COAL ENERGY S.A.

Unaudited Interim Consolidated Report for the Three Months Ended 30 September 2026 (1Q FY2027)

Dear Shareholders,

During the first quarter of FY2027, we continued to strengthen our operational foundations and advance the Company's positioning for sustainable growth across selected European markets.

Coal Energy continued to develop its mining services business in Poland, which remained the Group's principal source of operating revenue during the reporting period. In parallel, the Company progressed a number of strategic initiatives and investment projects aligned with its updated development strategy and aimed at supporting long-term growth and diversification.

For the three months ended 30 September 2026, revenue from service activities amounted to US$645 thousand, representing an increase of 57.3% compared with US$410 thousand in the corresponding period of the previous financial year. This growth reflects the continued development of our mining services operations and increasing market presence in Poland.

The Company reported negative EBITDA of US$102 thousand in 1Q FY2027, compared with negative EBITDA of US$354 thousand in 1Q FY2026. While EBITDA remained negative, the substantial improvement demonstrates progress in enhancing the Company's operating performance and scaling its service activities.

Following the reporting period, the Board of Directorsapproved an update to Coal Energy S.A.'s Development Strategy for 2026–2028. The revised strategy reflects the Company's transition toward a service-oriented business model and focuses on expansion in countries where mining remains an important contributor to economic activity. In addition, the strategy provides for the development of sustainable forestry operations as well as biomass production and processing activities in Spain, creating opportunities for further diversification of the Group's business portfolio.

The first pillar of our strategy is to monetise the unique expertise of our team by providing high-margin mining engineering and consulting services, including mineral resource audits, digital modelling and mine design, without the need to incur capital expenditure on infrastructure. These activities are focused on the rapidly modernising markets of Central Asia (Kazakhstan and Uzbekistan) and Mongolia, where the Company has already entered the active implementation phase and is conducting advanced negotiations to secure its first contracts.

The second key strategic priority is the development of sustainable forestry operations and biomass production and processing activities in Spain through the newly established special-purpose company, Ecoforge Energy, S.L. The project is expected to generate its first revenues in the first half of 2027, representing an important step towards the diversification of the Group’s business activities.

The Company also entered into an Investment Framework Agreement with LYNX OVERSEAS CONSULTING CY LTD. Under this agreement, the parties confirmed their intention to cooperate in connection with a contemplated private placement of the Company's shares for a total amount of up to EUR 3.0 million. The proposed transaction is intended to support the Company's strategic development initiatives and strengthen its financial flexibility.

Looking ahead, the Board remains focused on building a more resilient, diversified and sustainable platform for Coal Energy's future growth. We believe that the actions undertaken during the

quarter have strengthened the Company's strategic position and provide a solid foundation for the execution of our long-term objectives**.**

Viktor Vyshnevetskyy
Chairman of the Board of Directors and Chief Executive Officer

General market and economic overview (on available statistical information)

During **1Q FY2027 (July–September 2026)**, Poland's coal mining sector continued to operate in a relatively stable market environment despite the ongoing transformation of the European energy sector. Coal remained an important component of Poland's energy mix and a key contributor to energy security and industrial activity. According to data published by the Polish power grid operator, hard coal accounted for approximately **39.7%** of electricity generation in September 2026, while lignite contributed a further **18.8%**, highlighting the continued importance of coal-fired generation in the country's power system.

Market conditions remained supportive for mining service providers. Polish coal producers continued to focus on maintaining operational reliability, improving productivity and ensuring compliance with increasingly stringent safety and environmental requirements. As a result, demand remained stable for specialized services related to underground infrastructure maintenance, excavation and development works, ventilation systems, methane management, dewatering, equipment servicing, transport solutions and environmental monitoring.

The Polish mining industry continues to face challenges associated with aging infrastructure, rising operating costs and workforce constraints. These factors encourage mine operators to increasingly rely on specialized external contractors capable of providing technical expertise, operational flexibility and cost-efficient solutions. Modernization projects aimed at extending the life and efficiency of existing mining assets continued to create opportunities for mining service providers throughout the quarter.

Coking coal remained the strongest segment of the coal market. Poland continues to be the European Union's largest producer of coking coal, supplying a strategically important raw material for the steel industry. Coking coal retains its status as a **Critical Raw Material** under the EU Critical Raw Materials Act, supporting ongoing investment in production continuity, operational efficiency and mine modernization.

At the European level, energy security and raw-material supply resilience remained important policy priorities. Continued implementation of the Critical Raw Materials Act and broader efforts to strengthen domestic industrial supply chains are expected to support investment in strategically important mining assets and related technical services.
Overall, the outlook for mining service providers remains positive. Although Poland's coal sector continues to undergo long-term structural transformation, the need to maintain safe, efficient and compliant mining operations is expected to sustain demand for specialist services. Opportunities are expected to remain concentrated in mine modernization, infrastructure maintenance, safety solutions, environmental compliance and operational resilience.

Review of the financial and operational results of Coal Energy S.A. including parent company and its subsidiaries (hereinafter "Company") for the 3 months (1Q) FY2027

The following table summarizes the Company's key ratios for the 1Q FY2027, the 4Q FY2026, 1Q FY2026 (numbers are rounded):

in thousands of US$	1Q FY2027	4Q FY2026	Relative change q-o-q	1Q FY2026	Relative change y-o-y
Revenue	645	707	(8.8%)	410	57.3%
Gross profit	88	231	(61.9%)	(83)	*n/a*
EBIT	(108)	42	*n/a*	(359)	*n/a*
EBITDA	(102)	50	*n/a*	(354)	*n/a*
Net profit (loss)	(158)	492	*n/a*	(424)	*n/a*

Revenue

Revenue for **1Q FY2027** amounted to **US$645 thousand**, an increase of **57.3%** compared with **US$410 thousand** in **1Q FY2026**. The increase reflects the continued development of the Company's mining services business in Poland. Compared with **4Q FY2026**, revenue decreased by **8.8%** from **US$707 thousand**, mainly reflecting normal fluctuations in demand and the timing of project execution.

