

ANNUAL REPORT 1 April 2023 until 31 March 2024
24 July 2024
ISSUED TO

The Board of Directors of Graphite International B.V.
Verlengde Poolseweg 14
4818 CL BREDA

For identification purpose only
Moore DRV
Date: July 24. 2024

TABLE OF CONTENTS

1.	Auditor's report	
1.1	Scope of engagement	3
2.	Management Board's report	3
3.	Consolidated accounts	
3.1	Consolidated balance sheet as at 31 March 2024	13
3.2	Consolidated statement of income and expenses for the period 1 April 2023 until 31 March 2024	15
3.3	Consolidated cash flow statement for the period 1 April 2023 until 31 March 2024	16
3.4	Notes to the consolidated financial statements	18
3.5	Notes to the consolidated balance sheet as at 31 March 2024	23
3.6	Notes to the consolidated profit and loss account for the period 1 April 2023 until 31 March 2024	30
3.7	Other notes	33
4.	Company-only financial statements	
4.1	Non-consolidated balance sheet as at 31 March 2024	35
4.2	Non-consolidated statement of income and expenses for the period 1 April 2023 until 31 March 2024	37
4.3	Notes to the company-only financial statements	38
4.4	Notes to the company-only balance sheet as at 31 March 2024	39
4.5	Notes to the company-only profit and loss account for the period 1 April 2023 until 31 March 2024	45
5.	Other information	
5.1	Reference to the auditor's opinion	47
5.2	Provisions of the Articles of Association relating to profit appropriation	47
5.3	Independent auditor's report	48

For identification purpose only
Moore DRV
Date: July 24, 2024

1. Auditor's report

For identification purpose only
Moore DRV
Date: July 24, 2024

To the Board of Management
Graphite International B.V.
To the attention of M.K. Chhajer
Verlengde Poolseweg 14
4818 CL Breda

Utrecht, 24 July 2024
Reference: 19765/1 April 2023 until 31 March 2024

Dear Members of the Board of Directors,

1.1 Scope of engagement

In accordance with your instructions we have audited the 1 April 2023 until 31 March 2024 financial statements of Graphite International B.V., Breda. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

For the auditor's report, we refer to the 'other information' of this report.

For identification purpose only
Moore DRV
Date: July 24. 2024

2. Management Board's report

For identification purpose only
Moore DRV
Date: July 24, 2024

Management Report for 01-April-2023 to 31-March-2024

1. The Company is a wholly owned subsidiary of Graphite India Limited, India.
2. Graphite International B.V. is a holding company, managing and financing its subsidiaries and exploring its trademarks and patents. The Company trades in raw materials and goods, and provides (under lease agreements) machinery and equipment related to the graphite and carbon industry. The Company will persevere in its efforts to explore further opportunities in this line of business.

The Company is the owner of trademark 'COVA' and Graphite Electrodes manufactured by the German subsidiary are marketed under this brand.

Earnings by way of Trademarks was Euro 49,837.92 during the year.

During the year, the Company kept control of General Graphene Corporation (GGC) in which it now owns 60,927% (PY: 55,315%) of stake as at reporting date as there was further investment of \$ 4,0 Mio in FY 23-24. As such, the status of GGC remained a Partly Owned Subsidiary w.e.f. 31st January 2022 till 31st March 2024. GGC is domiciled in USA and is not listed. GGC is involved in development of Graphene based applications for commercial purposes. It is yet to commence commercial production and is in development phase.

In October 2022, production of Graphite Electrodes stopped and the Company announced the liquidation of Bavaria Electrodes GmbH. As such, the Company no longer manufactures Graphite Electrodes. Only selling of Stock of Graphite Electrodes is being done.

3. Subsidiaries:

The following are the four 100% wholly owned subsidiaries of the Company, based in Germany, (hereinafter referred commonly as the Graphite Cova Group Companies):

- Graphite Cova GmbH
- Bavaria Electrodes GmbH i. L.
- Bavaria Carbon Specialities GmbH
- Bavaria Carbon Holdings GmbH

General Graphene Corporation, USA is Partly Owned Subsidiary of the Company, based in USA.

