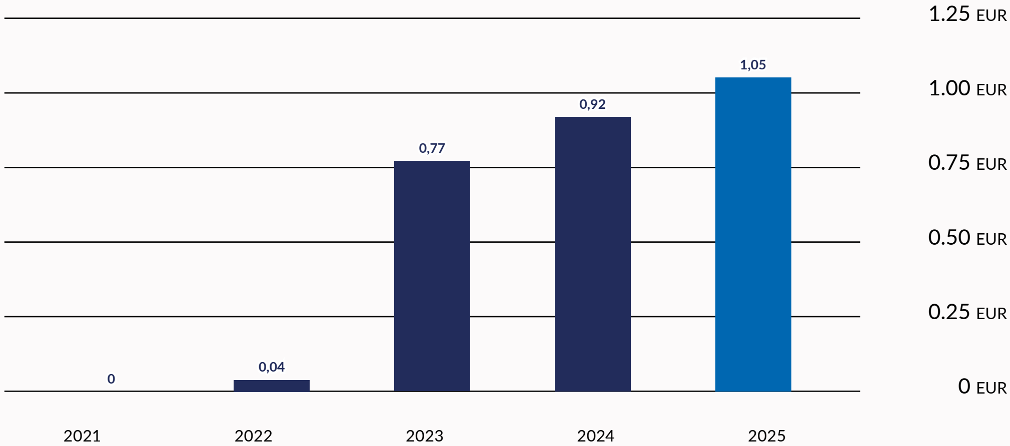
In addition to publishing the annual and half-year reports, the Management Board of HMS Bergbau AG informs shareholders promptly and comprehensively via Corporate News or ad-hoc announcements about current developments at HMS Bergbau AG. All capital market-relevant news is prepared and published in both German and English. This exceeds the transparency requirements of the Basic Board listing on the Frankfurt Stock Exchange. The Management Board is always available to engage with institutional investors, financial journalists, and industry analysts regarding the Company's business model, future prospects, and other capital market-relevant topics.

SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2024



Source: HMS Bergbau AG

DIVIDEND PROPOSAL OF EUR 1.05



Source: HMS Bergbau AG

KEY SHARE DATA AS AT 31 DECEMBER 2024

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 shares
Free float	23.36 per cent

PERFORMANCEDATEN

Share price as at 31/12/2023 (Xetra closing price)	EUR 21.60
Share price as at 31/12/2024 (Xetra closing price):	EUR 29.40
Market capitalisation as at 31/12/2023	EUR 134,963,287
Market capitalisation as at 31/12/2024	EUR 99,156,701

Group Management Report HMS BERGBAU AG, BERLIN

COMBINED MANAGEMENT REPORT OF THE COMPANY AND THE GROUP FOR FINANCIAL YEAR 2024

1. OVERVIEW OF ACTIVITIES AND SUSTAINABILITY

The HMS Bergbau Group is a globally active group of companies serving as trading and distribution partners to supply renowned international electricity producers, cement manufacturers and industrial consumers with coal and energy raw materials, such as steam coal, coking coal and coke products. As part of a strategic transformation process, other raw materials such as ores, cement, oil products and fertilisers are increasingly becoming the focus of supply activities. The Group recently acquired exploration licences for lithium, tantalum and rare earths in Kazakhstan.

HMS Bergbau AG is increasingly developing into a diversified international commodity trading group. In the 2024 financial year, the Group continued its strategy of expanding its business activities to include other raw materials such as lithium, sand, tile adhesives, cement, oil products, beryllium, manganese ore, chrome ore, clinker, and phosphates. The focus of its activities however 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, the majority of which is used in industrial applications. The main users are steel and cement producers. Glassworks, paper mills and waste processing plants are also among our customers. Our customer base consists of private and state-owned companies from Asia, Europe, the Middle East and Africa.

HMS Bergbau AG exports over 90 per cent of its coal trading volume to developing countries such as Bangladesh, Pakistan, Vietnam, China and India that lack alternatives to coal for basic energy supply. These countries, including China, were exempted in the Paris Climate Agreement from the global decisions on CO_2 reduction in the interest of the climate. The background to these exemptions is precisely this lack of alternatives to coal for basic energy supply. These countries often lack both the financial resources and sufficient capacities for the development of wind or solar energy, or they are growing too rapidly to safely and cost-effectively supply their economies with energy from non-dispatchable energy sources. For this reason, all UN resolutions support developing countries in their use of fossil fuels until viable alternatives are available to them. For example, ASEAN explicitly expressed its support for coal in May 2024. New coal-fired power plant construction is being pushed in China, India and Vietnam, among others. By supplying these countries, we believe we are contributing to economic development and thus to greater prosperity and a higher life expectancy. 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, South Africa, Australia, 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.

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.

To further advance internationalisation, HMS Bergbau Switzerland SA was established in August 2024 as an additional subsidiary.

As of 31 December 2024, HMS Bergbau AG held a 54.89 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. Work is not only continually being done 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 31 December 2024 was as follows:

GROUP STRUCTURE AS AT 31 DECEMBER 2024

	HMS BERGBAU AG	Berlin, Germany
100 %	HMS BERGBAU SINGAPORE Pte. Ltd. commodities for the future	Singapore
100 %	HMS PT. HMS BERGBAU INDONESIA commodities for the future	Jakarta, Indonesia
100 %	HMS BERGBAU AFRICA (Pty) Ltd. commodities for the future	Johannesburg, South Africa
100 %	HMS BERGBAU USA Corp. commodities for the future	Miami, USA
100 %	HMS BERGBAU DUBAI commodities for the future	Dubai, UAE
100 %	HMS BERGBAU ZIMBABWE commodities for the future	Harare, Zimbabwe
54,89 %	HMS SILESIAN COAL S.A. commodities for the future	Katowice, Poland
100 %	HMS BERGBAU SWITZERLAND SA commodities for the future	Geneva, Switzerland

Source: HMS Bergbau AG

HMS Bergbau AG also 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. These exploration licences are valid for documented deposits of lithium, cobalt and nickel.

The Federal Republic of Germany and the Republic of Kazakhstan have a raw materials partnership agreement that provides for the deepening of economic and political relations through partnership-based cooperation in the areas of raw materials, industry and technology.

CORPORATE SOCIAL RESPONSIBILITY AT HMS BERGBAU AG

SUSTAINABILITY AT HMS BERGBAU AG

As an internationally operating raw materials trading group with a broad network of trading and distribution partners across Europe, Asia, Africa, and the Americas, HMS Bergbau AG has firmly anchored sustainable corporate governance in both its culture and daily operations. To meet the high demands of sustainable energy supply, the Company is continuously improving its business processes and practices, adapting them in line with global trends and developments. In doing so, the aim is to keep the impact on the environment and climate as low as possible.

In a globalised world, factors such as energy efficiency and environmental awareness are playing an increasingly important role. The energy industry has achieved enormous technological progress in recent years, which has led to a significant increase in the efficiency of energy generation and a massive reduction in emissions. In recent years, HMS Bergbau AG has implemented a number of measures such as voluntary CO_2 offsetting and investment in climate protection projects, regular maintenance of technical equipment (e.g. air conditioning systems), and raising employee awareness of the consumption of energy, water and other resources in day-to-day office operations. This is done to further improve the Company's own emissions balance and optimise its global footprint. HMS Bergbau AG is committed to ensuring that its growth objectives are in harmony with the well-being of people, environmental protection, and the Company's economic success. Naturally, employees at all HMS Bergbau AG sites fully respect and comply with all applicable laws and regulations.

VOLUNTARY CO_2 COMPENSATION THROUGH CLIMATE PROTECTION PROJECTS WORLDWIDE

In the 2024 financial year, HMS Bergbau AG offset all CO_2 emissions generated by its operations across all locations – including electricity and water usage, business travel, and employee mobility – to achieve carbon neutrality in line with the Greenhouse Gas Protocol. As part of this effort, the Company acquired certified carbon credits from recognised climate protection projects. These measures ensure that the Company's own CO_2 emissions are effectively neutralised, helping to slow global warming. All projects are certified, and the issue and retirement of certificates are transparently recorded. Through this commitment, HMS Bergbau AG is making a meaningful contribution to environmental sustainability by reducing greenhouse gas emissions. Among the supported initiatives is a project in Nigeria to replace inefficient and environmentally harmful cookstoves with energy-efficient charcoal stoves. The traditional stoves commonly used in the region contribute to severe indoor air pollution and pose serious health risks. Other supported projects include a biomass power plant in China and solar energy installations in India.

For further information on this topic, please refer to our website: *„HMS Statement on Energy Policy“*

https://hms-ag.com/wp-content/uploads/2025/05/HMS-Statement-on-Energy-Policy.pdf

HIGH EMPLOYEE SATISFACTION

At HMS Bergbau AG, employee well-being – both mental and physical – is a top priority for the Company as a modern employer. HMS Bergbau AG is committed to upholding fundamental ethical principles to safeguard the rights and dignity of its staff. Employees are offered access to professional development opportunities and intercultural events. The Company's strong position, including in the field of sustainability, gives it a distinct competitive advantage and strengthens its appeal when attracting skilled professionals. A key indicator of employee satisfaction is the staff turnover rate, which stood at 0 per cent at HMS Bergbau AG in 2024. By comparison, at other German companies, the fluctuation rate was recently around 30 per cent. In terms of sick leave, HMS Bergbau AG employees were absent from work an average of 5.0 days in 2024, significantly below the national average of 19.1 days, according to data from Techniker Krankenkasse. The Company also maintains a balanced workforce, with women making up 50 per cent of the employee headcount.

1.1 DEVELOPMENT OF COMMODITY PRICES

International commodity prices were relatively stable in 2024 after a sharp decline in 2023. While stock markets posted double-digit percentage gains in the reporting year, the Bloomberg Commodity Index, which tracks 20 commodities, closed the year almost unchanged (2024: 100.29 points; 2023: 100.65 points).

After highly volatile coal prices in 2022 and 2023, the coal price in the 2024 financial year avoided extreme fluctuations and held relatively steady, largely in line with the Bloomberg Commodity Index. The coal price declined amid some minor volatility, falling around 3 per cent from around USD 114/tonne at the beginning of the year to around USD 111/tonne at the end of December 2024. Prices have continued to decline during the current 2025 financial year and closed at approximately USD 98/tonne at the end of March 2025.

According to IEA forecasts, global coal demand is expected to have risen by 1.0 per cent in 2024 to mark a new all-time high of 8.8 million tonnes. The growth in demand in Asia is anticipated to have been partially offset by declining demand in the industrialised countries. What remains clear is that global coal demand continues to shift eastwards, particularly towards China, India, and the ASEAN countries. In 2024, approximately three-quarters of the total coal demand is expected to be concentrated in this region – a sharp increase compared to the level of around 35 per cent at the start of this century.

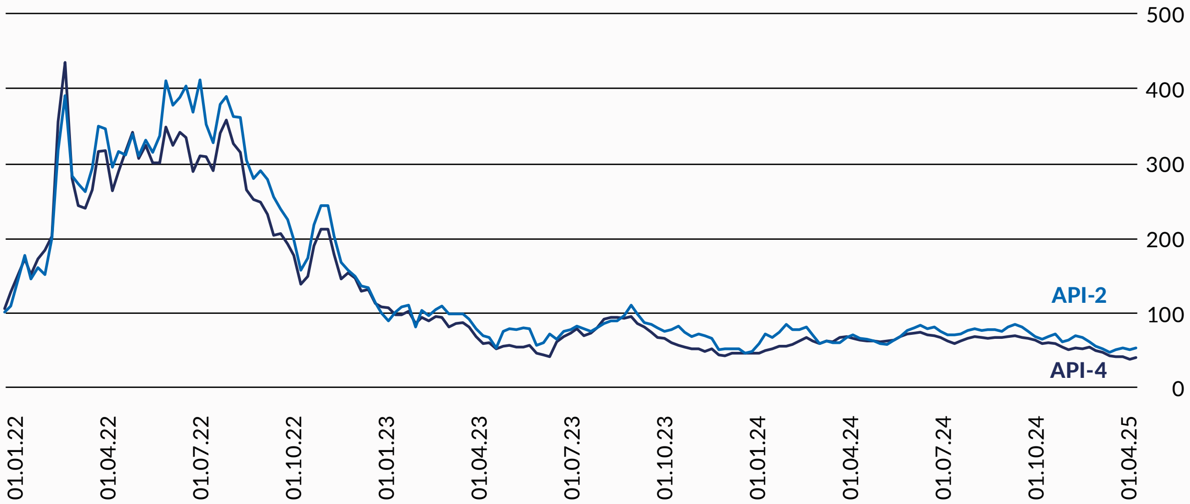
For the years 2025 to 2027, experts are forecasting global coal demand similar to the level seen in 2024. The growth in demand is expected to be particularly strong in India and the ASEAN countries. China will remain the most important factor for global coal demand. In the power sector, coal-fired power generation is also expected to remain at a level similar to 2024 due to the sharply increasing global demand for electricity – despite the strong expansion of wind and solar energy.

To effectively compensate for possible future market fluctuations, HMS Bergbau AG optimises its value creation through the vertical integration of extraction, handling and transport, taking into account current and future price increases. The Company is also expanding into new markets and other product categories.

The oil price showed renewed volatility in 2024. A barrel of Brent crude traded between USD 70 and USD 91. By the end of the year, the price had settled at around USD 74 per barrel, down from approximately USD 77 at the end of 2023.

The natural gas price at the Dutch TTF trading hub (Title Transfer Facility) fluctuated again significantly in 2024. Prices fell sharply at the beginning of the year, with a megawatt hour trading at EUR 27.69 on 27 March 2024. Prices rose again in the months that followed and, in September, a megawatt hour was priced at EUR 38.60. By the end of 2024, prices had reached new highs, with the December futures contract closing at EUR 48.89 per MWh on 31 December 2024.