Operating profit

The operating result improved significantly year-on-year, with the Company reporting an **operating loss of US$108 thousand** in **1Q FY2027**, compared with an operating loss of **US$359 thousand** in **1Q FY2026**. The improvement was primarily attributable to the continued expansion of the Company's mining services operations and related revenue growth.

On a quarter-on-quarter basis, the Company recorded an operating loss of **US$108 thousand**, compared with an operating profit of **US$42 thousand** in **4Q FY2026**, primarily due to increased cost of sales.

Financial costs

In the reporting quarter financial costs amounted to US$26 thousand as opposed to US$7 thousand for the 1Q FY2026 y-o-y and opposed to US$28 thousand in the 4Q FY2026 representing factoring costs and loss from non-operational exchange differences.

Net profit/loss

For the three months ended 30 September 2026, the Company reported a **net loss of US$158 thousand**, compared with a net loss of **US$424 thousand** in 1Q FY2026. The improvement primarily reflects stronger operating performance and higher revenue generation. Compared with net profit of US$492 thousand recorded in 4Q FY2026, the Company's result was lower as the previous quarter included a one-time gain related to the write-off of an overdue loan liability.

Risks and uncertainties

The Company's financial performance is dependent on the global price of and demand for coal

The Company's business is dependent on the global market price of coal. Sale prices and volumes in the worldwide coal market depend predominantly on the prevailing and expected levels of demand for and supply of coal, mainly from energy and steel manufacturers. But the company's financial results will increasingly depend on the situation on the coal market in the countries where the company will operate. In general, European countries are taking steps to slowly move away from coal mining, but at the same time, more and more attention is being paid to the extraction of other minerals that may also be of interest to the Company.

The Company's production costs and costs of technologies applied by the Company may increase

The Company's main production expenses are energy costs, salaries and consumables. Due to the company's new strategy, which provides for the transfer of operations abroad, it is expected that there will be additional costs related to starting operations in new markets, acquiring new entities and acquiring customers.

The Company's activity may be impacted by limited banking financing of its project

The Company's operations and growth initiatives could be significantly impacted by constrained access to banking financing for its projects. Such limitations in financing could restrict the Company's ability to fully implement its planned investment program, which is critical for achieving the strategic targets and ensuring the long-term sustainability of its business activities.

To continue funding its development plans at the levels required, the Company will need to seek alternative sources of external finance. These may include a broader range of financial instruments and capital-raising opportunities available to publicly listed companies, such as issuing bonds, equity or debt offerings in the capital markets, private placements, or seeking financing through international financial institutions and development agencies.

The Company can mitigate this risk by exploring alternative external financing options and utilizing other financial instruments available to publicly listed companies, such as equity or debt offerings, bond issuance, or government grants, to secure the necessary capital.

Under the financing agreement with Global Tech Opportunities 31, part of the ABO Securities group, Coal Energy S.A. received total financing of PLN 4.5 million through the issuance of interest-free convertible bonds. All bonds issued under the agreement were subsequently converted into newly issued shares of the Company. The financing agreement was terminated in June 2026. Subsequently, on 30 June 2026, the Company entered into an Investment Framework Agreement with Cyprus-based investor Lynx Overseas Consulting CY Ltd for a private placement programme of up to EUR 1.5 million, which was later increased to EUR 3.0 million under Amendment Agreement No. 1.

COAL ENERGY S.A.

1q2027FY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

CONTENTS **PAGE**

Statement of the board of director's responsibilities 3

Interim management report 4

Interim condensed consolidated statement of profit or loss and other comprehensive income 5

Interim condensed consolidated statement of financial position 6

Interim condensed consolidated statement of changes in equity 7

Interim condensed consolidated statement of cash flows 8

Notes to the interim condensed consolidated financial statements 9

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES

To the best of our knowledge, the interim condensed consolidated financial statements as of 30 September 2026 of Coal Energy S.A. (the "Group") which have been prepared in accordance with the International financial reporting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the both Coal Energy S.A. and its subsidiaries included into the Group, and the interim management report includes a fair review of the development and performance of the business and the position of the both Coal Energy S.A. and its subsidiaries included in the Group together with a description of the principal risks and uncertainties that they face for the three months ended 30 September 2026 as required under article 4(2)c) of the Transparency Law.

While preparing the interim condensed consolidated financial statements, the Board of Directors bears responsibility for the following issues:

- selection of the appropriate accounting policies and their consistent application;
- making judgments and estimates that are reasonable and prudent;
- adherence to IFRS concepts or disclosure of all material departures from IFRS in the consolidated financial statements;
- preparation of the consolidated financial statements on the going concern basis.

The Board of Directors confirms that it has complied with the above mentioned principles in preparing the interim condensed consolidated financial statements of the Group.

The Board of Directors is also responsible for:

- keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group;
- taking reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;
- establishing for such internal controls is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

On behalf of the Board of Directors:

Directors A:

_____signed_____
Chairman of the Board of Directors
Viktor Vyshnevetskyy

_____signed_____
Business Development Director
Oleksandr Reznyk

_____signed_____
Independent Non-executive Director
Arthur David Johnson

Directors B:

_____signed_____
Independent Non-executive Director
Diyar Yakubov

Luxembourg, 27 November 2026

INTERIM MANAGEMENT REPORT

Management of the Group hereby presents its interim condensed consolidated financial statements for the three months ended 30 September 2026.

1. Results and developments during the three months ended on 30 September 2026.
For the three months ended 30 September 2026, the Group recorded an EBITDA loss amounted USD 102 thousand (EBITDA loss for the three months ended 30 September 2025: USD 354 thousand). After depreciation, amortization, finance costs and finance income, the net loss after taxation for the three months ended 30 September 2026 amounted USD 158 thousand (net loss for the three months ended 30 September 2025: USD 424 thousand).