4. Financial Performance:

The financial performance of the Company is given in the following Table -

All figures in thousand Euro

Particulars	Graphite International B.V. Group	
	2023-24	2022-23
INCOME		
Revenue from operations	15,148	37,948
Other Income	675	649
Total Revenue	15,823	38,597
Less: Operating expenses	22,472	54,758
Profit/(Loss) before Finance Cost and depreciation	(6,649)	(16,161)
Less: Finance Cost / (Income)	(377)	1,329
Profit/(Loss) before depreciation and tax	(6,272)	(17,490)
Less: Depreciation	976	3,777
Profit/(Loss) before taxation and exceptional items	(7,248)	(21,267)
Less: Exceptional Items	-	-
Profit/(Loss) before taxation	(7,248)	(21,267)
Share of Profit/(Loss) in Associates	-	-
Less: Provision for taxation	775	(191)
Less: Non - Controlling Interest	(364)	(1,887)
Less: Foreign Currency Translation Reserve	(567)	(544)
Profit/(Loss) for the year	(7,092)	(18,645)

5. Discussion on Operation of Subsidiaries:

German Subsidiaries

The manufacturing facilities of German Subsidiary Companies comprises of two divisions namely Graphite Specialties and Coating, all located in Roethenbach, Germany. The Specialties division manufactures graphite/carbon based machined components, crucibles, carbon brushes, heating elements, pumps, bricks and a host of other products for a variety of applications in chemical, electrical, electronic and mechanical engineering industries.

The Coating renders a high-tech and an inimitable anti-oxidation surface coating for graphite electrodes which significantly improves the performance of the electrodes while in use in the EAF steel mills.

According to the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) was 0, 3% lower in 2023 than compared to 2022. Overall economic development came to a standstill in 2023 in an environment still characterized by crisis. This was due to the high prices on all economic levels and the unfavorable financing conditions caused by high interest rates.

Global crude steel production reached 1.888 million tonnes (Mt) for the year 2023, thus was about similar level compared to 2022.

The EU produced 126.3 Mt of crude steel in 2023, a decrease of 7.4% compared to 2022. Germany produced 35.4 Mt of crude steel in 2023, down 3.9% on 2022.

USA Subsidiary

The Partly Owned Subsidiary in USA is still in research mode and commercial production is yet to start.

6. Borrowing facilities of German Subsidiary companies from Banks:

The working capital limit from bank was kEUR 15,000 as at 31 March 2024 (p.y. kEUR 20,000). Total utilization of fund-based limits from the bank was kEUR 9,000 at the end of the year 2023-24. The interest rate is floating for each drawdown. The credit line does not have maturity date and is granted until further notice from the Bank.

Present credit of kEUR 26,297 (incl. interests) and support from the parent company is sufficient to meet the requirement of liquidity business operations.

Even with negative equity in German Companies, the Management expects the Group to operate as a going concern because of improving market conditions. Further, with the support of the parent company and available credit limit from banks, the liquidity is not in danger. Even with negative equity, it is pertinent to note that the Company has not defaulted on any of its payables.

The Group invests surplus USD / EUR cash in fixed term deposits.

The risks arising due to foreign currency fluctuations are dealt by way of natural hedging.

7. Dividend:

No dividend is proposed for the year.

8. Outlook:

The market for FY 2024-25 seems to be improving and a clear indication on rise in prices has been seen. Nevertheless, the Company expects for the business year 2024-25, sales around EUR 16 Million. The increasing costs cannot be compensated in total and as such, a negative annual result of approx. EUR 1 Million before tax is expected.

The budget of GGC is dependent on development of suitable applications which are being explored by the local team and hence revenues and costs associated with it cannot be estimated at this stage.

It cannot be excluded that the actual business may diverge from expectations, because of some unforeseeable developments in the economic and commercial environment of the market.

Number of employees is at 100 for all subsidiaries are expected to be remain same as that of end of FY 2023-24.

Research and development activities are being carried out by the Parent Company on an ongoing basis. Major initiatives are in the area of raw materials, productivity, process development and in reduction of carbon emissions.

Regarding GGC, the research is going on in application development.

9. Environment

The changes in environmental regulations driven by the climate change initiative will further drive and influence the Subsidiary's commercial success and investments in this area as and when required.

10. Employee Level Interest

Graphite Cova continuously engages itself in employee related interests. It ensures that the compensation packages for individuals are up to normal industry standards as well as ensures that these individuals are always up to date with respect to the skills required of them. Fire Training is constant at our facility as well as other workshops for skill upgradation.

11. Human Resources:

The Management wishes to place on record its appreciation of the contribution made by employees at all levels. The total strength of employees at German entities was approx.. 70 Numbers at the end of FY 2023-24 and approx.. 25 Numbers at General Graphene. In FY 2022-23, no. of employees were 160 in German Operations and 25 in GGC. The personnel and social security for all employees of the company is organized on the basis of the requirements of the applicable Laws.