API-2 AND API-4 2024 [US$/T]



Source: Argus Overview 2023/24, HMS Bergbau AG

LITHIUM

The global demand for lithium has increased significantly in recent years, mainly due to the rising demand for lithium-ion batteries for electric vehicles and renewable energy storage.

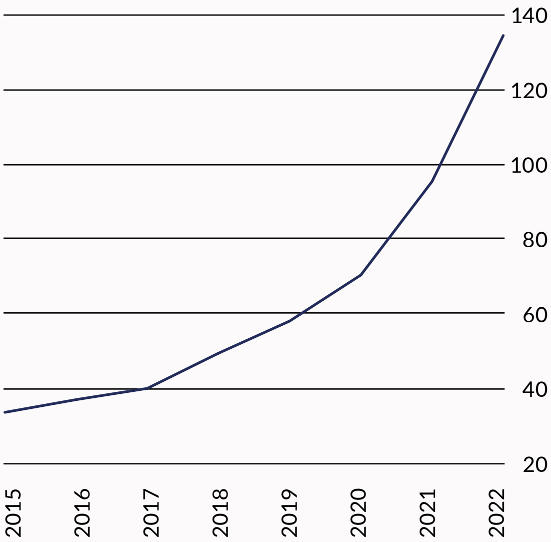
In 2023, global lithium consumption was estimated at around 180,000 tonnes, representing an increase of approximately 27 per cent compared to the revised consumption of 142,000 tonnes in 2022.

Significant further growth is projected for the years ahead. According to Statista, global demand for lithium is anticipated to rise more than 50 per cent between 2023 and 2025 and surpass 1 million tonnes by 2025.

Long-term projections indicate that lithium demand could exceed 3 million tonnes by 2030, underscoring the need for substantially expanding production and exploration to meet future requirements.

GLOBAL LITHIUM DEMAND

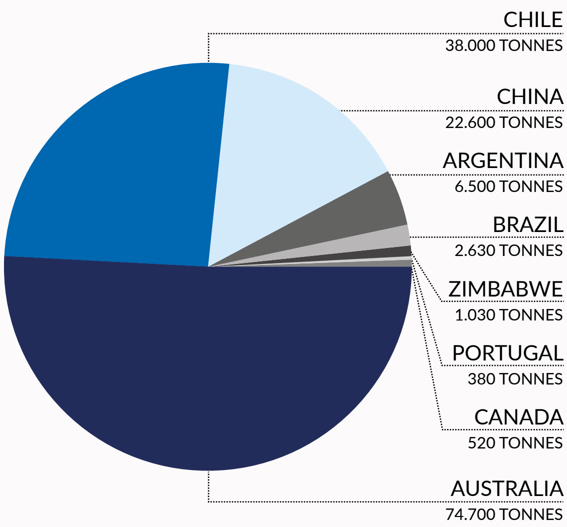
THOUSAND TONNES



Source: US Geological Survey 2023

TONNES OF LITHIUM MINED

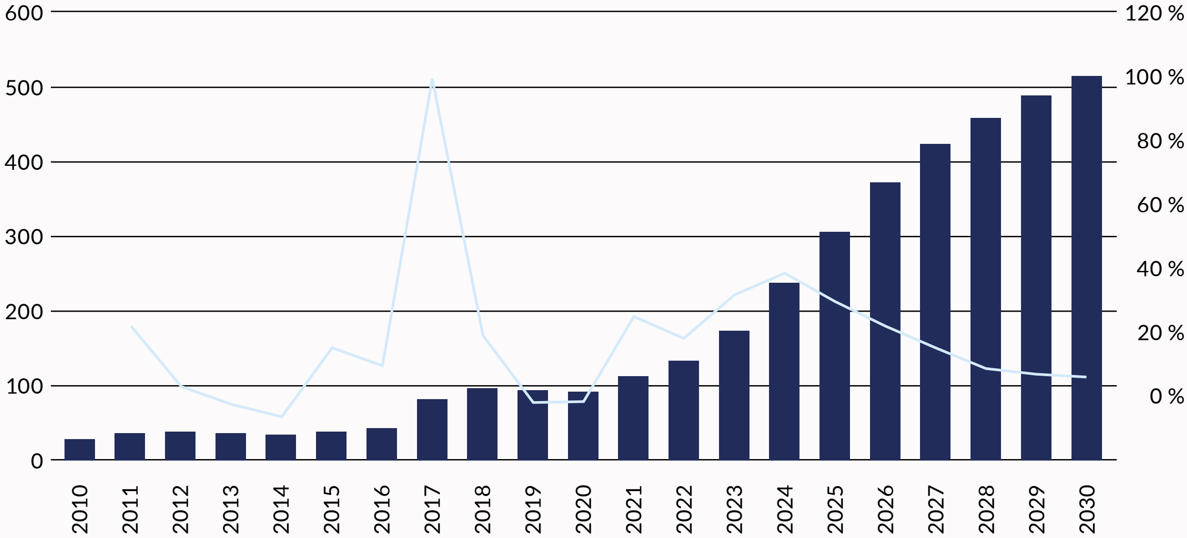
WORLDWIDE 2023



Source: Government of Canada 2025

GLOBAL LITHIUM PRODUCTION

THOUSAND TONNES | GROWTH IN %



Source: US Geological Survey 2023

These figures highlight the rapid increase in global lithium demand and the challenges related to ensuring adequate supply.

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

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

1.2 INTERNATIONALISATION OF MARKETS

Commodity markets continue to converge as a result of international trade and improved logistics. At the same time, market transparency is increasing through the use of trading platforms and index-based trading activities. Although these trends fuel higher competition, internationalisation also offers HMS Bergbau AG additional opportunities to expand its business into areas such as trading in additional commodities. At the same time, HMS Bergbau AG is entering new markets. At the end of 2018, for example, a new subsidiary in the United States was founded under the name HMS Bergbau USA Corp. and has recorded positive performance from the outset. In 2022, trading activities in the Arab region were also strengthened through the establishment and initial consolidation of HMS Bergbau Dubai FZCO. In addition, we established HMS Bergbau Zimbabwe Private Limited in Zimbabwe, which focuses primarily on the sale of copper. In August 2024, HMS Bergbau Switzerland SA was also founded in Geneva to further expand international trading activities.

The geopolitical crisis with Russia has led to ongoing discussions about Europe‘s energy supply since 2022, leading to a reassessment of energy self-sufficiency. Recently, high trade tariffs and the USA’s increasing disengagement as a reliable ally of Europe have prompted broad sections of the EU to consider a reorganisation of global trade relations. These considerations also extend to energy supply. As a result, nuclear energy – and increasingly coal-fired power generation – is coming into sharper focus in many Western countries as they seek to achieve greater energy independence in the short to medium term. HMS Bergbau AG therefore sees opportunities for expanding coal trading within Europe. The long-term development cannot currently be estimated.

1.3 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. In this context, it makes economic sense for HMS Bergbau AG to develop its own commodity resources and, above all, to invest in exclusive marketing agreements.

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, we strive 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. We are also working to build new business contacts and consolidate existing ones through our subsidiaries in the United States of America, Dubai and Switzerland. Additionally, we intend 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. The Company endeavours to achieve environmental compatibility in all its business activities, with the aim of increasing their efficiency. HMS Bergbau AG is also CO_2-neutral certified. It considers its actions as a clear competitive advantage that is also offered to customers as additional added value.

1.4 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 majority 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 a strong role in the customer portfolio.

2. BUSINESS AND MACROECONOMIC ENVIRONMENT

2.1 GLOBAL ECONOMY

In 2024, the Organisation for Economic Co-operation and Development (OECD) calculated global economic growth at 3.2 per cent (3.1 per cent in 2023). This growth was supported by a recovery of private consumption. The OECD warned however of the risks posed by protectionism, noting that rising trade barriers could hamper economic growth. From the OECD's perspective, political uncertainty remains high, and significant risks persist – particularly, the further fragmentation of the global economy is a cause for concern among experts. At the same time, inflationary pressures continue in many economies. Higher-than-expected inflation would lead to a more restrictive monetary policy and potentially lead to a disruptive reassessment of financial markets.

According to the IMF World Economic Outlook (WEO), the emerging countries of Asia, which had GDP growth of 5.2 per cent by 2024, led by India (6.5 per cent) and China (4.8 per cent), are and will remain the global growth drivers. The Asia-Pacific region also contributed to this growth, although it is facing headwinds from the shift in global demand from goods to services and tighter monetary policies. The Asia-Pacific region is expected to grow by 4.2 per cent in 2025, up from 4.2 per cent in 2024.

According to IMF projections, growth in the euro area will slightly improve from 0.8 per cent in 2024 to 1.0 per cent in 2025. Southern European countries in particular are emerging as the growth engines of the eurozone, as their economies are less focused on the industrial sector and more oriented towards the services sector.

Gross domestic product (GDP) in the United States is expected to have grown 2.8 per cent in 2024, compared to 2.9 per cent in 2023. At this level, growth would be significantly stronger than many economic experts had predicted at the start of the year. This positive performance is anticipated to have been driven primarily by private consumer spending and investment.

China's economy recorded GDP growth of around 5 per cent in 2024, following 5.2 per cent in 2023. This growth was largely driven by strong exports and government stimulus measures, while domestic consumption fell short of expectations. The real estate sector remains a particular source of concern.

Germany's economy contracted for the second consecutive year in 2024. Gross domestic product in Germany declined 0.2 per cent for 2024 as a whole (-0.3 per cent in 2023). The downturn was driven by factors including high energy costs, weak export demand, and structural challenges in key industries.

In 2024, the level of global inflation declined compared to 2023. According to the International Monetary Fund (IMF), the global inflation rate fell from 6.8 per cent in 2023 to 5.9 per cent in 2024. Global inflation is forecast at 4.2 per cent for 2025. This decline is mainly due to a tighter monetary policy, falling energy prices, and an easing in the labour markets. Despite this positive development, inflation remains persistent in some regions, particularly in the services sector, indicating continued tightness in labour markets.

ECONOMIC FORECASTS

Amid slowing global growth, persistent inflation, and an uncertain international political landscape, signs of economic weakness are emerging, according to the latest Interim Economic Outlook from the OECD.

Experts are forecasting global growth of 3.1 per cent for 2025 and 3.0 per cent for 2026, with notable disparities continuing to exist between countries and regions.

GDP growth in the United States is projected to reach 2.2 per cent in 2025. For 2026, experts expect a more modest increase of just 1.6 per cent.

In the euro area, GDP growth of 1.0 per cent is expected in 2025 and 1.2 per cent in 2026.

China's economic growth is anticipated to slow from 4.8 per cent in the current 2025 financial year to 4.4 per cent in 2026.

India is projected to grow 6.4 per cent in 2025 and 6.6 per cent in 2026, with its population of around 1.4 billion people expected to drive this growth.

OECD forecasts for Russia's economic growth are 1.3 per cent in 2025 and 0.9 per cent in 2026.

In Germany, GDP is expected to grow again marginally by 0.4 per cent in 2025. OECD experts expect this to be followed by growth in the economic output of 1.1 per cent in 2026.

According to the OECD, inflation should ease further due to slowing economic growth. Price inflation in the services sector remains high in view of the tight labour market situation, while inflation in the goods sector has slightly increased in some countries. Annual overall inflation in the G20 countries is projected at 3.8 per cent for 2025 and 3.2 per cent for 2026.

ECONOMIC POLICY RISKS

Despite a resilient and growing global economy and falling inflation rates in 2024, political risks are on the rise. Increasing trade restrictions are expected to drive up production and consumption costs. According to the OECD, a rules-based international trading system remains essential for stable economic growth and free markets. Further fragmentation of global trade would impair growth prospects. The OECD has also identified major macroeconomic risks. An unexpected downturn, a political shift, or a deviation from the projected inflation control path could lead to market corrections, significant capital outflows, and exchange rate volatility. High public debt levels and inflated asset valuations further amplify these risks.

Given these challenges, central banks should remain alert to inflationary pressures. As long as inflation expectations remain stable and trade conflicts do not escalate further, interest rate cuts should continue. Decisive fiscal measures are recommended to safeguard debt-bearing capacity, preserve leeway to absorb future shocks, and generate resources to address the upcoming high spending pressures.

According to the OECD, the production potential of industrialised and emerging economies has generally declined since the global financial crisis. To boost productivity and support the adoption of new technologies, governments must implement ambitious structural reforms. This includes strengthening market competition and reducing excessive regulatory burdens on businesses.

Improving education and skills development and removing obstacles in the labour and product markets that hinder investment and labour mobility should be primary objectives. Artificial intelligence offers a unique opportunity for a renewed boost in productivity.

The OECD is forecasting a significant AI-driven increase in labour productivity growth over the next ten years. This is expected to include leveraging synergies with robotics. The advantages of AI, however, can only be realised if policymakers encourage the adoption of these new technologies and make it easier to reallocate labour.