2. Future developments of the Group
The Group maintains its strategic interest in the Bobrek-Miechowice mining project in Poland. However, in accordance with the Company's updated Development Strategy for 2026–2028, all activities aimed at bringing the project into operation have been suspended. These activities may resume once sufficient cash reserves have been accumulated from the Group's engineering services business and business activities in Spain. The Group is launching a new initiative focused on timber harvesting and energetic biomass production derived from forestry management and land clearing operations in Spain. The venture is strategically characterized by low initial capital expenditures and a compressed launch timeline, which is projected to yield an accelerated path to positive operational cash flow.

In February 2026, the Group entered into a commercial service agreement with the US-based firm Minerals Plus LLC to provide specialized consulting and transaction advisory support for the divestment of their polymetallic mining asset in California. In accordance with the contractual terms, the financial remuneration for these services is performance-aligned and will be fully realized upon the successful completion and closing of the asset disposal transaction. These activities are consistent with the development of mining engineering and consulting services envisaged in the Company's updated Development Strategy for 2026–2028.

3. Own shares
During the three months ended 30 September 2026, the Group and its affiliates have not repurchased shares of Coal Energy S.A. Changes in the number of shares are disclosed in Note 12.

4. Group's internal control
Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;
- provide reasonable assurance that transactions are recorded, as necessary, to permit preparation of financial statements in accordance with IFRS;
- provide reasonable assurance that receipts and expenditures of the Group are made in accordance with authorizations of Group's management and directors; and
- provide reasonable assurance that unauthorized acquisition, use or disposition of Group's assets that could have a material effect on the financial statements would be prevented or detected on a timely basis.

Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. Risk Management
The Group has implemented policies and procedures to manage and monitor financial market risks. Financial market activities are overseen by the Group Management Board. All financial market risks are managed in accordance with the treasury and financial risk management policies. The Group does not use hedging derivatives accounting.

6. Branches
During the three months ended 30 September 2026, the Group operated no branches.

7. Subsequent events
Significant events that occurred after the end of the reporting period are described in Note 19 to the consolidated financial statements.

On behalf of management:

Directors A:

_____signed_____
Chairman of the Board of Directors
Viktor Vyshnevetskyy

_____signed_____
Business Development Director
Oleksandr Reznyk

_____signed_____
Independent Non-executive Director
Arthur David Johnson

Directors B:

_____signed_____
Independent Non-executive Director
Diyar Yakubov

Luxembourg, 27 November 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	3 months ended 30 September 2026 (unaudited)	Year ended 30 June 2026	3 months ended 30 September 2025 (unaudited)
Revenue	6	645	2,768	410
Cost of sales	7	(557)	(2,276)	(493)
GROSS PROFIT/(LOSS)		**88**	**492**	**(83)**
General and administrative expenses	8	(198)	(1,068)	(265)
Other operating income/(expenses), net		2	93	(11)
Recovery/(impairment) of financial assets		-	(23)	-
OPERATING PROFIT/(LOSS)		**(108)**	**(506)**	**(359)**
Other non-operating income/(expenses), net	9	(27)	(199)	(61)
Finance income		3	532	3
Finance expenses		(26)	(795)	(7)
PROFIT/(LOSS) BEFORE TAX		**(158)**	**(968)**	**(424)**
Income tax benefit/(expenses), net		-	-	-
NET PROFIT/(LOSS)		**(158)**	**(968)**	**(424)**
NET PROFIT/(LOSS) ATTRIBUTABLE TO:				
Equity holders of the parent		(158)	(968)	(424)
Non-controlling interests		-	-	-
OTHER COMPREHENSIVE INCOME/(LOSS)				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods when specific conditions are met				
Effect of foreign currency translation		12	19	2
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)		**12**	**19**	**2**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**(146)**	**(949)**	**(422)**
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
Equity holders of the parent		(146)	(949)	(422)
Non-controlling interests		-	-	-
EARNINGS PER SHARE				
Weighted average number of ordinary shares		47,991,078	45,672,430	45,011,120
BASIC PROFIT/(LOSS) PER ORDINARY SHARE (USD cents)*		**(0.33)**	**(2.12)**	**(0.94)**

* Basic profit/(loss) per ordinary share is equal to diluted profit/(loss) per ordinary share.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 September 2026 (unaudited)	30 June 2026	30 September 2025 (unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment		23	22	29
Right-of-use assets	14	50	55	77
Financial assets		1	1	1
Investment in joint venture		13	13	14
		87	**91**	**121**
Current assets				
Inventories		-	-	-
Trade and other receivables	10	506	503	374
Prepayments		2	1	1
Other taxes receivables		57	51	6
Cash and cash equivalents	11	42	27	18
		607	**582**	**399**
TOTAL ASSETS		**694**	**673**	**520**
EQUITY				
Share capital	12	484	461	450
Share premium		79,462	78,256	77,578
Currency translation reserve		108	96	79
Retained earnings		(81,784)	(81,626)	(81,082)
Equity attributable to equity holders of the parent		**(1,730)**	**(2,813)**	**(2,975)**
Non-controlling interest		-	-	-
TOTAL EQUITY		**(1,730)**	**(2,813)**	**(2,975)**
LIABILITIES				
Non-current liabilities				
Lease liabilities	14	36	41	55
		36	**41**	**55**
Current liabilities				
Loans and borrowings	13	459	855	1,379
Lease liabilities	14	16	16	22
Current bonds		-	546	-
Trade and other payables	15	1,605	1,749	1,777
Income tax payables		-	-	-
Other tax payables	16	308	279	262
		2,388	**3,445**	**3,440**
TOTAL LIABILITIES		**2,424**	**3,486**	**3,495**
TOTAL EQUITY AND LIABILITIES		**694**	**673**	**520**