12. Composition Board of Managing Directors and Supervisory Board:

In 2023, the composition of the Board of Managing Directors did not change compared to 2022. As a consequence, the gender diversity is unbalanced considering the new legislation pertaining the Act on Management and Supervision. This act provides guidelines for board positions held by women and men (at least 30%). The Company is willing to increase the number of female members if a qualified candidate shows up.

13. Risks and Concerns:

The company is integrated into the risk management system of the parent company. The implemented risk management system of the company uses appropriate management tools and indicators in the key areas sales and earnings development, raw material management, sales and production control as well as financing and securing of liquidity.

The integrated early detection system based on rolling budgeting is aimed at the early identification of business risks, to analyse and to classify them, to be able to handle issues which threaten the existence, in time. The management receives information on risk-relevant issues in regular reports. Depending on requirements, supplementary reports to individual circumstances can be created.

Based on the controlling reports and rolling expansions for the current business year all significant developments are presented and explained in detail by the department heads in regular meetings with the management, the current risk situation is discussed and appropriate measures to control the development of the company are defined.

The business development of the company is regularly discussed and coordinated with the parent company Graphite India.

14. Risk report

Risk management system

The company is integrated into the parent company's risk management system. The company's implemented risk management system uses suitable control instruments and key figures in the key areas of sales and earnings development, materials management, sales and production control as well as financing and liquidity protection.

The integrated early warning system based on rolling planning calculations is designed to identify, analyze and classify business risks at an early stage in order to counter risks that could jeopardize the company's existence in good time. The management receives information on risk-relevant issues in regular reports. Supplementary reports on individual issues are prepared as required.

On the basis of the controlling reports and rolling projections for the current financial year, all significant risks are presented and explained in detail by the divisional managers in regular meetings with the management, the current risk situation is discussed and suitable measures for managing the company's development are defined.

The company's business development is regularly discussed and coordinated with the parent company Graphite India Ltd.

i. General Risks

It is undisputed that business forecasts harbor uncertainties due to unknown variables. For example, the reversal of positive trends can lead to an economic downturn, which usually has a negative impact on growth in demand for our products.

ii. Special Risks

a) Market Risks

As the company is no longer active in the electrode business, there is no longer any market risk. The market for graphite specialties is quite stable and the company does not see any major problem areas.

b) Risks through Raw Material Prices

The company sees no problems with the procurement of raw materials, as the majority of the raw materials required come from Graphite India Ltd.

c) Risks due to Energy Costs

The specialty graphite business requires lower energy consumption, which is why no major risks are to be expected.

d) Further Risks

The default risk is minimized due to the fact that the majority of trade receivables are covered by trade credit insurance.

Currency risks are also minimized by the fact that the majority of incoming and outgoing invoices are invoiced in euros.

As the credit line is only utilized on a short-term basis and as required, the company is not exposed to any interest rate risk.

The business development of the company is regularly discussed and coordinated with the parent company Graphite India.

14. Acknowledgement:

The Management takes this opportunity to place on record its appreciation of the assistance and support extended by all government authorities, bankers, consultants, solicitors and others.

The Management also expresses their appreciation for the dedicated and sincere services rendered by the employees of the German & USA Subsidiaries.

Graphite International B.V. put on record the support and assistance provided by the Management team of Graphite India Limited to the German & USA Subsidiaries.

Breda, 24 July 2024

For identification purpose only
Moore DRV
Date: July 24, 2024

3. Consolidated accounts

For identification purpose only
Moore DRV
Date: July 24, 2024

3.1 Consolidated balance sheet as at 31 March 2024

(After distribution of result)

Assets

		31-03-2024		31-03-2023	
		€	€	€	€
Fixed assets					
Intangible assets	1				
Costs of goodwill acquired from third party		2.073.073		3.631.483	
Other intangible assets		669.693		622.277	
			2.742.766		4.253.760
Property, plant and equipment	2				
Land and buildings		1.946.105		1.991.234	
Machinery		2.762.523		2.944.904	
Other fixed assets		373.166		662.029	
Property, plant and equipment in progress and prepayments of property, plant and equipment		70.253		493.228	
			5.152.047		6.091.395
Financial assets	3		1.858.270		-
Current assets					
Inventories and work in progress	4		16.838.372		16.702.192
Receivables					
Trade debtors	5	2.747.627		5.112.284	
Taxes and social security charges		205.832		685.062	
Other receivables and accrued income	6	114.455		218.577	
			3.067.914		6.015.923
Securities			6.772.242		12.772.366
Cash and cash equivalents			2.621.597		2.201.446
			<u>39.053.208</u>		<u>48.037.082</u>