2.2 GLOBAL PRIMARY ENERGY CONSUMPTION

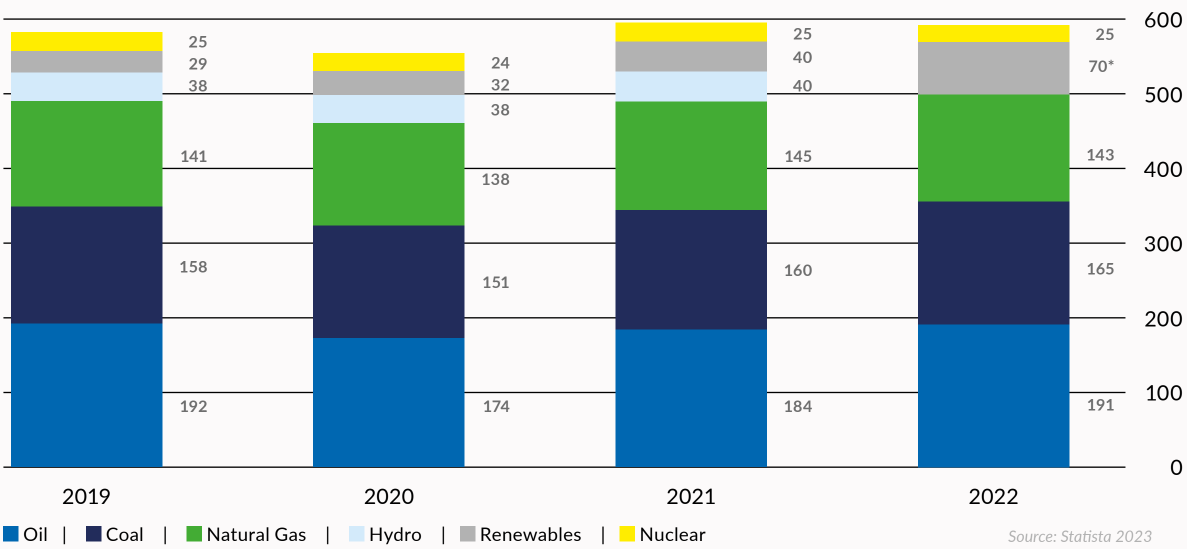
The growth in the global goods trade, steadily rising goods production, and ongoing population growth, combined with a sharp rise in electrification, continue to lead to growing global energy consumption. Over the past four decades, this consumption has more than doubled. In addition to the absolute consumption volumes of the respective energy sources, the energy mix has also changed – particularly due to the rise of renewable energies. Notably, demand for all fuels and energy generation technologies increased in 2024.

Also important to highlight is the 2.2 per cent increase in global energy demand in 2024, which exceeded the average of the past decade. In 2024, there was above-average demand in the electricity sector, with growth of 4.3 per cent – significantly higher than the rate of global economic growth of 3.2 per cent. This resulted from increasing electrification and digitalisation as well as the record temperatures in 2024. At 38 per cent, renewable energies accounted for the largest relative percentage growth in global energy supply, followed by natural gas (28 per cent), coal (15 per cent), oil (11 per cent), and nuclear energy (8 per cent). Renewables, on the other hand, contributed just 14.1 per cent of the total energy supply.

Energy demand continues to grow rapidly in emerging and developing countries and accounted for over 80 per cent of the growth in

PRIMARY ENERGY CONSUMPTION WORLDWIDE BY ENERGY SOURCE

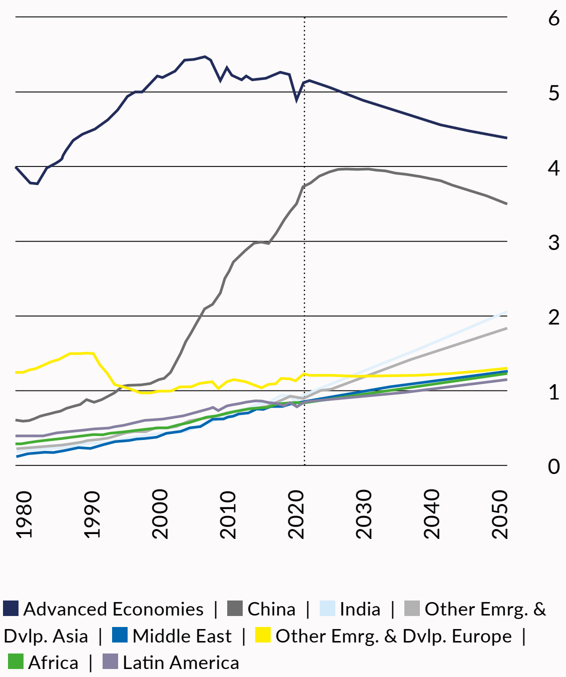
EXAJOULE



Source: Statista 2023

PRIMARY ENERGY CONSUMPTION WORLDWIDE BY REGION

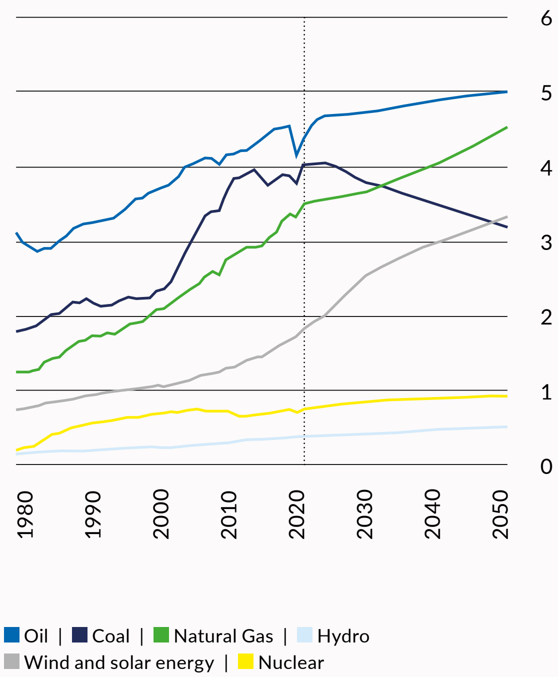
MTOE



Source: IEEJ Outlook 2024

PRIMARY ENERGY CONSUMPTION WORLDWIDE BY ENERGY SOURCE

MTOE



Source: IEEJ Outlook 2024

global energy demand. In China, by contrast, energy demand growth slowed to below 3 per cent in 2024 – significantly below China's average annual growth rate of 4.3 per cent in recent years. Nevertheless, in absolute terms, China still recorded the highest increase in energy demand of all countries in 2024, ahead of India. India's increase in terms of absolute energy demand still exceeded the combined increase of all industrialised countries.

The accelerated expansion of "clean energy", and particularly solar PV and wind power, leaves less room for fossil fuel growth. According to the IEA World Energy Outlook 2024, demand for oil, natural gas, and coal is again expected to peak before 2030. However, the IEA has been making this peak demand forecast since 2018, and experts have had to revise it upwards in each subsequent year. Again this year, not all energy experts nor the HMS management share this assessment. The growing supply of electricity from wind and solar (the number of low-carbon sources is growing faster than demand) is having a negative effect on overall energy costs and energy security. This issue is now being highlighted by an increasing number of institutions, including the German Federal Court of Auditors in March 2024. In addition, the disposal of solar installations and the blades of wind turbines has not yet been clarified in an environmentally friendly manner and is currently not sufficiently considered in the overall assessment of environmental impact.

Coal is the second-largest energy source in the global energy mix, accounting for around 27 per cent, and is the most important supplier of electricity with over 35 per cent. Overall, fossil energy sources such as oil, gas, and coal still contribute around 80 per cent to global energy supply.

Although the share of non-fossil energy in the energy mix increases substantially in the IEEJ scenario, it does not seem realistic that non-fossil 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 will continue to increase significantly.

2.3 COAL

COAL CONSUMPTION

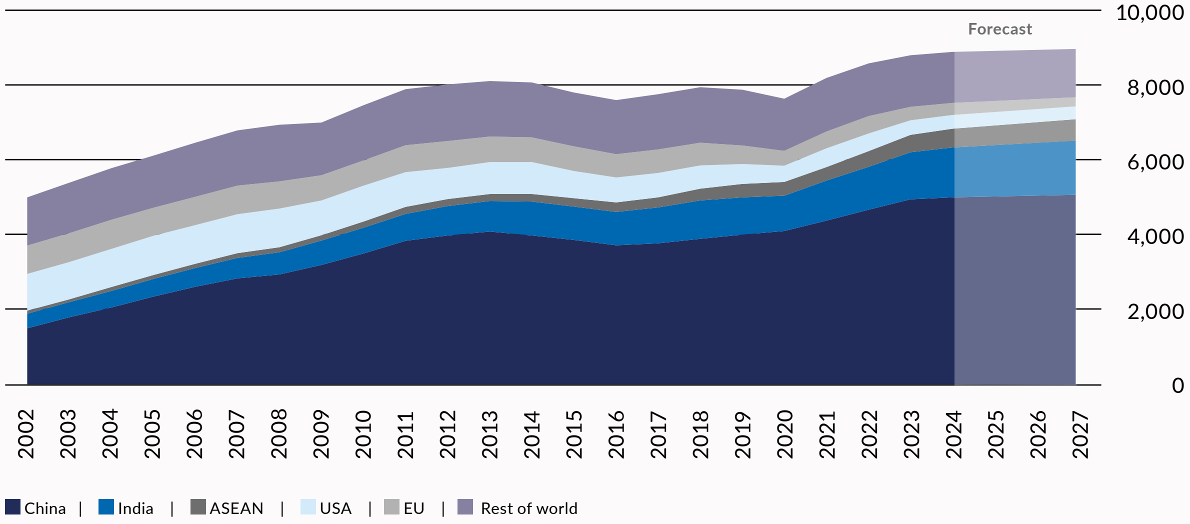
Following the record year for coal consumption in 2022, with 8.5 billion tonnes, global coal demand rose again in 2023 and 2024. A new record was set with total consumption reaching 8.8 billion tonnes, representing an increase of 2.5 per cent. This rise was driven largely by countries such as China and India, which are heavily reliant on coal for energy supply. In addition, low hydropower output boosted demand for coal in power generation, which rose by 2.5 per cent to 5.9 billion tonnes. Coal consumption outside of power generation increased by 2.3 per cent to 2.8 billion tonnes. China, as the world's largest coal consumer, accounted for over 56 per cent of global coal demand in 2023. The country's coal consumption rose by 6 per cent to 4.9 billion tonnes, 63 per cent of which was used in the power sector. India, the world's second-largest coal consumer, recorded an increase in coal demand of around 10 per cent to approximately 1.2 billion tonnes.

For 2024, global coal demand is projected to have risen 1.0 per cent to a record high. The growth in coal demand in Asia is expected to be offset by declining demand in some industrialised countries. Global coal demand continues to shift eastward. China, India, and the ASEAN countries are expected to account for three-quarters of total coal demand in 2024, representing a significant increase compared to around 35 percent at the beginning of the century.

In absolute terms, the largest increases in 2024 are expected to stem from India (plus 70 million

GLOBAL COAL PRODUCTION 2002 TO 2027

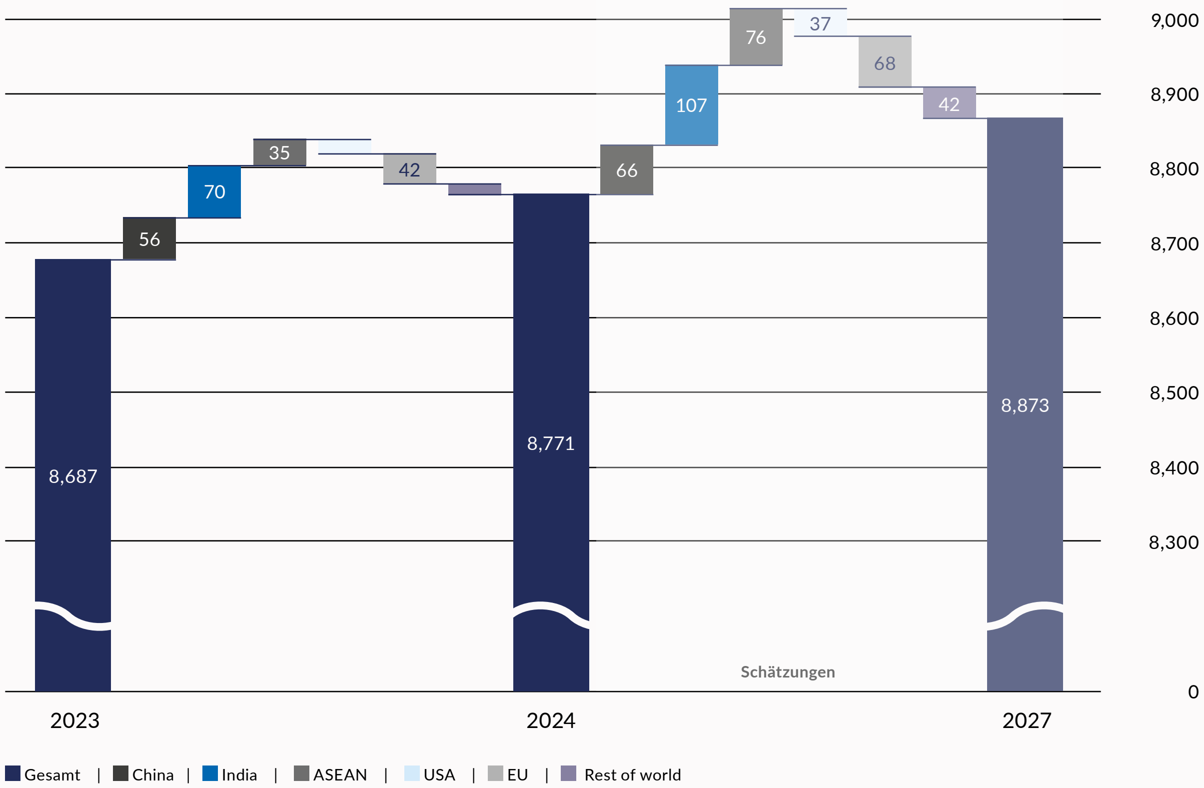
MILLION TONNES



Sorce: IEA 2025

CHANGE IN GLOBAL COAL CONSUMPTION BY REGION

BILLION TONNES OF OIL EQUIVALENT



Source: IEA 2025

tonnes, or 6 per cent), China (plus 56 million tonnes, or 1.1 per cent), and other countries such as Indonesia and Vietnam. The largest declines, on the other hand, are likely to have occurred in the European Union (minus 42 million tonnes, or 12 per cent) and the United States (minus 18 million tonnes, or 5 per cent). The power generation sector is primarily responsible for this trend. Forecasts for Russia, the fourth-largest coal consumer, continue to be uncertain due to the ongoing war in Ukraine.