Notes on pages 9 to 20 are an integral part of these consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity holders of the parent						
	Share capital	**Share premium**	**Currency translation reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Position at 30 June 2025	**450**	**77,578**	**77**	**(80,658)**	**(2,553)**	**-**	**(2,553)**
Net profit/(loss)	**-**	**-**	-	(968)	**(968)**	-	**(968)**
Other comprehensive income/(loss)	**-**	**-**	19	-	**19**	-	**19**
Issuance of new shares	11	678	-	-	**689**	-	**689**
Position at 30 June 2026	**461**	**78,256**	**96**	**(81,626)**	**(2,813)**	**-**	**(2,813)**
Net profit/(loss)	-	-	-	(158)	**(158)**	-	**(158)**
Other comprehensive income/(loss)	-	-	12	-	**12**	-	**12**
Issuance of new shares	23	1,206	-	-	**1,229**	-	**1,229**
Position at 30 September 2026	**484**	**79,462**	**108**	**(81,784)**	**(1,730)**	**-**	**(1,730)**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	3 months ended 30 September 2026 (unaudited)	Year ended 30 June 2026	3 months ended 30 September 2025 (unaudited)
OPERATING ACTIVITIES				
Profit/(loss) before tax		(158)	(968)	(424)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortization expenses	7,8	6	32	5
Finance income		(3)	(532)	(3)
Finance costs		26	795	7
Impairment/(recovery) of financial assets		-	23	-
Loss/(gain) from operational exchange differences		(2)	(65)	11
Development costs	9	27	198	60
Write-off of payables		-	(28)	-
		(104)	**(545)**	**(344)**
Working capital adjustments:				
Change in trade and other receivables		(3)	46	175
Change in prepayments		(1)	7	7
Change in inventories		-	-	-
Change in trade and other payables		562	(936)	(107)
Change in tax balances		(35)	3	31
Changes in working capital due to currency translation		-	(2)	-
		419	**(1,427)**	**(238)**
Income tax paid		-	-	-
Net cash flow from operating activity		**419**	**(1,427)**	**(238)**
INVESTING ACTIVITIES				
Acquisition of property, plant and equipment		-	(6)	(6)
Issuing of loans		-	-	-
Repayment of issued loans		-	19	19
Net cash flow from investing activity		**-**	**13**	**13**
FINANCING ACTIVITIES				
Obtaining loans and borrowings		284	289	248
Repayment of loans and borrowings		(679)	(55)	-
Repayment of interests		(4)	-	
Issuing of bonds		-	1,235	
Repayment of lease liabilities and interests		(5)	(27)	(7)
Net cash flow from financial activity		**(404)**	**1,442**	**241**
NET CASH FLOWS		**15**	**28**	**16**
Cash and cash equivalents at the beginning of the period	11	**27**	**4**	**4**
Foreign exchange differences on cash		1	(5)	(2)
Effect of currency translation		(1)	-	-
Cash and cash equivalents at the end of the period	11	**42**	**27**	**18**

Notes on pages 9 to 20 are an integral part of these consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

1.1. Information about the Group

For the purposes of theses consolidated financial statements, Coal Energy S.A. ("Parent company") and its subsidiaries have been presented as the Group as follows:

Parent company and its subsidiaries	Country of incorporation	Group shareholding, % as of	
		30 September 2026	30 September 2025
Coal Energy S.A.	Luxembourg	Parent	Parent
Advanced Industrial Technologies Sp. z.o.o.	Poland	100.00	100.00
Greentech Solutions Sp. z o.o.	Poland	50.00	50.00

The parent company, Coal Energy S.A., was incorporated in Luxembourg as a joint stock company on 17 June 2010 and is listed on the Warsaw Stock Exchange. The registered office is located at 33 rue du Puits Romain, L-8070 Bertrange, Luxembourg and the Company number with the Registre de Commerce is B 154144. The principal activities of the Group are providing underground mining services to coal mines. The production facilities are located in Poland.

* As of 25 January 2024, the Group jointly has incorporated a new entity – Greentech Solutions Sp. z.o.o, with the main purpose of reclamation and processing of industrial rock dumps and mine waste dumps, as well as the reclamation of lands disturbed by man-made activities. The Company did not start any activities at the date of these financial statements.

The Group has a significant influence but not a control over Greentech Solutions Sp. z.o.o., so it accounts as an investment into associate and is not consolidated.

The reporting date of both Advanced Industrial Technologies Sp. z.o.o. and Greentech Solutions Sp. z.o.o. is 31 December as per national Polish reporting standards and accounting legislation. During the preparation of these interim condensed consolidated financial statements, interim data as of 30 September 2026 and 30 September 2025 was used to comply with the requirement of the same reporting date.

1.2. Operating environment

The Group's operations are located in Poland. The Polish economy has weathered global and regional external shocks thanks to a well-diversified economic structure, integration into regional value chains, a commitment to macroeconomic stability, a sound financial sector, and domestic labor markets that have supported significant wage growth and private consumption, feeding into long-term poverty reduction and median income growth. The crises have weakened the fiscal stance, and the energy crisis resulting from the invasion of Ukraine has led to a sharp increase in inflation which reduced the purchase power of households and has started to weigh down on growth.

2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of preparation

The preparation of the consolidated financial statements in accordance with International Financial Accounting Standards (IFRS) as adopted by the European Union requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying of the Group`s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

These consolidated financial statements are presented in thousands of USD, unless otherwise stated.

2.2 Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU).

2.3 Going concern

These consolidated financial statements are prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business.

During the three months ended 30 September 2026, the Group recorded USD 158 thousand of net loss (during the three months ended 30 September 2025: net loss amounted USD 424 thousand). The Group has a net liability position of USD 1,730 thousand as of 30 September 2026 (net liability position as of 30 September 2025: USD 2,975 thousand).

The above-mentioned factors may cast significant doubts on the Group's ability to continue as a going concern.

Starting from the 1 July 2026 till the date of approval of these consolidated financial statements, the Group has already contracted rendered services amounting approximately USD 2 000 thousand.

