

Unaudited annual accounts

30 June 2023

For the year beginning 1 July 2022 and ending 30 June 2023

Coal Energy S.A.

Société anonyme

33 rue du Puits Romain
L-8070 Bertrange, Luxembourg
Luxembourg: B 154144

Coal Energy S.A.
Index to the Unaudited annual accounts
For the year beginning 1 July 2022 and ending 30 June 2023

Contents

Unaudited annual accounts

Balance Sheet as at 30 June 2023
Profit and Loss Account for the year ended 30 June 2023

Notes to the unaudited annual accounts

Note 1	General information
Note 2	Summary of significant accounting policies
Note 3	Financial fixed assets
Note 4	Debtors
Note 5	Capital and reserves
Note 6	Non subordinated debts
Note 7	Staff costs
Note 8	Other external charges
Note 9	Other operating charges
Note 10	Income tax
Note 11	Related party transactions
Note 12	Emoluments granted
Note 13	Advances and loans granted
Note 14	Subsequent events

Coal Energy S.A.
 Unaudited annual accounts
 For the year beginning 1 July 2022 and ending 30 June 2023

BALANCE SHEET

As at	Notes	30 Jun 2023	30 Jun 2022
<i>(expressed in US Dollar)</i>		USD	(Restated)
			USD
ASSETS			
Fixed assets			
Financial fixed assets	3		
Shares in affiliated undertakings		72 006 905,28	72 006 905,28
Total fixed assets		72 006 905,28	72 006 905,28
Current assets			
Debtors	4		
Other receivables becoming due and payable within one year		1 684,53	1 104,66
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		4 833,39	268,15
Total current assets		6 517,92	1 372,81
TOTAL ASSETS		72 013 423,20	72 008 278,09

Coal Energy S.A.
 Unaudited annual accounts
 For the year beginning 1 July 2022 and ending 30 June 2023

BALANCE SHEET

As at	Notes	30 Jun 2023	30 Jun 2022
<i>(expressed in US Dollar)</i>		USD	(Restated)
			USD
LIABILITIES			
Capital and reserves	5		
Subscribed capital		450 111,20	450 111,20
Share premium and similar premiums		80 540 783,11	80 540 783,11
Profit or (loss) brought forward		(16 332 398,60)	(16 022 946,14)
Profit or (loss) for the financial year		210 067,49	(309 452,46)
Total capital and reserves		64 868 563,20	64 658 495,71
Non subordinated debts	6		
Amounts owed to credit institutions becoming due and payable within one year		863 637,38	863 637,38
Trade creditors becoming due and payable within one year		184 879,87	276 901,80
Tax and social security debts Tax debts		382,85	350,00
Amounts owed to affiliated undertakings becoming due and payable within one year		5 910 398,94	5 910 398,94
Other creditors becoming due and payable within one year		185 560,96	298 494,26
Total non subordinated debts		7 144 860,00	7 349 782,38
TOTAL LIABILITIES		72 013 423,20	72 008 278,09

signed

 Viktor Vyshnevetsky, Director A

signed

 Arthur David Johnson, Director A

signed

 Oleksandr Reznyk, Director A

signed

 Diyor Yakubov, Director B

Coal Energy S.A.
 Unaudited annual accounts
 For the year beginning 1 July 2022 and ending 30 June 2023

PROFIT AND LOSS ACCOUNT

For the period	Notes	from 1 Jul 2022 to 30 Jun 2023	from 1 Jul 2021 to 30 Jun 2022 (restated)
<i>(expressed in US Dollar)</i>			
CHARGES			
Other external charges	8	129 440,79	72 158,83
Other operating charges	9	1 000,00	67 342,09
Interest and other financial charges			
other interest and similar financial charges		-	230 784,29
foreign currency exchange losses		12 737,20	-
Total interest and other financial charges		<u>12 737,20</u>	<u>230 784,29</u>
Income tax	10	-	-
Other taxes not included in the previous caption		6 089,38	-
TOTAL CHARGES		<u><u>149 267,37</u></u>	<u><u>370 285,21</u></u>
INCOME			
Other operating income		359 334,86	60 832,75
TOTAL INCOME		<u><u>359 334,86</u></u>	<u><u>60 832,75</u></u>
Profit or (loss) for the financial year		210 067,49	(309 452,46)

signed

 Viktor Vyshnevetsky, Director A

signed

 Arthur David Johnson, Director A

signed

 Oleksandr Reznyk, Director A

signed

 Diyor Yakubov, Director B

1 General information

Coal Energy S.A. (hereafter the "Company") was incorporated on 17 June 2010 and organised under the laws of Luxembourg as a Société anonyme for an unlimited period.