IEA experts expect coal demand to remain within a narrow range over the coming years. While growth in India and the ASEAN countries is expected to offset declines in the European Union and the United States, China will continue to be the key driver of global coal demand. Emerging and developing economies in Asia, Brazil, and the Middle East are also expected to largely increase their coal consumption to support economic growth and rising prosperity. At the same time, these countries are also likely to step up their investments in expanding renewable energy. The IEA is assuming a decline in coal demand in all OECD countries in the medium term. In all non-OECD countries, in contrast, the IEA is anticipating demand for coal to increase.

In the power sector, coal-fired power generation is expected to remain at a similar level to 2024 due to high electricity demand, despite strong growth in renewable energies.

Despite all the market turbulence and efforts to reduce emissions, coal – alongside oil and gas – remained the most important and, above all, most flexibly available energy source in the global energy mix in 2024, accounting for around 27 per cent of the primary energy mix.

At present, coal is still essential in the production of many products. An example is the production of solar panels. This is not only due to the fact that the energy and heat in China primarily come from coal, but also because coal is necessary for the material production and processing of silicon, glass, steel, aluminium, copper, and much more.

Global energy consumption has increased significantly over the past 150 years. As early as the 19th century, coal was traded as the main energy source and gained considerable importance alongside natural gas and oil. Today, around 80 per cent of global primary energy consumption is provided by fossil fuels. Although energy use is generally becoming more efficient, population growth, economic development, and rising consumption continue to drive a steady increase in energy demand. According to the IEA, fossil fuels – oil, natural gas, and coal – will still account for more than 60 per cent of global primary energy consumption in 2040.

COAL TRADE AND PRODUCERS

Global coal production reached a new high of over 8.8 billion tonnes in 2024. China remained the world's largest coal producer, followed by India, Indonesia, the USA, and Australia. Together, these five countries account for around 80 per cent of global coal production. The world's two largest coal consumers, China and India, are also the largest coal producers and importers.

In 2024, China produced around 4.7 billion tonnes of coal, accounting for 56 per cent of global production. India increased its production to 969 million tonnes (12 per cent share), while Indonesia produced 570 million tonnes (8 per cent). The USA and Australia contributed 487 million tonnes (6 per cent) and 401 million tonnes (5 per cent), respectively, to coal production.

According to calculations of the Coal Importers Association e. V. (VDKi), global seaborne hard coal trade rose by around 4.8 per cent to 1.2 billion tonnes in 2023. Exports from the largest hard coal exporting countries, such as Indonesia, Australia, South Africa, and Russia, were higher compared to the previous year.

In 2023, as in prior years, the increase in world trade in hard coal was largely due to the growing demand in ASEAN countries, which in turn was driven by growing demand in the manufacturing sector. The construction of modern hard coal-fired power plants and growing steel production are leading to additional demand for coking and steam coal. The development model of these countries is based on hard coal, similar to that of China, and will only expand to include renewable energy sources with a time lag.

2.4 TRADING

Trustworthy, stable business relationships with customers and suppliers are the basis of the HMS Bergbau Group's successful international trading activities.

The primary customers of the HMS Bergbau Group include steel and cement producers, followed by industrial companies such as glassworks, paper mills and waste processing plants as well as selected power plant companies. Our clientele consists of private and state-owned companies from Asia, Europe, Latin America and Africa.

The HMS Bergbau Group cooperates with renowned and reliable producers, mainly in Indonesia, South Africa, Poland and North and South America. We are also responsible for representing numerous international coal producers. The HMS Bergbau Group handles their complete marketing of coal in selected markets.

2.5 LOGISTICS BUSINESS SEGMENT

The HMS Bergbau Group offers its customers and business partners a complete range of services, starting with the timely supply of raw materials to the organisation of the entire transport logistics. The service portfolio of our highly professional and experienced team ranges from ship charters to the organisation of inland transports, port handling, storage management and coal preparation to technical supervision. The HMS Group organises the entire logistics requirements for its partners in South Africa, for example, from truck transport to rail transport to port handling, which ensures a high level of delivery reliability for its suppliers and customers.

2.6 RESEARCH AND DEVELOPMENT

HMS Bergbau AG does not conduct any research or development.

2.7 EMPLOYEES

International competition for qualified personnel remains intense. Management continues to focus on sustainable employee development in an effort to bind employees to the HMS Group for the long term. To pursue its strategic goals, the HMS Group places a particular emphasis on qualified, ongoing training and further education. New employees were recruited – especially in the Asian and South African markets – and more are still planned. The risks associated with employee fluctuation are offset by having succession plans in place and grooming employee deputies. Employee training was offered primarily to new employees in the reporting year.

3. GROUP RESULTS OF OPERATIONS

The results of operations of the HMS Group for the 2024 financial year compared to the previous year are as follows:

	2024 EUR thousand	%	2023 EUR thousand	%	Change EUR thousand	%
TOTAL PERFORMANCE	**1,363,715**	**100**	**1,296,200**	**100**	**67,515**	**5**
Cost of materials	1,324,456	97	1,260,384	97	64,072	5
Personnel costs	7,247	1	10,065	1	-2,818	-28
Depreciation and amortisation	679	0	516	0	163	32
Other operating expenses						
,/, other operating earnings	11,721	1	9,867	1	1,853	19
Taxes (excluding income taxes)	5	0	5	0	1	16
OPERATING EXPENSES	**1,344,108**	**99**	**1,280,837**	**99**	**63,271**	**5**
OPERATING RESULT	**19,608**	**1**	**15,363**	**1**	**4,244**	**28**
Financial result	-492		-585		93	16
Allocation to pension provisions (1/15 of allocation under German Accounting Law Modernisation Act [BilMoG])	-223		-223		0	0
EBITDA (earnings before interest, taxes, depreciation and amortization)	**20,069**		**15,661**		**4,408**	**28**
EARNINGS BEFORE INCOME TAXES	**18,893**		**14,555**		**4,337**	**30**
Income taxes	-5,645		-2,121		-3,524	< -100
NET PROFIT*	**13,248**		**12,435**		**813**	**7**

Sales increased once again in the 2024 financial year after a record year in 2023. Despite a tendency for stable coal prices during the year, HMS Bergbau AG's trading business had higher tonnages and continued high demand for raw materials. The 5.2 per cent increase in sales was largely driven by the trading business in Asia and Africa. In 2024, as in previous years, around 95 per cent (2023: 95 per cent) of the volumes traded by the Group were generated in Asia and Africa. The largest sales drivers were primarily countries such as Vietnam, India, China and Bangladesh. There was a minor improvement in the cost of materials ratio compared to the prior year, from 97.2% in 2023 to 97.1% in the 2024 reporting year.

Contrary to business development, personnel costs in 2024 decreased significantly from EUR 10,065 thousand in the prior year to EUR 7,247 thousand in the reporting year. This decrease is attributable to sharply lower bonus payments. As a result, the personnel cost ratio equalled 0.5 per cent, which was significantly below the 0.8 per cent recorded in 2023.

Depreciation and amortisation amounted to EUR 679 thousand in 2024 after EUR 516 thousand in the 2023 financial year.

Other expenses, net of other income, resulted primarily from legal and consulting fees, vehicle and travel costs, fulfilment costs and occupancy costs. Combined, these costs totalled EUR 11,721 thousand in 2024 (previous year: EUR 9,867 thousand).

EBITDA totalled EUR 20,069 thousand in the 2024 reporting period, representing a strong improvement compared to the 2023 financial year (2023: EUR 15,661 thousand). The year-on-year increase of 28.1 per cent resulted from lower material and personnel costs.

4. GROUP NET ASSETS

The net assets of HMS Group as at 31 December 2024 can be summarised as follows:

	31/12/2024 EUR thousand	%	31/12/2023 EUR thousand	%	Change EUR thousand	%
ASSETS						
Non-current assets	20,893	10	21,116	8	-223	-1
Advance payments	8,864	4	9,547	3	-683	-7
Receivables	122,683	56	198,140	70	-75,456	-38
Cash and cash equivalents	39,642	18	35,985	13	3,657	10
Other assets	27,969	13	16,809	6	11,160	66
	220,051	**100**	**281,596**	**100**	**-61,545**	**-22**
CAPITAL						
Shareholders' equity	51,457	23	41,120	15	10,338	25
Own shares	-405	0	-405	0	0	0
Non-current liabilities	20,058	9	18,622	7	1,437	8
Current liabilities	148,941	68	222,260	79	-73,320	-33
	220,051	**100**	**281,596**	**100**	**-61,545**	**-22**

As at 31 December 2024, non-current assets amounted to EUR 20,893 thousand, approximately EUR 223 thousand less than on the 31 December 2023 reporting date. The change resulted from a variety of factors, including an increase in advance payments of approximately EUR 340 thousand, a decline in intangible assets of EUR 353 thousand and slight drop of EUR 290 thousand in other loans. Together, the sum of these minor changes led to the reported reduction of EUR 223 thousand in non-current assets as at 31 December 2024.

Current assets also contained some significant changes as at 31 December 2024. Receivables decreased a considerable EUR 75,456 thousand as at 31 December 2024 to EUR 122,683 thousand. This compares to receivables of EUR 198,140 thousand as at 31 December 2023. The year-on-year decline was mainly due to a reporting date-related fall in trade receivables. Such reporting date-related shifts are characteristic of HMS Bergbau AG's business. Cash and cash equivalents increased EUR 3,657 thousand, or approximately 10 per cent, as at 31 December 2024 to a total of EUR 39,642 thousand.

Non-current liabilities, including pension and similar obligations, amounted to EUR 20,058 thousand as at 31 December 2024. At the end of 2023, non-current liabilities were EUR 18,622 thousand. This item includes a bond in the amount of EUR 9,033 thousand.

Current liabilities amounted to EUR 148,941 thousand as at 31 December 2024 (2023: EUR 222,260 thousand) and comprised mainly liabilities to suppliers and trade finance liabilities. The trade payables line item amounted to EUR 125,185 thousand compared to EUR 207,096 thousand as at 31 December 2023. As in previous years, the decline in current liabilities was reporting date-related and customary for HMS Bergbau AG's trading business.

5. GROUP FINANCIAL POSITION

Cash and cash equivalents in the 2024 financial year developed as follows:

	2024 EUR thousand	2023 EUR thousand
1. Cash flow from current operating activities	**8,543**	**9,978**
2. Cash flow from investment activities	**-405**	**-1,316**
3. Cash flow from financing activities	**-4,481**	**-3,962**
4. Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents affecting payment	**3,657**	**4,701**
Cash and cash equivalents at the start of the period	35,985	23,900
Cash and cash equivalents at the end of the period	39,642	28,601
5. Composition of cash and cash equivalents		
Cash and cash equivalents	39,642	35,985
Current liabilities to credit institutions	0	-7,384
Cash and cash equivalents at the end of the period	**39,642**	**28,601**

In the 2024 financial year, cash flow from operating activities was significantly positive at EUR 8,543 thousand (2023: EUR 9,978 thousand). Trade receivables decreased EUR 80,733 thousand (previous year: increase of EUR 144,918 thousand) to EUR 117,406 thousand as at the 31 December 2024 reporting date. At the same time, trade payables decreased by EUR 81,911 thousand compared to the 2023 reporting date to EUR 125,185 thousand as at the 2024 reporting date.

Cash flow from investing activities amounted to EUR -405 thousand in the 2024 financial year, compared to EUR -1,316 thousand as at 31 December 2023. The net negative amount is primarily due to payments for investments in property, plant, and equipment and intangible assets.

Cash flow from financing activities as at the 31 December 2024 reporting date amounted to EUR -4,481 thousand, compared to EUR -3,962 thousand in 2023. In addition to interest payments on loans totalling EUR 211 thousand and loan repayments of EUR 63 thousand, dividend payments of EUR 4,180 thousand were also made in 2024.

Cash and cash equivalents at the end of the reporting period increased by EUR 11,041 thousand from EUR 28,601 thousand as at 31 December 2023 to EUR 39,642 thousand as at the 2024 reporting date.

6. INFORMATION ON THE ANNUAL FINANCIAL STATEMENTS OF HMS BERGBAU AG

HMS Bergbau AG is the parent company of the HMS Group. HMS Bergbau AG remains responsible for the central management functions – strategy, finance, accounting/controlling – and all key trading activities. A significant number of trade agreements are conducted via the parent company. In other words, the activities of HMS Bergbau AG largely determine the situation of the entire HMS Group.