The Group entered into an Investment Framework Agreement with LYNX OVERSEAS CONSULTING CY LTD, providing for potential equity financing of up to EUR 3 million, which would enable the Group to meet its working capital requirements and finance its development plans.

2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.3 Going concern (continued)

The Group is launching a new initiative focused on timber harvesting and energetic biomass production derived from forestry management and land clearing operations in Spain. The venture is strategically characterized by low initial capital expenditures and a compressed launch timeline, which is projected to yield an accelerated path to positive operational cash flow.

In February 2026, the Group entered into a commercial service agreement with the US-based firm Minerals Plus LLC to provide specialized consulting and transaction advisory support for the divestment of their polymetallic mining asset in California. In accordance with the contractual terms, the financial remuneration for these services is performance-aligned and will be fully realized upon the successful completion and closing of the asset disposal transaction.

Based on the factors outlined above, management has a reasonable expectation that the Group possesses adequate resources and financial flexibility to continue its operations for the foreseeable future. Accordingly, these annual accounts have been prepared on a going-concern basis, and management considers the adoption of this basis of accounting to be appropriate for a period of at least 12 months from the reporting date.

2.4 Basis of consolidation

(a) Subsidiaries

Subsidiaries are entities over which the parent company has the power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the parent company. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the parent company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities, contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of comprehensive income. Costs incurred in connection with the purchase of subsidiaries are recognized as expenses.

Intragroup transactions, balances and unrealized gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. Subsequent to the loss of control of a subsidiary the value of the remaining shares are revalued at fair value that influences the amount of income/loss from the disposal.

Before 30 June 2010, the Parent company did not have direct or indirect ownership interest in consolidated entities included in the consolidated financial statements. The pooling of interest method was applied for business combinations under common control for the earlier periods.

Financial statements of Parent company and its Subsidiaries, which are used while preparing the consolidated financial statements, should be prepared as at the same date on the basis of consistent application of accounting policy for all companies of the Group.

(b) Transactions with non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. The result of disposals of a non-controlling interests being the difference between any consideration paid and the relevant share acquired of the carrying value of the subsidiary's net asset is reflected in the statements of changes in equity. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

Non-controlling interests are derecognized when a subsidiary is sold or liquidated and profit or loss on derecognition is recorded in the consolidated statements of changes in equity.

2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.5 Changes in accounting policy and disclosures

The Group's accounting policies are consistent with those applied in the prior reporting year. Some new standards and interpretations have become mandatory for adoption in the reporting period beginning on or after 1 July 2026. Applying of these standards and interpretations had not material impact on the financial statements:

Amendments to IAS 21 "Effect of Changes in Exchange Rates" - "Lack of Exchangeability".

The Group has not applied the following standards and interpretations, and amendments to them that have been issued but are not yet effective:

IFRS 18 "Presentation and Disclosures in Financial Statements";
IFRS 19 " Subsidiaries without Public Accountability: Disclosures";
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments;
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" - "Translation to a Hyperinflationary Presentation Currency";
Annual Improvements to IFRS Accounting Standards — Volume 11.

2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.5 Changes in accounting policy and disclosures (continued)

The Group anticipates that the adoption of these standards and amendments in future periods will have no material impact on its financial statements. The Group currently does not plan early application of the above standards and interpretations.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Currency translation

(a) Functional and presentation currency

All items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate (the "functional currency"). The functional currency of the Parent (Luxembourg) is US dollar ("USD"), and for the entities that operate in Poland the functional currency is Polish zloty (PLN). These consolidated financial statements are presented in thousands of US dollars, unless otherwise stated. Management selected USD as a presentation currency to satisfy expectations and needs of the Group's owners.

(b) Foreign currency transactions

PLN to USD exchange rates used in the preparation of these consolidated financial statements were as follows:

Date/period	PLN/USD
As of:	
- 30 September 2026	3.8449
- 30 June 2026	3.7708
- 30 September 2025	3.6315
Average for the:	
- three months ended 30 September 2026	3.7586
- three months ended 30 September 2025	3.6449

(c) Translation into presentation currency

- all assets and liabilities, both monetary and non-monetary, are converted at closing exchange rates at the dates of each statement of financial position presented;
- income and expense items are converted at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of transactions are used;
- all equity items are converted at the historical exchange rates;
- all resulting exchange differences are recognized as a separate component in other comprehensive income;
- in the consolidated statements of cash flows, cash balances at the beginning and end of each period presented are converted at exchange rates at the respective dates. All cash flows are converted at the average exchange rates for the periods presented. Resulting exchange differences are presented as the effect of conversion to the presentation currency.

3.2 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group determines that its contracts with customers do not contain a significant financing component. The Group does not incur costs to obtain or fulfil a contract with a customer.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the entity's future performance). The Group has no contract assets.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. The Group's contract liabilities are represented by advances received.

Revenue from rendering services is recognized based on the stage of work completion under each contract. When financial results cannot be measured reliably, revenue is recognized only to the extent of the amount of incurred charges, that can be recovered.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.2 Revenue from contracts with customers (continued)

Information of disaggregated revenue is presented as follows:

Category	Information
Type of good or service	Services of reconstruction of existing third-party coal mines, installation of appropriate repair kits, works on strengthening of inclined planes, excavation of new lines and other mining works related to maintenance of coal mines
Geographic region	Poland
Market or type of customer	Government and non-government customers
Type of contract	Fixed-price per unit of measurement of performed work (length or square of repaired area)
Contract duration	Short-term contracts
Timing of transfer of goods or services	Over time (usually each month)
Sales channels	Directly to consumers

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Services to coal mines	The Group provides repair and maintenance services on coal mines for customers on their land. Each contract applies to a length or an area of performed works with an agreed price per unit. Duration fully depends on the length or area size and usually does not extend beyond six months. Works are usually invoiced each month with a standard repayment term of 30-60 days.	Revenue is recognised over time (each month) based on the cost-to-cost method. The related costs are recognised in profit or loss when they are incurred.