For identification purpose only
Moore DRV
Date: July 24, 2024

**3.2 Consolidated statement of income and expenses
for the period 1 April 2023 until 31 March 2024**

		2023 / 2024		2022 / 2023	
		€	€	€	€
Net turnover	14	15.147.884		37.947.852	
Changes in inventories and work in progress		-4.223.828		-7.093.159	
Gross margin		10.924.056		30.854.693	
Other operating income		675.075		648.804	
Gross margin			11.599.131		31.503.497
Cost of raw materials		5.718.959		14.245.877	
Wages and salaries	15	4.613.513		12.093.370	
Social security premiums and pensions cost	16	815.982		1.752.289	
Amortisation of intangible fixed assets	17	1.588.283		1.983.375	
Depreciation of property, plant and equipment	18	976.037		3.776.544	
Other operating expenses	19	5.511.386		17.590.057	
Total of sum of expenses			19.224.160		51.441.512
Total of operating result			-7.625.029		-19.938.015
Revenues of receivables from fixed assets and securities	20	60.996		42.583	
Other interest and similar income	21	75.341		324.654	
Value changes of receivables from fixed assets and securities	22	879.356		-1.016.509	
Interest and similar expenses	23	-638.537		-679.367	
Financial income and expense			377.156		-1.328.639
Total of result of activities before tax			-7.247.873		-21.266.654
Income tax expense	24		-775.335		190.527
Total of result of activities after tax			-8.023.208		-21.076.127
Result third-party share			364.470		1.887.484
Total of result after tax			-7.658.738		-19.188.643
Translation differences foreign operations			567.020		543.971
Accumulated result legal entity			-7.091.718		-18.644.672

For identification purpose only
Moore DRV
Date: July 24, 2024

3.3 Consolidated cash flow statement for the period 1 April 2023 until 31 March 2024

	2023 / 2024		2022 / 2023	
	€	€	€	€
Total of cash flows from (used in) operating activities				
Operating result		-7.625.029		-19.938.015
Adjustments for				
Depreciation		2.565.629		5.994.456
Increase (decrease) in provisions	7	-90.926		-915.532
Other cash flows		-72.053		2.431.455
		<u>2.402.650</u>		<u>7.510.379</u>
Changes in working capital				
Decrease (increase) in inventories	4	-136.180		12.936.676
Movements accounts receivable		2.948.009		3.103.322
Decrease (increase) in securities		6.000.124		3.557.701
Increase (decrease) in other payables	10	-459.467		-6.853.881
		<u>8.352.486</u>		<u>12.743.818</u>
Total of cash flows from (used in) operations		<u>3.130.107</u>		<u>316.182</u>
Interest received	21	75.341		334.540
Revenues of receivables from fixed assets and securities	20	940.352		32.697
Interest paid	23	-638.537		-679.367
Income tax paid	24	-775.335		190.527
		<u>-398.179</u>		<u>-121.603</u>
Total of cash flows from (used in) operating activities		<u>2.731.928</u>		<u>194.579</u>
Total of cash flows from (used in) investment activities				
Purchase of intangible assets	1	-77.289		-1.874.765
Purchase of property, plant and equipment	2	-531.891		-1.015.667
Purchase of financial assets	3	-1.858.270		-
Proceeds from sales of property, plant and equipment	2	493.893		135.978
Total of cash flows from (used in) investment activities		<u>-1.973.557</u>		<u>-2.754.454</u>
transport		758.371		-2.559.875

For identification purpose only
Moore DRV
Date: July 24, 2024

3.4 Notes to the consolidated financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Graphite International B.V. is Verlengde Poolseweg 14, 4818 CL in Breda, The Netherlands. Graphite International B.V. is registered at the Chamber of Commerce under number 24355320.

General notes

The most important activities of the entity

Graphite International B.V. is primary a holding company managing and financing subsidiaries and exploiting trademarks and patents. Secondary, the company trades raw materials and trading goods and provides (under lease agreements) machinery and equipment related to the graphite and carbon industry. The subsidiaries' main objective is to manufacture and market graphite electrodes, special products and other carbon and graphite products.