The registered office of the Company is established in Luxembourg, 33 rue du Puits Romain, L-8070 Bertrange, and the Company number with the Registre de Commerce is B 154144. The financial year of the Company starts on 1 July and ends on 30 June of each year.

The purpose of the Company is the holding of participations, in any form whatsoever, in Luxembourg and foreign companies and any other form of investment, the acquisition by purchase, subscription or in any other manner as well as the transfer by sale, exchange or otherwise of securities of any kind and the administration, control and development of its portfolio.

The Company may further guarantee, grant loans or otherwise assist the companies in which it holds a direct or indirect interest or which form part of the same group of companies as the Company.

The Company also prepares consolidated financial statements, which are published according to the Luxembourg legal requirements.

2 Summary of significant accounting policies

Basis of preparation

The annual accounts of the Company are prepared in accordance with Luxembourg legal and regulatory requirements.

Accounting policies and valuation rules follow the historical cost convention and are, besides the ones laid down by the law, determined and applied by the Board of Directors.

Financial fixed assets

Shares in affiliated undertakings and participating interests are valued at purchase price including the expenses incidental thereto.

Loans to affiliated undertakings, participating interests and other loans are valued at nominal value including the expenses incidental thereto.

In case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Prepayments and accrued income

This asset item includes expenditures incurred during the financial period but relating to a subsequent financial period.

Provisions

Provisions are intended to cover losses or debts of which the nature is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created in order to cover charges which have their origin in the financial period under review or in a previous financial period, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Accruals and deferred income

This liability item includes income received during the financial period but relating to a subsequent financial period.

Value adjustments

Value adjustments are deducted directly from the related asset.

Foreign currency translation

The Company maintains its accounts in US Dollar ("USD"). Transactions expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction.

Formation expenses and fixed assets expressed in currencies other than USD are translated into USD at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates.

Cash at bank and all items subject to fair value valuation are translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the period.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains are recorded in the profit and loss account at the moment of their realisation. Consequently, only realised exchange gains and losses and unrealised exchange losses are reflected in the profit and loss account.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and only the net unrealised loss is recorded in the profit and loss account.

Going concern

The annual accounts are prepared on a going concern basis even though the accumulated losses exceed 75% of the corporate capital of the Company. As a result the Company is depending on the ongoing financial support of the Group.

Coal Energy S.A.
Notes to the unaudited annual accounts
For the year beginning 1 July 2022 and ending 30 June 2023
(expressed in US Dollar)

3 Financial fixed assets

Financial fixed assets held at cost less impairment - movements gross book value	Gross book value - opening balance	Additions	Disposals	Transfers	Gross book value - closing balance
Shares in affiliated undertakings	72 006 905,28	-	-	-	72 006 905,28
Total	72 006 905,28	-	-	-	72 006 905,28

Financial fixed assets held at cost less impairment - movements net book value	Net book value - opening balance	Additions	Disposals	Transfers	Net book value - closing balance
Shares in affiliated undertakings	72 006 905,28	-	-	-	72 006 905,28
Total	72 006 905,28	-	-	-	72 006 905,28

Undertakings in which the Company holds at least 20% in their share capital or in which it is a general partner are as follows:

Name	Registered Office	Ownership %	Net Value	Date of last non approved accounts	Net equity in last non approved accounts	Net result in last non approved accounts (loss)
Nertera Investments Limited	Cyprus	100%	72 006 905,28	31 Dec 2018	61 401 931,00	(2 366 313,00)

4 Debtors

Debtors	Within one year	More than one year	30 Jun 2023	30 Jun 2022
Amounts owed by affiliated undertakings	-	-	-	-
Other receivables	1 684,53	-	1 684,53	1 104,66
Total	1 684,53	-	1 684,53	1 104,66

5 Capital and reserves

Movements in capital and reserves	Balance as at 30 June 2022	Allocation of preceding year result	Other movements	Net result for current year	Balance as at 30 Jun 2023
Subscribed capital	450 111,20	-	-	-	450 111,20
Share premium and similar premiums	80 540 783,11	-	-	-	80 540 783,11
Profit or (loss) brought forward	(16 332 398,60)	-	-	-	(16 332 398,60)
Profit or (loss) for the financial year	-	-	-	210 067,49	210 067,49
Total	64 658 495,71	-	-	210 067,49	64 868 563,20

The subscribed capital amounts to USD 450,111.20 and is divided into 45,011,120 shares with a nominal value of USD 0.01 fully paid up at 30 June 2023. The Company shares were admitted to trading on Warsaw Stock Exchange on 4 August 2011. The offer price for one share was established at PLN 20.00 and the final number of the offer shares was 11,252,780.00.