3.3 Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax.

Income tax is recognized as an expense or income in profit and loss in the consolidated statements of comprehensive income, except when it relates to items recognized directly in other comprehensive income, or where they arise from the initial accounting for a business combination.

(a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to estimate the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:
- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:
- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Major renewals and improvements are capitalized, and the assets replaced are retired. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the item 'Other non-operating income (expenses)' in the statement of comprehensive income.

Depreciation is calculated using the straight-line method over their estimated useful lives, as follows:

Underground mining	15 - 50 years
Buildings and constructions	5 - 50 years
Machinery, equipment and vehicles	2 - 30 years
Other	2 - 25 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

Mine development costs are capitalized and classified as capital construction-in-progress. Mine development costs are transferred to mining assets when a new mine reaches commercial production quantities. Capital construction-in-progress comprises costs directly related to construction of buildings, infrastructure, machinery and equipment. Cost also includes finance charges capitalized during the construction period where such costs are financed by borrowings. Depreciation of these assets commences when the assets are put into operation.

3.5 Lease

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate at commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
– Amounts expected to be payable under any residual value guarantee;
– The exercise price of any purchase option granted in favor of the Group if it is reasonable certain to assess that option;
– Any penalties payable for terminating the lease, if the term of the lease has been estimated based on termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

– Lease payments made at or before commencement of the lease;
– Initial direct costs incurred;
– The amount of any provision recognized where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to be make over the revised term, which are discounted at the same discount rate that applied at lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.
Investment income earned on the temporary investment on specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization..

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Research costs are recognized as an expense as incurred. Costs incurred on development (relating to the design, construction and testing of new or improved devices, products, processes or systems) are recognized as intangible assets only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of adequate resources to complete the development, and the ability to measure reliably the expenditure during the development. Other development expenditures are recognized as an expense as incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization is charged on a straight-line basis over the following economic useful lives of these assets:

Licenses, special permissions and patent rights	5 - 20 years
Other intangible assets	5 - 10 years

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, individually or at the cash generating unit level.

3.8 Impairment of non-current assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value-in-use.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the consolidated statements of comprehensive income.

Where an impairment loss subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the original carrying amount that would have been determined had no impairment loss been recognized in prior periods. A reversal of an impairment loss is recognized in the consolidated statements of comprehensive income.

3.9 Financial instruments

Financial assets and financial liability are recognized in the Group's consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified into the following categories financial assets at amortized cost or at fair value through profit or loss (FVTPL). The classification depends on the business model and contractual cash flow characteristics of the financial assets or financial liabilities and is determined at the time of initial recognition.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables and trade payables that do not have a significant financing component which are measured at transaction price. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets. All financial liabilities are measured subsequently at amortized cost using the effective interest method. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Amortized cost and effective interest method

The Group measures financial assets at amortized cost if both of the following conditions are met:
– the financial asset is held within a business model with the objective of holding financial assets in order to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The effective interest method calculates the amortized cost of a debt instrument and allocates interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss. The effect of initial recognition of financial assets and liabilities obtained/incurred at terms below the market is recognized net of the tax effect as an income or expense, except for financial assets and liabilities with shareholders or entities under control of the Beneficial Owner, whereby the effect is recognized through equity.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.9 Financial instruments (continued)

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and all the risks and rewards to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Group retains control), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes based on of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in the Consolidated Statement of Profit or Loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized based on the relative fair values of those parts.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses ("ECL") on a financial asset, other than those at FVTPL, at the end of each reporting period. The amount of ECL and other current assets is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument. The Group applies a simplified approach permitted by IFRS Accounting Standards to measuring ECL which uses a lifetime expected loss allowance for trade receivables. The ECL on trade receivables and other current assets is estimated using a provision matrix, based on historical credit loss experience and credit rating of customers, adjusted on observable and reasonable information.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12-months after the reporting date.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings, or in the case of trade accounts receivable, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:
– when there is a breach of financial covenants by the debtor; or
– information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 180 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

Financial liabilities include balances of loans and borrowings.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.10 Inventories

Inventories are recorded at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventory is assigned by using the FIFO cost formula.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of work in progress and finished goods includes costs of raw materials, direct labor and other direct production costs and related production overheads (based on normal operating capacity).

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

3.10 Inventories (continued)

The Group periodically analyses inventories to determine whether they are damaged, obsolete or slow-moving or if their net realizable value has declined and makes an allowance for such inventories. If such situation occurred, the sum reducing the cost of inventories should be reflected in statements of comprehensive income. If the circumstances that caused the write-down no longer exist, the amount of the write-down is reversed.

At the date of financial statements preparation, the Group estimates the balances of finished products to determine whether there is any evidence of impairment. The amount of impairment is measured based on the analysis of prices in the market of such inventories, existed at the reporting date and issued in official sources.

3.11 Value added tax

Value added tax (VAT) output equals the total amount of VAT collected within a reporting period and arises on the date of invoices services to a customer. VAT input is the amount that a taxpayer is entitled to offset against his VAT liability in a reporting period. Revenue, expenses and assets are recognized less VAT amount, except cases, when VAT arising on purchases of assets or services, is not recoverable by tax rules; in this case VAT is recognized as part of purchase costs or part of item of expenses respectively. Net amount of VAT, recoverable by tax authority or paid to tax authorities, is included into accounts receivable and payable, reflected in consolidated statements of financial position.

3.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of six months or less.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.13 Share capital

Ordinary shares are classified as equity. Nominal value of share capital of Parent company is specified in Note 12.

3.14 Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

3.15 Discontinued operations

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The Group measures a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell. On subsequent remeasurement of a disposal group, the carrying amounts of any assets and liabilities that are not within the scope of the measurement requirements of this IFRS, but are included in a disposal group classified as held for sale, shall be remeasured in accordance with applicable IFRSs before the fair value less costs to sell of the disposal group is remeasured.