The annual financial statements of HMS Bergbau AG are prepared in accordance with German Commercial Law (HGB) and the German Stock Corporation Act (AktG). The following table provides an overview:

	2024 EUR thousand	%	2023 EUR thousand	%	Change EUR thousand	%
TOTAL PERFORMANCE	**1,252,597**	**100**	**1,161,252**	**100**	**91,346**	**8**
Cost of materials	1,230,180	98	1,143,525	99	86,655	8
Personnel costs	3,406	0	5,393	1	-1,987	-37
Depreciation and amortisation	53	0	59	0	-7	-11
Other operating expenses						
./. other operating earnings	9,006	1	8,895	1	112	1
Taxes (excluding income taxes)	5	0	5	0	1	16
OPERATING EXPENSES	**1,242,650**	**99**	**1,157,877**	**100**	**84,773**	**7**
OPERATING RESULT	**9,947**	**1**	**3,375**	**0**	**6,572**	**> 100**
Financial result	218		-1		219	> 100
Allocation to pension provisions (1/15 of allocation under German Accounting Law Modernisation Act [BilMoG])	-223		-223		0	0
EBITDA (earnings before interest, taxes, depreciation and amortization)	**9,782**		**3,216**		**6,566**	**> 100**
EARNINGS BEFORE INCOME TAXES	**9,942**		**3,150**		**6,791**	**> 100**
Income taxes	-3,856		-704		-3,153	< -100
NET PROFIT*	**6,085**		**2,447**		**3,638**	**> 100**

6.1 RESULTS OF OPERATIONS

The results of operations of HMS Bergbau AG are largely influenced by the Company's primary trading activities. The increase in sales of around 7.9 per cent was on the back of the strong trading business in Asia with higher tonnages. HMS Bergbau AG, along with local Group companies, also serves the increasingly strong demand in the Asian markets. Over 95 per cent of sales were generated through customer and supplier relationships based in Africa and Asia. HMS Bergbau AG's cost of materials ratio improved again slightly from 98.5 per cent in the 2023 financial year to 98.2 per cent in the 2024 reporting period. This was primarily due to higher demand for coal in the 2024 financial year. Other operating expenses net of other income resulted largely from the cost of goods sold, oncharging of other services from Group companies, vehicle and travel costs, as well as legal and consulting fees.

Earnings before income taxes in the 2024 reporting year amounted to EUR 9,942 thousand, or around 215 per cent higher than the previous year's figure of EUR 3,150 thousand. The main driver for the materially better year-on-year result was the slightly better cost of materials ratio.

6.2 NET ASSETS

	31.12.2024 EUR thousand	%	31.12.2023 EUR thousand	%	Change EUR thousand	%
ASSETS						
Non-current assets	17,521	9	16,624	6	897	5
Advance payments	6,415	3	7,874	3	-1,459	-19
Receivables	136,370	69	197,028	75	-60,658	-31
Cash and cash equivalents	28,382	14	34,236	13	-5,855	-17
Other assets	7,811	4	5,890	2	1,922	33
	196,499	**100**	**261,653**	**100**	**-65,154**	**-25**
CAPITAL						
Shareholders' equity	23,081	12	21,202	8	1,880	9
Own shares	-382	0	-381	0	-1	0
Non-current liabilities	19,915	10	18,479	7	1,437	8
Current liabilities	153,885	78	222,354	85	-68,469	-31
	196,499	**100**	**261,653**	**100**	**-65,154**	**-25**

The sharp increase in sales at HMS Bergbau AG in 2024 also resulted in a change in the balance sheet ratios. Non-current assets amounted to EUR 17,521 thousand as at 31 December 2024, compared to EUR 16,624 thousand at the end of 2023. The change is primarily due to the increase in loans to affiliated companies. Other non-current asset line items recorded only minor shifts as part of the growing operating business.

Advance payments amounted to EUR 6,415 thousand as at 31 December 2024, compared to EUR 7,874 thousand on the same reporting date in the previous year, recording a reporting date-related reduction. HMS Bergbau AG also financed business activities with its own liquidity in 2024.

Compared to the previous year, receivables decreased significantly from EUR 197,028 thousand as at 31 December 2023 to EUR 136,370 thousand. However, this decrease was solely reporting date-related.

On the equity and liabilities side of the balance sheet, equity increased from EUR 21,202 thousand at the end of the 2023 financial year to EUR 23,081 thousand as at 31 December 2024, despite the relatively high dividend payment.

As at 31 December 2024, non-current liabilities amounted to EUR 19,915 thousand, compared to EUR 18,479 thousand as at 31 December 2023. Current liabilities, consisting mainly of trade payables to suppliers and trade finance liabilities, were sharply lower as at 31 December 2024, decreasing from EUR 222,354 thousand to EUR 153,885 thousand. This decrease was primarily a result of reporting date-related factors.

6.3 FINANCIAL POSITION

The financial position of the HMS Group is significantly influenced by HMS Bergbau AG; in this respect, reference is made to the corresponding explanations.

6.4. GENERAL STATEMENT

Our financial performance indicators, according to which the Management Board manages and monitors activities on an ongoing basis, are sales, gross margin and EBITDA. The HMS Group was able to meet the EBITDA forecast made in the previous year due to solid trading result and high demand for coal. Accordingly, the EBITDA of the HMS Group amounted to EUR 20,069 thousand in the 2024 financial year, compared to EUR 15,661 thousand in 2023. At HMS Bergbau AG, the increase in EBITDA was even stronger in the 2024 financial year, resulting in a total EBITDA of EUR 9,782 thousand compared to EUR 3,216 thousand in 2023.

Sales in the 2024 financial year amounted to EUR 1,363,175 thousand, or approximately 5.2 per cent higher than in 2023 (2023: EUR 1,296,200 thousand). Sales at HMS Bergbau AG also increased significantly, rising approximately 7.9 per cent from EUR 1,161,252 thousand in the 2023 financial year to EUR 1,252,597 thousand in the 2024 financial year.

The Group's gross margin improved slightly from 2.8 per cent in 2023 to 2.9 per cent in 2024. The gross margin of HMS Bergbau AG was also slightly higher, amounting to 2.8 per cent in the 2024 financial year (previous year: 2.5 per cent). Despite the overall challenging market environment, HMS Bergbau AG was able to achieve its targets at the Group level.

7. RISKS AND OPPORTUNITIES

The Group's risk management, for which the Management Board of HMS Bergbau AG has overall responsibility, is integrated as a process into the operating procedures of HMS. Opportunities and risks are identified, classified, evaluated, controlled and monitored in a forward-looking manner as an integral part of business activities. According to the unchanged principles of the Company, risks should only be assumed if they are associated with significant earnings opportunities at the same time. Risks should be minimised or, if reasonable, transferred to third parties. Opportunities are examined for their inherent earnings potential. The opportunities and risks that could have a significant impact on the Company's net assets, financial position and results of operation are explained below.

7.1 PRICE FLUCTUATIONS

In the traditional business of the HMS Group – coal trading based on back-to-back contracts and index- or fixed-price-based purchasing and sales agreements – there are, by definition, no effects on contractually agreed margins of individual transactions. If there is a deviation from the pure "back-to-back" principle, which, for example, provides for different base values for calorific value settlements on the purchase and sales side, price risks can arise, which are reassessed daily within the framework of the risk management system, taking into account current forward prices and expected volatilities. It remains a principle of the Company not to enter into any significant risk positions in purchasing and sales and to exclude such risks when concluding contracts. The management of HMS Bergbau AG continues to strive for the realisation of "back-to-back" transactions.

7.2 FINANCIAL RISKS

Fluctuations in currencies and interest rates can have a significant impact on the results of the HMS Group. The Company strives to eliminate currency differences in financing, purchasing and sales. The Group companies are obliged to assess and, if necessary, hedge all currency risks. Changes in the area of interest rates – namely, changes in risks related to interest-bearing liabilities, are included in the assessment of the respective trading transactions as financing costs, taking into account a risk premium as well as currency-specific differences. If it makes sense in the long term from a risk management standpoint, variable interest rates are swapped for fixed interest rates after evaluating all possible scenarios.

7.3 CREDIT RATINGS OF BUSINESS PARTNERS AND COUNTERPARTY RISK

Credit risks arise from our business relationships with customers and are increasing on account of ongoing growth in the proportion of our business partners located in Asia and Africa. In this context, the implemented risk management system aims to obtain adequate collateral for risk-bearing transactions or to insure receivables where financially practicable. Furthermore, we secure payment promises in advance of deliveries using letters of credit. Failure or partial failure to deliver on the part of suppliers may also give rise to risks that cannot be transferred completely to the purchaser. Our risk management policies attempt to address these risks appropriately by deploying staff in the regions to examine individual terms and specifications of contracts in detail.

7.4 POLITICAL RISK

With the expansion of business activities in the Asian and African markets, the Group is increasingly exposed to legal and regulatory risks, such as political influence, supply chain disruptions, civil unrest and adverse economic policies. Risks from environmental and other geographical influences are also included in these considerations. Furthermore, uncertainties arise from the respective legal frameworks, which are and will be subject to constant change. In both Asia and Africa, greater opportunities are accompanied by higher risks. In response to individual risks, the management of the Company tries to make appropriate contractual arrangements within the framework of the existing risk management or to eliminate the risks by involving experienced local partners. Realistically, such risks cannot be fully excluded.

7.5 INVESTMENT RISK

By constantly monitoring the marketing strategy and its implementation successes, the Company's management attempts to recognise possible negative economic effects at an early stage within the framework of risk management and to take appropriate countermeasures by adjusting the strategy.

7.6 RISKS AND OPPORTUNITIES RESULTING FROM THE CORPORATE STRATEGY

Decisions on investments and acquisitions are examined and made by the Management Board of HMS Bergbau AG within the framework of an assessment and approval process, which also provides for the involvement of relevant experts, if necessary, due to the considerable associated opportunities and risks. To the extent that these decisions are of fundamental importance, the approval of the Supervisory Board is also obtained. Especially when concluding long-term agreements, opportunities and risks must be weighed and thoroughly examined. Particularly, the size of the deposit, the logistical infrastructure, the financial situation, the legal situation, the management and the political environment must also be considered. This also involves the involvement of experts and obtaining corresponding expert opinions on the measures of our risk management system.

In the trading business segment, intensive observation and analysis of markets and competitors enable opportunities and risks to be identified as early as possible. Overall, with the help of its risk management, HMS Bergbau AG is always in a position to reduce the aforementioned risks and take advantage of opportunities as they arise.

There is also considerable potential for HMS Bergbau AG to expand its sales activities in new markets in Asia, particularly in Malaysia, Taiwan, Vietnam and Thailand. Furthermore, the Management Board sees considerable potential in the United States of America.

7.7. COVID-19 RISK

The Company no longer sees any risk arising from the global impact of the coronavirus (COVID-19), provided that no further societal or economic restrictions are applied by policymakers.

7.8. RISK OF GEOPOLITICAL CONFLICTS

The full consequences and developments in Ukraine and the sanctions adopted against Russia are still unclear. The same applies to the conflict in the Gaza Strip between Israel and Hamas. Political and economic tensions between the People's Republic of China and the United States of America also continue to increase. The United States is striving for protectionism and a new position of world power. The consequences of this policy, pursued since the beginning of 2025, are also difficult to currently assess. Nevertheless, we expect such conflicts to continue to have a strong impact on both the procurement and purchasing prices of our products. Price volatility is expected to continue to increase due to geopolitical tensions and to have an impact on the transportation and logistics of our products. It is virtually impossible to calculate and assess what short- and medium-term impact global political developments will have on the demand and supply side. An early warning system has been implemented to enable us to react as quickly as possible to changes in the market. We cannot yet estimate the full impact of these events on our net assets, financial position and results of operations.

8. REPORT ON FORECASTS

In comparison to other energy resources, coal represents the largest reserves and resources reported globally. According to calculations by the Federal Office for Geosciences and Natural Resources (BGR), reserves should still last for 120 to 200 years, depending on the type of coal and the level of global economic development. It remains undisputed, however, that the potential of existing coal is sufficient enough to meet the foreseeable demand for many centuries to come. In addition, scientific analysis and market surveys indicate that the share of coal in global electricity generation will remain stable. In addition to the growing world population, which is anticipated to increase to 8.2 billion by 2030, the strongest driver of this development is undoubtedly growing energy consumption. Therefore, a primary energy matrix without coal is inconceivable for the next 50 years.

The management of HMS Bergbau AG assumes that the Pacific Rim region will continue to gain importance as a key sales market. As in previous years, Asia is increasingly becoming the focus of HMS Bergbau AG's strategic orientation. In addition to South Africa, Indonesia is one of the most important production markets in the next few years from the management's point of view because of the resources available, the favourable mining conditions and the central location in the Pacific region. Significant growth potential, especially in securing substantial coal resources, continues to be essential in order to operate as a dependable trading partner in volatile markets. By securing its own resources, the management wants to guarantee the supply of end-users in the Asian market as well as in southern Africa in the long run.

Securing our own resources and the related expansion of the value chain – from production to the sale to the end customer – are essential components in consolidating our market position for the long term. Particularly given the known risks in nuclear energy and the current difficulties in implementing the "energy transition" in Germany, management does not expect declining demand for fossil fuels in Europe as a whole. As an agile energy supplier, coal-fired power generation will retain its importance, above all, in Eastern Europe. Our efforts in Europe continue to focus on closing new contracts with European non-power plant customers and power plant operators and expanding and consolidating our market position in niche products such as petcoke, coking coal and coke products to achieve even better product diversification. In Africa and Asia, the Company is focusing on building long-term supplier and customer relationships to participate in the growing importance of both regions in world coal trading. The continuous development of trading activities in the USA is also one of HMS Bergbau AG's main tasks. At the same time, the strategy of expanding the value chain, particularly through the conclusion and successful implementation of exclusive marketing agreements and cooperations and the development of our own production resources, must be consistently pursued.

In addition to expanding business volumes, HMS Bergbau AG's activities focus on improving its market position in strategically important markets and business segments. The focus continues to be on global positioning, above all in South Africa, India and Indonesia, but also in the US. In addition to the coal business, the Company's activities are centred on the expansion of trade in other raw materials, such as ores, copper, oil products, fertilisers and cement products. In the medium term, this trading business should become another pillar of HMS Bergbau AG.

The flexible structures of HMS Bergbau AG have enabled the Company to assert itself and develop well in a difficult market environment over the past few years. Next to making its structures even more flexible, the Company has also tapped new markets as part of its vertical and horizontal integration. This development should lead to better results in the future and allow HMS Bergbau AG to continue to participate in the market on a lasting basis and participate in the long-term positive upward trend emerging in the commodity markets. Management will continue to pursue these goals in the 2025 financial year.