Legal reserve

The Company is required to allocate a minimum of 5% of its annual net profit to a legal reserve, after deducting any cumulated losses, until this reserve equals 10% of the nominal value of the subscribed share capital. This reserve may not be distributed in the form of cash dividends, or otherwise, during the life of the Company.

6 Non subordinated debts

Creditors by category	Within one year	More than one year	30 Jun 2023	30 Jun 2022 (restated)
Amounts owed to credit institutions	863 637,38	-	863 637,38	863 637,38
Trade creditors	184 879,87	-	184 879,87	276 901,80
Amounts owed to affiliated undertakings	5 910 399	-	5 910 398,94	5 910 398,94
Tax and social security debts	382,85	-	382,85	350,00
Other creditors	185 560,96	-	185 560,96	298 494,26
Total	7 144 860,00	-	7 144 860,00	7 349 782,38

Amounts owed to credit institutions	Within one year	More than one year	30 Jun 2023	30 Jun 2022 (restated)
Interests owed to financial institutions	863 637,38	-	863 637,38	863 637,38
Total	863 637,38	-	863 637,38	863 637,38

Other creditors	Within one year	More than one year	30 Jun 2023	30 Jun 2022 (restated)
A.D. Johnson	9 000,00	-	9 000,00	200 000,00
M.Vishnevetskaya	5 144,25	-	5 144,25	4 947,66
V.Vishnevetskiyy	5 909,92	-	5 909,92	5 684,07
O.Reznyk	76 671,54	-	76 671,54	-
Director A	88 835,25	-	88 835,25	87 862,53
Total	185 560,96	-	185 560,96	298 494,26

Coal Energy S.A
Notes to the unaudited annual accounts
For the year beginning 1 July 2022 and ending 30 June 2023
(expressed in US Dollar)

7 Staff costs

During 2023 FY and 2022 FY, the Company did not employ any staff and, consequently no payments for wages, salaries or social security were made.

8 Other external charges

Other external charges	30 Jun 2023	30 Jun 2022 (restated)
Director's fees	-	-
Services obtained	129 440,79	72 158,83
Total	129 440,79	72 158,83

9 Other operating charges

Other operating charges	30 Jun 2023	30 Jun 2022 (restated)
Director's fees	1 000,00	25 000,00
Other charges	-	42 342,09
Total	1 000,00	67 342,09

10 Income tax

The Company is subject to normal taxation under Luxembourg tax regulations.

The tax position until 2023 has not been assessed by the Luxembourg tax authorities on the basis of a provisional tax assessment and may still be subject to a review by the authorities within five years following the date of the provisional tax assessment. The issuance of a final tax assessment could result in additional tax payable/ receivable.

11 Related party transactions

There were no transactions with related parties during 2023 FY and 2022 FY.

12 Emoluments granted to the members of the managing and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies

Remuneration granted to the members of the managing and supervisory bodies acting in that capacity and any commitments arising or contracted in respect of retirement pensions for former members of those bodies for the financial year are broken down:

Remuneration members of managing and supervisory bodies	30 Jun 2023	30 Jun 2022
Managing bodies	1 000,00	25 000,00
Total	1 000,00	25 000,00

13 Advances and loans granted to the members of the managing and supervisory bodies

There are no advances, loans or commitments given on their behalf by way of guarantee of any kind granted to the members of the management and supervisory bodies during 2023 FY and 2022 FY.

14 Subsequent events

Over 2023 FY, due to the escalation of the military unrests in the region of the Company's assets and headquarters, the Company's further development has remained uncertain, as well as the audit procedure for the annual accounts as at 30 June 2023 has been postponed until further notice.

signed

Viktor Vyshnevetsky, Director A

signed

Arthur David Johnson, Director A

signed

Oleksandr Reznik, Director A

signed

Diyor Yakubov, Director B