The Group recognises an impairment loss for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell.

3.16 Investments in an associates or joint venture

The Group accounts its investments in an associates or joint venture using equity method. Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income.

3.17 Convertible bonds

Convertible debentures are classified as compound financial instruments and are separated into liability and equity components upon initial recognition.

The liability component is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component (the conversion option) is initially recognized as the residual amount, calculated by deducting the fair value of the liability component from the total fair value of the compound instrument as a whole. Transaction costs directly attributable to the issuance are allocated to the liability and equity components in proportion to the allocation of proceeds.

Subsequently, the liability component is measured at amortized cost using the effective interest method. Interest expenses, including the amortization of transaction costs and any issue discount or premium, are recognized in profit or loss over the duration of the loan. The equity component is not remeasured subsequent to initial recognition.

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgments, estimates and assumptions, which have the most significant effect on the amounts recognized in these consolidated financial statements:

Expected credit losses measurement

The Group accrues allowances expected credit losses on financial assets and for irrecoverable amounts and doubtful debts on other assets in order to cover potential risks which may arise if customers will be unable to fulfill their financial obligations due to the Group. In order to accrue reasonable allowances the Management takes into account current economic situation at the market generally, ageing analysis, previous experience of debts repayment by debtor, solvency analysis. Changes in market conditions, situation in sector or financial position of separate debtor may lead to significant adjustments on those allowances and the amount of loss recognised.

Contingent liabilities

Contingent liabilities are determined by the occurrence or non-occurrence of one or more future events. Measurement of contingent liabilities is tightly connected with the development of significant judgments and estimates relating to the consequences of such future events. The Group recognizes provision for unused vacations in accordance with the national legislation of its subsidiaries.

5 INFORMATION ON OPERATING SEGMENTS

The Group defines the following business segments that include goods and services distinguished by the level of risk and terms of income:
- service activities - includes income from services rendered for coal mines;
- other activities - includes income from the rendering of other works and services.

Management controls the results of operating segments separately for the purpose of decision-making about the allocation of resources and performance measurement. The results of segments are estimated based on profit/(loss) before tax.

Information about the segments of business for the three months ended 30 September 2026:

	Service activity (Poland)	Other activity (Luxembourg)	Total
Revenue: sales to external customers	645	-	**645**
(Loss)/profit before tax of the segment	**(86)**	**(72)**	**(158)**
Operational assets	**671**	**23**	**694**
Operational liabilities	**1,055**	**1,369**	**2,424**
Disclosure of other information			
Capital expenditure	-	-	**-**
Depreciation charge	(6)	-	**(6)**

Information about the segments of business for the three months ended 30 September 2025:

	Service activity (Poland)	Other activity (Luxembourg)	Total
Revenue: sales to external customers	410	-	**410**
(Loss)/profit before tax of the segment	**(241)**	**(183)**	**(424)**
Operational assets	**416**	**104**	**520**
Operational liabilities	**763**	**2,732**	**3,495**
Disclosure of other information			
Capital expenditure	(6)	-	**(6)**
Depreciation charge	(5)	-	**(5)**

The Group does not have assets and liabilities that are not included in the above-mentioned business segments. The Group does not engage in any inter-segment operations. All non-current assets of the Group are located in Poland.

6 REVENUE FROM SALES

	3 months ended 30 September 2026	Year ended 30 June 2026	3 months ended 30 September 2025
Revenue from services rendered	645	2,768	410
	645	**2,768**	**410**

Services rendered are represented by mining works related to the reconstruction of existing third-party coal mines, installation of appropriate repair kits, works on strengthening of inclined planes, excavation of new lines and other mining works related to maintenance of coal mines.

Revenue is recognized when the Company satisfies a performance obligation under the contracts with customers. In accordance with the signed contracts, the Company performs mining works over time and agrees on the performed results with the customers mostly on a monthly basis in terms of the general scope of works agreed. The standard payment term of the signed contracts with customers is 30 days from the date of the issuing of the invoice.

During the reviewed periods sales were performed on the territory of Poland exclusively.
The following table provides information about balances resulting from contracts with customers:

	30 September 2026	30 June 2026	30 September 2025
Trade receivables, gross	765	710	414
Advances received (contract liabilities)	-	-	-

7 COST OF SALES

	3 months ended 30 September 2026	Year ended 30 June 2026	3 months ended 30 September 2025
Raw materials	(1)	(6)	(2)
Wages and salaries of operating personnel	(342)	(1,535)	(416)
Depreciation and amortization expenses	(1)	(5)	(1)
Subcontractors' services	(211)	(722)	(71)
Other expenses	(2)	(8)	(3)
	(557)	**(2,276)**	**(493)**

8 GENERAL AND ADMINISTRATIVE EXPENSES

	3 months ended 30 September 2026	Year ended 30 June 2026	3 months ended 30 September 2025
Subcontractors' services	(93)	(578)	(156)
Wages and salaries of administrative personnel	(78)	(373)	(73)
Depreciation and amortization expenses	(5)	(27)	(4)
Taxes	-	-	(18)
Other expenses	(22)	(90)	(14)
	(198)	**(1,068)**	**(265)**

9 OTHER NON-OPERATING INCOME/(EXPENSES), NET

	3 months ended 30 September 2026	Year ended 30 June 2026	3 months ended 30 September 2025
Development costs of Bobrek-Miechowice project	(27)	(198)	(60)
Other non-operating expenses	-	(1)	(1)
	(27)	**(199)**	**(61)**

10 TRADE AND OTHER RECEIVABLES

	30 September 2026	30 June 2026	30 September 2025
Trade receivables	765	710	414
ECL allowance for trade receivables	(295)	(252)	(259)
Loans issued to employees	23	29	124
ECL allowance for loans issued to employees	(1)	(1)	(5)
Other receivables	38	41	100
ECL allowance for other receivables	(24)	(24)	-
	506	**503**	**374**

11 CASH AND CASH EQUIVALENTS

	30 September 2026	30 June 2026	30 September 2025
Cash in bank	42	27	18
Cash in hand	-	-	-
	42	**27**	**18**

12 EQUITY

Ownership of the Parent company's share capital is presented as follows:

	30 September 2026		30 June 2026		30 September 2025	
	%	Amount	%	Amount	%	Amount
Lycaste Holdings Limited	55.99	271	58.74	271	60.15	271
Minority shareholders	13.84	67	14.50	67	14.85	67
Free float on the WSE	30.17	146	26.76	123	25.00	112
	100.00	**484**	**100.00**	**461**	**100.00**	**450**

Shares owned by the Lycaste Holdings Limited and minority shareholders are not listed.