Assuming prices remain unchanged, the company plans to generate sales of around EUR 1.5 billion in 2025, with a gross margin at the previous year's level of around 3 per cent and a positive EBITDA of around EUR 20 million. Based on this premise, and without taking into account possible and currently unquantifiable consequences from the Russia-Ukraine war and other geopolitical upheavals due to trade conflicts (see USA-China), there are currently no recognisable risks that could jeopardise the Company's continued existence.

9. KEY FEATURES OF THE REMUNERATION SYSTEM

The Supervisory Board decides upon the remuneration system for the Management Board of HMS Bergbau AG, including all material contractual elements, and reviews it regularly. It also determines the remuneration for individual Management Board members. Management Board remuneration consists of fixed elements alongside variable, performance-related components. Fixed remuneration is paid as a monthly salary, regardless of performance. Management Board members also receive additional non-cash fringe benefits, which mainly consist of the value under tax law for the private use of a company car. Performance-related remuneration is dependent on the Company's result for the financial year and the personal performance of the Management Board member in question.

10. HEDGE TRANSACTIONS

The HMS Group enters into price and hedge transactions on individual physical transactions when necessary.

11. CLOSING COMMENTS PURSUANT TO SECTION 312 (3) AKTG

There were no dependencies in the reporting period as defined under Section 312 (3) AktG.

12. FORWARD-LOOKING STATEMENTS

This management report contains forward-looking statements that reflect the current opinion of the HMS Bergbau AG management with regard to future events. Any statement contained in this report reflecting or building upon intentions, assumptions, expectations, forecasts, or underlying assumptions is a forward-looking statement. These statements are based upon plans, estimates and forecasts that are currently available to the HMS Bergbau AG management and, therefore, only refer to the point in time at which they were made. Forward-looking statements are inherently subject to risks and uncertainties, which could result in actual developments differing significantly from these forward-looking statements or events implied or expressed therein. HMS Bergbau AG does not assume any responsibility for such statements and does not intend to update such statements in light of new information or future events.

Berlin, 20. März 2025

DENNIS SCHWINDT
Chief Executive Officer

JENS MOIR
Chief Financial Officer

Consolidated Balance Sheet

AS AT 31. DECEMBER 2024

ASSETS

		EUR	31/12/2024 EUR	31/12/2023 EUR
A.	**NON-CURRENT ASSETS**			
I.	**Intangible assets**			
	1. Software	182,845.56		52,009.00
	2. Company value	3,365,814.80		3,849,610.35
			3,548,660.36	**3,901,619.35**
II.	**Fixed assets**			
	1. Technical equipment and machinery	627,407.00		704,842.07
	2. Other equipment, office and factory equipment	318,418.84		202,847.42
	3. Advance payments and assets under construction	8,732,334.34		8,391,547.99
			9,678,160.18	**9,299,237.48**
III.	**Financial assets**			
	1. Shares in associated companies	466,883.61		425,176.98
	2. Other loans receivable	7,198,906.81		7,489,531.33
			7,665,790.42	**7,914,708.31**
			20,892,610.96	**21,115,565.14**
B.	**CURRENT ASSETS**			
I.	**Inventories**			
	1. Advance payments	8,863,731.59		6,909,390.77
	2. Finished products and goods	0.00		2,637,292.47
			8,863,731.59	**9,546,683.24**
II.	**Receivable and other assets**			
	1. Trade receivables	117,405,985.05		198,139,752.79
	2. Receivables from associates	17,392,379.46		11,117,277.76
	4. Receivables from shareholders	5,277,372.81		0.00
	3. Other assets	7,272,122.11		3,028,947.73
			147,347,859.43	**212,285,978.28**
III.	**Cash and cash equivalents**		39,642,331.17	35,985,307.78
			195,853,922.19	**257,817,969.30**
C.	**ACCRUALS AND DEFERRALS**		**954,417.32**	**703,363.67**
D.	**DEFERRED TAXES**		**2,350,235.80**	**1,959,286.70**
			220,051,186.27	**281,596,184.81**

LIABILITIES

		EUR	31/12/2024 EUR	31/12/2023 EUR
A.	**SHAREHOLDERS' EQUITY**			
I.	**Subscribed equity**		**4,542,879.00**	**4,543,804.00**
II.	**Capital reserve**		**10,373,551.94**	**10,399,081.94**
III.	**Profit reserves**			
	1. Statutory reserve	5,112.92		5,112.92
	2. Other profit reserves	273,158.45		273,158.45
			278,271.37	**278,271.37**
IV.	**Consolidated net profit**	33,166,560.31		24,034,745.74
V.	**Exchange differences**	147,573.88		-1,149,193.17
			33,314,134.19	**22,885,552.57**
VI.	**Minority interests**		2,543,092.39	2,607,422.11
			51,051,928.89	**40,714,131.99**
B.	**PROVISIONS**			
	1. Pension provisions and similar obligations	10,476,979.00		9,320,058.60
	2. Tax provisions	5,285,220.80		1,721,542.95
	3. Other provisions	1,496,136.10		2,948,715.45
			17,258,335.90	**13,990,317.00**
C.	**LIABILITIES**			
	1. Bonds	9,032,500.00		8,752,500.00
	2. Liabilities to banks	17,361,424.87		7,790,538.89
	3. Advance payments received	0.00		2,998,664.21
	4. Trade payables	125,185,045.40		207,096,352.97
	5. Liabilities to shareholders	0.00		0.00
	6. Other liabilities - thereof from taxes EUR 112 thousand (previous year: EUR 194 thousand) - therof for social security EUR 7 thousand (previous year: EUR 5 thousand)	161,951.21		253,679.75
			151,740,921.48	**226,891,735.82**
			220,051,186.27	**281,596,184.81**

Consolidated Income Statement

(1 JANUARY - 31 DECEMBER 2024)

	2024 EUR	2023 EUR
1. Sales	1,363,715,302.13	1,296,200,233.41
2. Other operating earnings	1,590,323.48	1,602,505.82
- thereof from currency translation: EUR 1,475 thousand (previous year: EUR 1,184 thousand)		
	1,365,305,625.61	**1,297,802,739.23**
3. Cost of materials		
a) Costs for goods purchased	-1,324,456,025.37	-1,260,384,383.01
b) Costs for services purchased	0.00	0.00
	-1,324,456,025.37	**-1,260,384,383.01**
4. Personnel costs		
a) Wages and salaries	-5,448,174.35	-8,884,287.87
b) Social security costs and pension support costs - thereof for pensions EUR -1,453 thousand (previous year: EUR -894 thousand)	-1,798,356.71	-1,180,471.96
	-7,246,531.06	**-10,064,759.83**
5. Amortisation		
a) Amortisation of intangible assets and fixed assets	-678,762.51	-515,608.30
6. Other operating expenses - thereof from currency translation: EUR -2,966 thousand (previous year: EUR -2,192 thousand)	-13,534,060.39	-11,692,870.93
7. Other interest and similar earnings	1,118,683.96	717,784.12
8. Interest and similar expenses - thereof from discounting of pension obligations: EUR -84 thousand (previous year: EUR -117 thousand)	-1,610,859.11	-1,303,006.89
9. Income taxes - thereof from the allocation to deferred assets : EUR 391 thousand (previous year: EUR 172 thousand)	-5,644,801.27	-2,120,544.71
10. EARNINGS AFTER TAXES	**13,253,269.86**	**12,439,349.68**
11. Other taxes	-5,485.33	-4,738.70
12. NET PROFIT FOR THE PERIOD*	**13,247,784.53**	**12,434,610.98**
13. Profit carried forward	24,034,745,74	15,161,760,47
14. Withdrawal from retained earnings (dividend)	-4,180,299.68	-3,498,729.08
15. Result to be allocated to minorities interest (loss)	64,329.72	-62,896.63
16. CONSOLIDATED BALANCE SHEET PROFIT	**33,166,560.31**	**24,034,745.74**
17. EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)		

Consolidated Cash Flow Statement

(1 JANUARY - 31 DECEMBER 2023)

		2024 EUR thousand	2023 EUR thousand
1.	**CASH FLOW FROM CURRENT OPERATING ACTIVITIES**		
	Net earnings for the period	13,248	12,435
	Depreciation and amortisation of fixed assets	679	516
	Increase (+)/decrease (-) in provisions	-820	-2,648
	Other non-cash expenses/income	1,485	-585
	Increase (+)/decrease (-) in inventories, trade receivables and other assets	66,059	-144,918
	Increase (+)/decrease (-) in inventories, trade payables and other liabilities	-76,201	142,530
	Interest expenses (+)/interest income (-)	481	528
	Income tax expense (+)/tax benefit (-)	5,645	2,121
	Cash flow from current operating activities	-2,032	-3,202
	Cashflow aus laufender Geschäftstätigkeit	**8,543**	**9,978**
2.	**CASH FLOW FROM INVESTMENT ACTIVITIES**		
	Cash outflow for investments in property, plant and equipment	-519	-568
	Cash outflow for investments in intangible assets	-135	-47
	Cash outflow the purchase of minority interests in consolidated subsidiaries	0	-1,800
	Cash outflow for investments in participations	-42	-400
	Cash inflow from the repayment of loans	291	1,500
	Cash flow from investment activities	**-405**	**-1,316**
3.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Purchase (previous year: sale) of treasury shares (employee shares)	-26	9
	Cash outflow from dividend payments	-4,180	-3,499
	Interest payments on long-term loans	-211	-220
	Repayment of long-term loans	-63	-243
	Cash flow from financing activities	**-4,481**	**-3,953**
4.	**CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD**		
	Changes affecting payment (Subtotals 1 – 3)	3,657	4,709
	Cash and cash equivalents at the start of the period	35,985	23,900
	Cash and cash equivalents at the end of the period	**39,642**	**28,609**
5.	**COMPOSITION OF CASH AND CASH EQUIVALENTS**		
	Cash and cash equivalents	39,642	35,985
	Current liabilities	0	-7,384
	Cash and cash equivalents at the end of the period	**39,642**	**28,601**

Consolidated Statement of Changes in Shareholders' Equity

AS AT 31. DECEMBER 2024

	GROUP'S EQUITY		
	Subscribed capital common shares	**Capital reserve**	**Generated consolidated shareholders' equity**
	EUR	**EUR**	**EUR**
31/12/2022	**4,543,804.00**	**10,399,081.94**	**15,440,031.84**
Currency differences	0,00	0,00	0,00
Dividend	0,00	0,00	-3,498,729.08
	4,543,804.00	10,399,081.94	11,941,302.76
Consolidated net income	0,00	0,00	12,371,714.35
31/12/2023	**4,543,804.00**	**10,399,081.94**	**24,313,017.11**
Repurchase of treasury shares	-925.00	-25,530.00	0.00
Currency differences	0.00	0.00	0.00
Dividend	0.00	0.00	-4,180,299.68
	4,542,879.00	10,373,551.94	20,132,717.43
Consolidated net income	0.00	0.00	13,312,114.25
31/12/2024	**4,542,879.00**	**10,373,551.94**	**33,444,831.68**

		MINORITY SHAREHOLDERS			
Accumulated remaining consolidated income Currency translation adjustments	**Group's share**	**Minority interest**	**Accumulated remaining consolidated income Currency translation adjustments**	**Shareholders' equity**	**Group equity**
EUR	**EUR**	**EUR**	**EUR**	**EUR**	**EUR**
-772,520.73	**29,610,397.05**	**2,873,687.30**	**-329,161.82**	**2,544,525.48**	**32,154,922.53**
-376,672.44	-376,672.44	0.00	0.00	0.00	-376,672.44
0,00	-3,498,729.08	0.00	0.00	0.00	-3,498,729.08
-1,149,193.17	25,734,995.53	2,873,687.30	-329,161.82	2,544,525.48	28,279,521.01
0,00	12,371,714.35	0.00	0.00	62,896.63	12,434,610.98
-1,149,193.17	**38,106,709.88**	**2,873,687.30**	**-329,161.82**	**2,607,422.11**	**40,714,131.99**
0.00	-26,455.00	0.00	0.00	0.00	-26,455.00
1,296,767.05	1,296,767.05	0.00	0.00	0.00	1,296,767.05
0.00	-4,180,299.68	0.00	0.00	0.00	-4,180,299.68
147,573.88	35,196,722.25	2,873,687.30	-329,161.82	2,607,422.11	37,804,144.36
0.00	13,312,114.25	0.00	0.00	-64,329.72	13,247,784.53
147,573.88	**48,508,836.50**	**2,873,687.30**	**-329,161.82**	**2,543,092.39**	**51,051,928.89**

Statement of Changes in Current Assets

AS AT 31. DECEMBER 2024

	PROCUREMENT AND MANUFACTURING COSTS					
	01/01/2024	Currency conversion	Additions	Disposals	Re-classifications	31/12/2024
	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets						
1. Software	103,793.22	0.00	134,917.56	0.00	0,00	238,710.78
2. Goodwill	5,039,705.34	0.00	0.00	0.00	0,00	5,039,705.34
	5,143,498.56	**0.00**	**134,917.56**	**0.00**	**0,00**	**5,278,416.12**
II. Property, plant and equipment						
1. Technical equipment and machinery	1,020,621.02	36,139.85	31,286.40	0.00	0,00	1,088,047.27
2. Other equipment, office and factory equipment	757,304.59	5,730.92	175,630.72	0.00	0,00	938,666.23
3. Deposits paid / plant under construction	8,391,547.99	28,721.89	312,064.46	0.00	0,00	8,732,334.34
	10,169,473.60	**70,592.66**	**518,981.59**	**0.00**	**0,00**	**10,759,047.84**
III. Investments						
1. Investments	690,395.56	0.00	41,706.64	0.00	0,00	732,102.20
2. Other loans receivable	9,189,531.33	0.00	0.00	290,624.52	0,00	8,898,906.81
	9,879,926.89	**0.00**	**41,706.64**	**290,624.52**	**0,00**	**9,631,009.01**
	25,192,899.05	**70,592.66**	**695,605.79**	**290,624.52**	**0,00**	**25,668,472.97**

ACCUMULATED AMORTISATION AND DEPRECIATION						BOOK VALUES	
01/01/2043	Currency conversion	Additions	Disposals	Re-classifications	31/12/2024	31/12/2024	31/12/2023
EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
51,784.22	0.00	4,081.00	0.00	0.00	55,865.22	182,845.56	52,009.00
1,190,094.99	0.00	483,795.55	0.00	0.00	1,673,890.54	3,365,814.80	3,849,610.35
1,241,879.21	**0.00**	**487,876.55**	**0.00**	**0.00**	**1,729,755.76**	**3,548,660.36**	**3,901,619.35**
315,778.94	16,200.45	128,660.88	0.00	0.00	460,640.27	627,407.00	704,842.07
554,457,16	3,565.15	62,225.08	0.00	0.00	620,247.39	318,418.84	202,847.43
0.00	0.00	0.00	0.00	0.00	0.00	8,732,334.34	8,391,547.99
870,236.11	**19,765.60**	**190,885.96**	**0.00**	**0.00**	**1,080,887.67**	**9,678,160.17**	**9,299,237.49**
265,218.58	0.00	0.00	0.00	0.00	265,218.58	466,883.62	425,176.98
1,700,000.00	0.00	0.00	0.00	0.00	1,700,000.00	7,198,906.81	7,489,531.33
1,965,218.58	**0.00**	**0.00**	**0.00**	**0.00**	**1,965,218.58**	**7,665,790.43**	**7,914,708.31**
4,077,333.90	**19,765.60**	**678,762.51**	**0.00**	**0.00**	**4,775,862.01**	**20,892,610.96**	**21,115,565.15**

Notes to the Consolidated Financial Statements

HMS BERGBAU AG, BERLIN

FINANCIAL YEAR 2024

I. GENERAL COMPANY INFORMATION

HMS Bergbau AG is headquartered in Berlin, Germany. The Company has been entered into the commercial register of the District Court of Berlin-Charlottenburg under HRB 59190.

II. GENERAL INFORMATION ON THE CONTENT AND STRUCTURE OF THE CONSOLIDATED FINANCIAL STATEMENTS

HMS Bergbau AG is a **large stock corporation** as defined in Section 267 (3) HGB.

The consolidated financial statements of HMS Bergbau AG for the financial year from 1 January to 31 December 2024 were prepared in accordance with the accounting and valuation principles under German commercial law and the provisions of the German Stock Corporation Act (AktG).

The financial year of the Group and all entities included in the consolidated financial statements corresponds to the calendar year.

In addition to the balance sheet, income statement and notes, the cash flow statement and statement of changes in equity are presented separately pursuant to Section 297 (1) HGB.

The income statement was prepared using the total cost method.

III. SCOPE OF CONSOLIDATION

1. INFORMATION ON ALL GROUP ENTITIES

All German and foreign associated subsidiaries were included in the consolidated financial statements.

In the 2021 financial year, 51% of the shares in Maatla Energy (Pty) Ltd, Botswana, were acquired for a purchase price of EUR 0.2 thousand; the acquisition was still subject to conditions precedent as at 31 December 2024.

Company name	Headquarters	Interest in %	Equity in EUR thousands	Annual result in EUR thousands
HMS Bergbau Africa (Pty) Ltd.	Johannesburg	100	63	196
HMS Bergbau Singapore (Pte) Ltd.	Singapur	100	21,244	5,277
PT. HMS Bergbau Indonesia	Jakarta	100	-4,782	-200
Silesian Coal International Group of Companies S.A.	Katowice	54.9	200	-143
HMS Bergbau USA Corp.	Miami	100	2,926	62
HMS Bergbau FZCO Dubai	Dubai	100	13,026	3,361
HMS BERGBAU ZIMBABWE PVT LTD	Harare	100	-199	-15
HMS Bergbau Switzerland SA	Geneva	100	-119	-167

IV. CONSOLIDATION PRINCIPLES

The annual financial statements of the subsidiaries included in the consolidated financial statements were prepared as at 31 December 2024, which is the reporting date of the parent company.

The annual financial statements of the subsidiaries included in the consolidated financial statements were prepared in a uniform manner, using the accounting and valuation principles of HMS Bergbau AG pursuant to legal provisions.

The consolidated financial statements were prepared as at the reporting date of the parent company.

1. INFORMATION ON THE CAPITAL CONSOLIDATION METHOD APPLIED

For fully consolidated subsidiaries acquired prior to 1 January 2010, capital consolidation was carried out as at the date of acquisition according to the book value method pursuant to Section 301 (1) no. 1 HGB (old version), whereby the acquisition costs were offset against the pro rata equity of the subsidiaries as at the time of acquisition or their first-time consolidation. For subsidiaries acquired after 1 January 2010, capital consolidation is carried out as at the time of acquisition according to the revaluation method pursuant to Section 301 (1) HGB. Equity is recognised at the amount equivalent to the present value of the assets, liabilities, accruals and deferrals, and special items included in the consolidated financial statements applicable as at the time of acquisition.

2. DATE OF FIRST-TIME CONSOLIDATION

The date on which the entity is established by the parent company always represents the date on which capital is consolidated within the meaning of Section 301 (2) HGB. As a result, the capital was consolidated based on the values as at the entities' establishment, also in the case of entities established prior to the reporting year. Any profits or losses generated by subsidiaries before 1 January 2010 were included in and offset against the parent company's retained earnings. For these companies, the consolidation did not result in a difference within the meaning of Section 301 (1) HGB (old version). Entities acquired after 1 January 2010 are included as at the time they became subsidiaries of the parent company pursuant to Section 301 (2) HGB.

3. DEBT CONSOLIDATION

Mutual receivables and liabilities between the consolidated entities are offset against each other and eliminated within the context of debt consolidation. Any resulting differences from the consolidation of intra-group receivables and liabilities denominated in foreign currencies are directly recognised in equity.

4. CONSOLIDATION OF INCOME AND EXPENSES, ELIMINATION OF INTRA-GROUP PROFITS

Intra-group sales are offset against the corresponding intra-group expenses.

Expenses and income from other business transactions between consolidated entities are also offset against each other.

There were no intra-group profits from deliveries and services within the Group.

V. CURRENCY TRANSLATION PRINCIPLES

The consolidated financial statements are prepared in euros, the functional and reporting currency of the parent company.

The balance sheets of foreign subsidiaries are translated using the spot exchange rate prevailing on the reporting date in accordance with Section 308a sentence 1 HGB, and the income statements using the average annual rate in accordance with Section 308a sentence 2 HGB. Shareholders' equity is translated at the historical rate.

Differences arising from the currency translation of assets and liabilities are recognised directly in equity.

Exchange rate differences arising from the currency translation of items of the income statement and the annual results are reported as income or expenses within the consolidated net profit.

VI. ACCOUNTING AND VALUATION PRINCIPLES

ACCOUNTING AND VALUATION

The consolidated financial statements comply with the applicable provisions of Section 298 HGB.

Intangible assets are carried at cost less scheduled amortisation.

Property, plant and equipment are carried at cost less straight-line depreciation over the expected useful life.

Financial assets are carried at cost. In cases of permanent impairment, financial assets are impaired at their lower fair value. If the reasons for the impairment no longer exist, the impairment loss is reversed.

Receivables and other assets are recognised at the lower of their nominal value or fair value as at the reporting date.

Cash and cash equivalents are recognised at their nominal amounts.

Deferred tax assets result from differences in the carrying amounts of assets, liabilities, accruals and deferrals under commercial law and tax law. These differences are expected to be reversed in later years. Deferred tax assets are based on the company-specific tax rate at the time of the reversal of the differences. The amounts recognised are to be released when the tax burden or relief occurs or is no longer expected to occur.

Pension obligations related to fixed pensions are calculated based on the projected unit credit method, using the "2018 G" mortality tables compiled by Prof Dr Klaus Heubeck, assuming an unchanged staff turnover and salary tend of 0%, a discount rate of 1.90% (previous year: 1.82%) and an unchanged pension trend of 2.0%. The difference between the seven-year and ten-year average interest rate, which in the case of a positive amount, is restricted from distribution (Section 253 [6] sentence 2 HGB), amounted to EUR -64 thousand (previous year: EUR 83 thousand). The first-time application of the German Accounting Law Modernisation Act (BilMoG) in the 2010 financial year resulted in an amount to be allocated to pension provisions of EUR 3,341 thousand in accordance with actuarial principles, which is spread over a period of 15 years pursuant to Article 67 (1), sentence 1 of the Introductory Act to the German Commercial Code (EGHGB). By 31 December 2024, these had been fully allocated.

Other provisions consider all foreseeable risks and uncertain obligations and are recognised at their settlement amount, i.e. including expected increases in prices and costs.

Liabilities are recognised at their repayment amount.

The translation of **business transactions in foreign currencies** is based on the spot exchange rate in accordance with Section 256a HGB. Foreign exchange differences arising from the settlement of purchases and sales are allocated to cost of materials for goods or revenue from sales. Only exchange differences resulting from the translation of assets and liabilities in foreign currencies as at the reporting date, along with realised differences from non-operating transactions, are reported under "Other operating income" or "Other operating expenses".

VII. NOTES TO THE CONSOLIDATED BALANCE SHEET

The statement of changes in **non-current assets** shows the development of the individual line items within non-current assets.

Goodwill resulted from the purchase of an interest in Silesian Coal International Group of Companies S.A. The useful life of goodwill is 10 years.

Advance payments and assets under construction relate to exploration and development costs associated with the acquisition of a mining licence for the coalfield in Orzesze, Poland.

Other loans are to affiliated companies. Disposals and additions resulted from the repayment or extension of loans.

Advance payments are related to trade transactions that will be settled in subsequent periods; a total of EUR 1.5 million was due from shareholders.

Finished goods and merchandise concern trading goods already contracted at the South African site, which were loaded and sold in the first few weeks of the new year.

As in the previous year, **all receivables and other assets** had remaining terms of less than one year. The claims against shareholders were already fully settled in February 2025.

Deferred tax assets result from the difference in valuation of the pension provision (EUR 2,298 thousand: previous year: EUR 1,926 thousand) and unrealised foreign currency effects (EUR 52 thousand: previous year: EUR 33 thousand). The calculation of temporary differences is based on the respective company-specific overall tax rate of 30.18%. The measurement of deferred taxes as at 31 December 2024 continued to result in a surplus of deferred tax assets over liabilities, as was the case on the prior year's reporting date. The amount of capitalised deferred tax assets of the parent company (EUR 2,298 thousand: previous year: EUR 1,926 thousand) is restricted from distribution.

Subscribed capital of EUR 4,590,588.00 (previous year: EUR 4,590,588.00) continues, as in the previous year, to consist of 4,590,588 ordinary bearer shares with a nominal value of EUR 1.00 each. A total of 47,709 (0.01%) treasury shares, each with a value of EUR 1.00, were held as at the reporting date.

The **capital reserve** of EUR 10,373,551.94 results from the difference between the nominal amount and the issue amount achieved.

Authorised capital amounts to EUR 2,295,294.00. Conditional capital amounts to EUR 2,245,294.00.

Pension provisions amounted to EUR 10,477 thousand. In 2024, pension expenses of EUR 556 thousand were recognised, taking into account an adjustment to the current pension trend. The adjustment to the general pension trend and actuarial reasons resulted in an addition to the provisions in the amount of EUR 1,406 thousand recognised in personnel expenses. The compounding of interest and the change in the discount rate resulted in an interest expense of EUR 84 thousand (previous year: EUR 117 thousand), which was recognised in the income statement.

Other provisions concern primarily costs for the preparation and audit of the financial statements (EUR 230 thousand, previous year: EUR 173 thousand), Supervisory Board remuneration (EUR 62 thousand, previous year: EUR 62 thousand) and personnel provisions (EUR 1,127 thousand, previous year: EUR 2,629 thousand).

The **bond** has a bullet maturity and a remaining term of more than one year.

Liabilities to banks included EUR 17,018 thousand (previous year: EUR 7,384 thousand) of trade financing of individual back-to-back transactions and EUR 343 thousand for a KfW development loan. Of this KfW development loan, a total of EUR 250 thousand (previous year: EUR 250 thousand) has a remaining term of between 1 and 5 years, and EUR 30 thousand (previous year: EUR 156 thousand) has a remaining term of more than 5 years. As in the previous year, the other components have a remaining term of less than 1 year.

As in the prior year, all **trade payables and other liabilities** have a remaining term of less than 1 year.

CONTINGENT LIABILITIES AS DEFINED BY SECTION 251 HGB

HMS Bergbau AG issued a letter of comfort to duisport agency GmbH according to which it undertakes to meet the financial obligations of HMS Bergbau Coal Division GmbH (formerly: HMS Bergbau AG Coal Division) relating to a coal handling and processing contract with duisport agency GmbH. This letter of comfort is currently not expected to be utilised as no liabilities exist.

OTHER FINANCIAL OBLIGATIONS

As at 31 December 2024, the purchase obligations from contracts concluded amounted to EUR 100,427 thousand, all relating to the 2025 financial year.