As of 16 July 2026, GLOBAL TECH OPPORTUNITIES 31 converted 400 Series A2 and A3 bonds with an aggregate nominal amount of PLN 2,000,000 (USD 546,366.29), into 1,053,740 new ordinary bearer shares of the Company with a nominal value of USD 0.01 each.

As of 16 July 2026, LYNX OVERSEAS CONSULTING CY LTD subscribed for 1,217,000 new ordinary bearer shares of the Company with a nominal value of USD 0.01 each. The issue price amounted to PLN 2.11 per share, corresponding to an aggregate subscription price of PLN 2,567,870 (USD 681,648.83). Shares were fully subscribed and paid by way of a contribution in cash.

As a result of the above transactions, the Company issued a total of 2,270,740 new ordinary bearer shares with a nominal value of USD 0.01 each and increased its share capital by USD 22,707.40, from USD 460,905.67 to USD 483,613.07, and its share premium by USD 1,205,307.72, from USD 78,256,499.15 to USD 79,461,806.87. Following the completion of the increase, the Company's share capital amounts to USD 483,613.07 and is represented by 48,361,307 shares with a nominal value of USD 0.01 each.

Currency translation reserve
Foreign currency translation reserve is an equity account that accumulates the exchange differences from translating the financial statements of a foreign subsidiary from its functional currency into the presentation currency. This reserve accounts for the cumulative gains and losses arising from the consolidation process of foreign operations. When the foreign operation is sold or disposed of, the amount accumulated in the currency translation reserve is reclassified to profit or loss.

13 LOANS AND BORROWINGS

	30 September 2026	30 June 2026	30 September 2025
Current loan	249	855	879
Current borrowing	210	-	500
	459	**855**	**1,379**

As of 30 September 2026, current loan is received from Lynx Overseas Consulting CY LTD in amount of EUR 220 thousand (USD 249 thousand) at 1% per annum basis and repayable at 31 July 2027.

As of 30 September 2026, current borrowing is received from Symoco Payments LTD in amount of EUR 185 thousand (USD 210 thousand).

14 LEASES

The Group recognises its right-of-use assets and lease liabilities as of 30 September 2026. The Group leases 1 vehicle and office area. Vehicle lease agreements contain agreed repayment schedules and interest rates, while office lease agreement has an original maturity of 1 year, but the Group has a right to prolong it on demand. Based on it, Management assessed that lease of office will be exercised for at least 5 years starting from 30 June 2025.

Lease liabilities

	30 September 2026		30 June 2026		30 September 2025	
	Carrying amount	Minimum lease payments	Carrying amount	Minimum lease payments	Carrying amount	Minimum lease payments
One year	16	19	16	19	22	25
From two to five years	36	38	41	44	55	61
	52	**57**	**57**	**63**	**77**	**86**

Right-of-use assets

	30 September 2026	30 June 2026	30 September 2025
Office area	40	44	54
Vehicles	10	11	23
	50	**55**	**77**

15 TRADE AND OTHER PAYABLES

	30 September 2026	30 June 2026	30 September 2025
Financial payables			
Trade payables	363	445	337
Factoring payables	245	284	-
Other payables	831	859	1,169
	1,439	**1,588**	**1,506**
Non-financial payables			
Payables for wages and salaries	86	79	100
Unused vacations provision	80	82	171
	166	**161**	**271**
	1,605	**1,749**	**1,777**

16 TAXES PAYABLE

	30 September 2026	30 June 2026	30 September 2025
VAT payable	168	101	85
Payable for wages and salaries related taxes	140	178	165
Payables for other taxes	-	-	12
	308	**279**	**262**

17 TRANSACTIONS WITH RELATED PARTIES

According to existing criteria of determination of related parties, the related parties of the Group are divided into the following categories:
- Entities - related parties under common control with the Companies of the Group;
- Entities - related parties, which have joint key management personnel with the Companies of the Group.

Ultimate controlling party is Mr. Vyshnevetskyy V.

There were no transactions with related parties in reporting periods.

Details of balances with related parties under common control with the Group are presented as follows:

	30 September 2026	30 June 2026	30 September 2025
Loans issued	1	1	1
Loans issued to employees	22	13	40
Other receivables	-	-	25
Other payables	26	42	38
Trade payables	-	-	69
Net position	**(3)**	**(28)**	**(41)**

18 CONTINGENT ASSETS AND LIABILITIES

As of the date of presentation of the financial statements, the Group is not involved in any legal processes that can have material impact on its financial position.

19 SUBSEQUENT EVENTS

On 26 October 2026, the Company announced the commencement of activities aimed at expanding its business into the Spanish market, focusing on sustainable forestry operations and biomass production and processing. On 22 October 2026, the Company executed a notarial deed establishing a special-purpose company, Ecoforge Energy S.L., and initiated its registration with the Spanish Commercial Register.

On 9 November 2026, the Board of Directors approved the updated Development Strategy of the Company for 2026–2028, focusing on the expansion of mining engineering and consulting services, the development of forestry and biomass operations in Spain, and strict capital discipline in relation to capital-intensive mining projects.

According to the management's opinion, there have been no events after the closing date, except for those disclosed above and known to the management that would substantially influence the financial standing of the Group.