Additional other financial obligations mainly result from rental and lease agreements. The maturities of these obligations are as follows:

Up to 1 year	EUR 380 thousand
Between 1 and 5 years	EUR 642 thousand

VIII. NOTES TO THE CONSOLIDATED INCOME STATEMENT

Sales of EUR 1,363,715 thousand were generated in the financial year, mainly from trading coal products such as steam coal, coking coal, anthracite, ores and cement products. On a regional basis, sales originated from Asia (93%) and Europe/Other countries (7%).

Cost of materials resulted from the global purchase of steam coal, coking coal and anthracite.

Other operating income includes, among other items, income from currency translation amounting to EUR 1,475 thousand (previous year: EUR 1,184 thousand).

Other operating expenses are mainly attributable to legal and consulting fees of EUR 3,050 thousand (previous year: EUR 2,572 thousand), vehicle and travel expenses of EUR 1,117 thousand (previous year: EUR 975 thousand), fulfilment costs of EUR 5,352 thousand (previous year: EUR 4,663 thousand), occupancy costs of EUR 341 thousand (previous year: EUR 252 thousand), and 1/15th of the allocation to pension provisions, equal to EUR 223 thousand (previous year: EUR 223 thousand), resulting from the change in measurement pursuant to Section 253 (1) sentence 2 HGB. Expenses from currency translation amounted to EUR 2,966 thousand (previous year: EUR 2,192 thousand).

The **financial result** includes interest expenses on pension obligations of EUR 84 thousand (previous year: EUR 117 thousand).

The expense from **income taxes** resulted from the carryover of deferred tax assets (addition recognised in profit or loss of EUR 391 thousand; previous year: addition of EUR 172 thousand).

IX. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Cash and cash equivalents include cash and liabilities to banks due on demand as well as other current borrowings related to the disposition of cash and cash equivalents. Trade financing, which has the character of trade payables and fully replaces the supplier liability during the active execution of a commercial transaction, has been classified as cash flow from operating activities since the 2024 financial year.

X. OTHER NOTES

1. 1. NAMES OF MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS

During the past financial year, the Company's business was conducted by the following **Management Board** members:

Dennis Schwindt	Chief Executive Officer
Jens Moir	Chief Financial Officer

Disclosure of the Management Board remuneration was waived by exercising the option granted by Section 286 (4) HGB.

During the financial year, the **Supervisory Board** consisted of the following members:

Heinz Schernikau retired, Chairman of the Supervisory Board
Herr Dr. h.c. Michael Bärlein Attorney, Berlin, Deputy Chairman of the Supervisory Board
Herr Patrick Brandl Merchant

In 2024, the members of the Supervisory Board received remuneration of EUR 62 thousand and advances and cost reimbursements of EUR 420 thousand for their activities as members of the Supervisory Board or additional advisory activities. There are provisions for unpaid statutory remuneration in the total amount of EUR 62 thousand.

2. AUDITOR'S FEE

The fee for the audit of the financial statements amounted to EUR 66 thousand (previous year: EUR 55 thousand). In addition, the auditing company provided other assurance services amounting to EUR 47 thousand (previous year: EUR 0 thousand) and other services amounting to EUR 1 thousand (previous year: EUR 9 thousand) in the year 2024.

3. AVERAGE NUMBER OF EMPLOYEES IN THE FINANCIAL YEAR

In the 2024 financial year, an average of 38 employees (19 women, 19 men) were employed.

4. DISCLOSURE REGARDING THE EXISTENCE OF A SHAREHOLDING IN THE COMPANY AS REPORTED TO THE COMPANY PURSUANT TO SECTION 20 (3) OF THE GERMAN STOCK CORPORATION ACT (AKTG)

In 2024, no notifications were made or published in accordance with Section 20 AktG. Therefore, the notifications from the 2011 financial year remain valid.

5. AMOUNTS RESTRICTED FOR DISTRIBUTION

There is a distribution restriction pursuant to Section 268 (8) of the German Commercial Code (HGB) for the amount of the parent company's deferred tax assets of EUR 2,298 thousand.

6. SUBSEQUENT EVENTS

There were no events after the reporting date that would be of particular significance for the assessment of the net asset, financial position and results of operations.

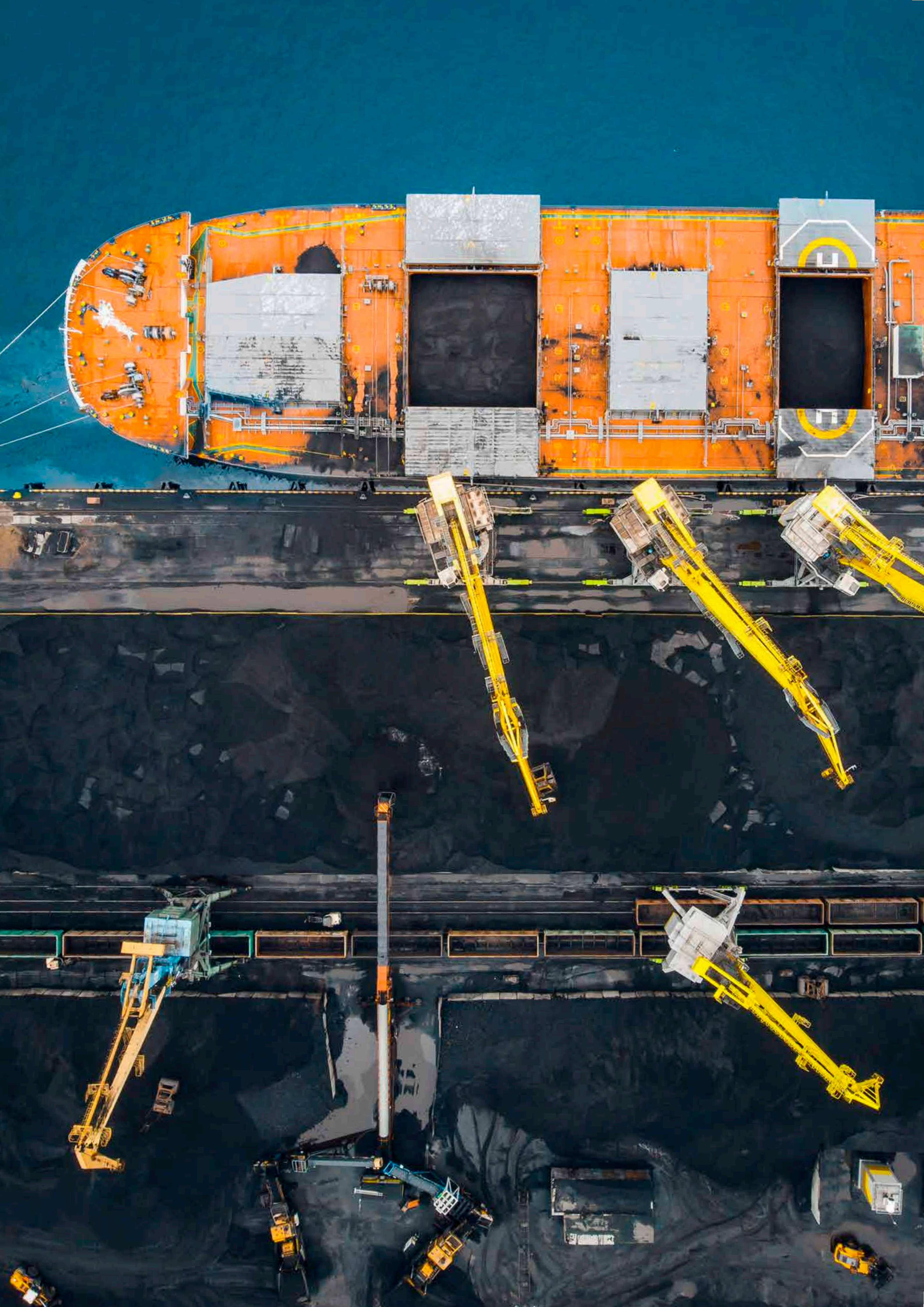
7. APPROPRIATION OF PROFIT OF THE PARENT COMPANY

The unappropriated retained earnings for the past 2024 financial year reported in the annual financial statements of HMS Bergbau AG, which were prepared in accordance with the principles of German commercial law and stock corporation law, amount to EUR 8,590,378.46 (previous year: EUR 6,685,342.69). Of this amount, EUR 2,298,086.89 (previous year: EUR 2,008,155.90) is subject to a distribution restriction. At the Annual General Meeting, the Management Board and the Supervisory Board will propose to distribute a dividend of EUR 1.05 per ordinary share entitled to a dividend. This corresponds to a distribution of EUR 4,770,022.95 from unappropriated retained earnings. The remaining amount of EUR 3,820,355.51 is to be carried forward. Treasury shares held by the Company are not entitled to dividends. The number of ordinary shares entitled to dividends may change before the date of the Annual General Meeting. In this case, a correspondingly adjusted proposal for the appropriation of unappropriated retained earnings will be submitted to the Annual General Meeting, maintaining a distribution of EUR 1.05 per ordinary share entitled to a dividend.

Berlin, 20. March 2025

DENNIS SCHWINDT
Chief Executive Officer

JENS MOIR
Chief Financial Officer



Opinion OF THE INDEPENDENT AUDITOR

TO HMS BERGBAU AG, BERLIN

OPINION ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OPINION

We have audited the consolidated financial statements of HMS Bergbau AG, Berlin, and its subsidiaries (the Group) - consisting of the consolidated balance sheet as of 31 December 2024, the consolidated income statement, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the financial year from 1 January 2024 to 31 December 2024 and the notes to the consolidated financial statements, including the presentation of the accounting and valuation methods. In addition, we have audited the combined management report of the Company and the Group of HMS Bergbau AG, Berlin, for the financial year from 1 January 2024 to 31 December 2024. In accordance with German legal requirements, we have not examined the content of the components of the combined management report of the Company and the Group mentioned in the appendix.

In our opinion, based on the findings of the audit

- the attached consolidated financial statements comply in all material respects with the requirements of German commercial law and, in compliance with German generally accepted accounting principles, give a true and fair view of the assets and financial position of the Group as of 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024 and
- the attached combined management report of the Company and of the Group provides an accurate view of the Group's position. The combined management report of the Company and of the Group is consistent with the Group's annual financial statements, complies with German legal requirements, and accurately presents the opportunities and risks of future development in all material respects. Our audit opinion on the combined management report of the Company and of the Group does not extend to the content of the components of the combined management report of the Company and of the Group mentioned in the appendix.

Pursuant to Section 322 Paragraph 3 Sentence 1 HGB [German Commercial Code], we declare that our audit has not led to any objections to the legality of the consolidated financial statements and of the combined management report.

BASIS FOR THE AUDIT OPINION

We conducted our audit of the consolidated financial statements and of the combined management report of the Company and the Group in accordance with Section 317 HGB [German Commercial Code] and in compliance with German generally accepted standards for financial statement audits promulgated by the Institut der Wirtschaftsprüfer (IDW) [Institute of Public Auditors]. Our responsibilities under these provisions and principles are further described in the "Auditor's responsibilities for the audit of the combined management report of the Company and the Group" section of our auditor's report. We are independent of the Group companies in accordance with German commercial and professional law and have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinion on the consolidated financial statements and on the combined management report of the Company and the Group.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT OF THE COMPANY AND THE GROUP

The legal representatives are responsible for the preparation of the consolidated financial statements that comply with the German commercial law requirements in all material respects and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in compliance with German generally accepted accounting principles. In addition, management is responsible for the internal controls that they have determined necessary in accordance with German generally accepted accounting principles to enable the preparation of consolidated financial statements that are free from material misstatement due to fraudulent actions (i. e. manipulation of accounting and financial loss) or errors.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they have the responsibility for disclosing matters related to the going concern, where applicable. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there are factual or legal circumstances to the contrary.

Furthermore, management is responsible for the preparation of the combined management report of the Company and the Group that provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report of the Company and the Group that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report of the Company and the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT OF THE COMPANY AND THE GROUP

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraudulent actions or errors and whether the combined management report of the Company and the Group as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinion on the consolidated financial statements and on the combined management report of the Company and the Group.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Section 317 HGB [German Commercial Code] and in compliance with German generally accepted standards for financial statement audits promulgated by the Institut der Wirtschaftsprüfer (IDW) [Institute of Public Auditors] will always detect a material misstatement. Misstatements can arise from fraudulent actions or errors and are considered material if they could reasonably be expected, individually or in the aggregate, to influence the economic decisions of users taken based on these consolidated financial statements and the combined management report of the Company and the Group.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we

- identify and assess the risks of material misstatements due to fraudulent actions or errors in the consolidated financial statements and in the combined management report of the Company and the Group, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraudulent actions is higher than the risk of not detecting a material misstatement resulting from error, as fraudulent actions may involve collusion, forgery, intentional omissions, misleading statements or the override of internal controls.
- obtain an understanding of the internal controls relevant to the audit of the consolidated financial statements and of the arrangements and measures relevant to the audit of the combined management report of the Company and the Group in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls or these arrangements and measures.
- evaluate the appropriateness of the accounting policies used by management and the reasonableness of the estimates and related disclosures made by management.
- draw conclusions about the appropriateness of the going concern basis of accounting used by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report of the Company and the Group or, if such disclosures are inadequate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Group to no longer be able to continue as a going concern.

- evaluate presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in such a way that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in compliance with German legally required accounting principles.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinion on the consolidated financial statements and on the combined management report of the Company and the Group. We are responsible for instructing, supervising and carrying out the audit of the consolidated financial statements. We are solely responsible for our audit opinion.
- evaluate the consistency of the combined management report of the Company and the Group with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the legal representatives in the combined management report of the Company and the Group. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions.

We discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we identify during our audit.

Berlin, 12. Mai 2025

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The English version of the annual report and the consolidated financial statements 2021 of HMS Bergbau AG is a one-to-one translation. The English version is not audited; in the event of variances, the German version shall take precedence over the English translation.

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