Disclosure of going concern

The company reported a net loss of € 7.671.431 for 2023/2024 and a positive shareholder's equity of € 21.556.686 as per 31 March 2024. The going concern assumption has been adopted as any risks, that may have been assumed have been mitigated because of the following reasons:

- The company has sufficient assets in securities and cash in hand and at bank;
- The company has an unutilized credit facility of € 11.000.000 from the € 15.000.000 loan, which is available the upcoming years;
- The forecasted results.

Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of Graphite International B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Disclosure of consolidation

The consolidated accounts comprise the fully consolidated financial statements of Graphite International B.V. and its group companies in which Graphite International B.V. has majority control. The financial statements of the parent and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, income and expenses.

Unrealised intercompany results included in inventories at balance sheet date, resulting from intercompany transactions and intercompany balances, have been eliminated.

The consolidated accounts comprise the financial statements of:

- Graphite International B.V, Rotterdam;
- Bavaria Carbon Specialties GmbH, Germany (100%);
- Bavaria Electrodes GmbH i.l., Germany (100%);
- Bavaria Carbon Holdings GmbH, Germany (100%);
- Graphite Cova GmbH, Germany (100%).
- General Graphene Corporation, The United States of America (60,93%)

As per 31 March 2024 the company legally owns 60,93% (last year 55,32%) in General Graphene Corporation, hereafter "GGC". Since GGC distributed different type of shares which represent a hierarchy in equity classes and therefor in the event of liquidation certain type of shares will be paid first,

For identification purpose only
Moore DRV
Date: July 24. 2024

the economic portion in ownership in GGC per 31 March 2024 is 85,62% and per 31 March 2023 is 90,15%. The net asset value of GGC is based on the economic portion.

General accounting principles

The accounting standards used to prepare the financial statements

The consolidated financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

The differences and reasons that led to the revision of the classification and amounts compared to the previous year

Based on complying with BW Book 2 title 9 and the "Richtlijnen voor de Jaarverslaggeving" some reclassifications have been made on the figures 2022/2023.

These reclassifications did not influence equity or net income and are solely made to comply with regulations applicable.

Foreign currency translation and the processing of foreign currency translation differences in foreign currency transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the

year-end exchange rates. The resultant exchange differences (other than relating to long-term foreign currency monetary items) arising from settlement of foreign currency transactions and from the yearend restatement are recognised in the Profit and Loss Statement.

Exchange differences arising on reporting of long-term foreign currency monetary items (i) relating to acquisition of depreciable capital assets is adjusted to the carrying amount of such assets (to be depreciated over the balance life of the related asset) and (ii) in other cases accumulated in a 'Foreign Currency Monetary Item Translation Difference Account' (to be amortised over the balance period of the related long-term monetary asset/ liability).

Premium or discount arising at the inception of a forward exchange contract entered into to hedge an existing asset / liability is amortised as expense or income over the life of the contract.

Financial instruments

Under the financial instruments are both primary financial instruments, such as receivables and payables, and derivatives meant. For the accounting principles of the primary financial instruments, we refer to the notes of the specific balance sheet item.

Financial instruments (assets and liabilities) held for trading are carried at fair value and changes in the fair value are directly recognized in the profit and loss account. In the first period of recognition, attributable transaction costs are charged directly to the profit and loss account. Purchases and sales of financial assets that belong to the category held for trading are accounted for at the transaction date.

Accounting principles

Intangible assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

For identification purpose only
Moore DRV
Date: July 24, 2024

Property, plant and equipment

Tangible fixed assets are valued at acquisition costs or production costs plus additional costs less straight-line depreciation based on the expected life, unless stated otherwise. Impairments expected on the balance sheet date are taken into account.

Impairment of property, plant and equipment

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An impairment loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use. After impairment, depreciation is provided on the revised carrying amount of the fixed asset over its remaining useful life.

Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Graphite International B.V. can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation is recognised in the consolidated statement of income and expenses.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the consolidated statement of income and expenses.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Inventories

Inventories (stocks) are valued at cost price based on the FIFO method or lower realisable value.

For identification purpose only
Moore DRV
Date: July 24. 2024

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current condition. The production cost includes direct labour and fixed and variable production overheads, taking into account the costs of the operations office, the maintenance department and internal logistics.

The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken into account.

Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Share in group equity not accrued to legal entity

Non-controlling interests in group equity are stated at the amount of the net interest in the net assets of group companies concerned.

Where the group corporation in question has an equity deficit, the negative value and any other losses are not allocated to the non-controlling interest, unless the non-controlling interest holders have a constructive obligation and are able to clear the losses. As soon as the group company manages to post an equity surplus, profits are allocated to the participating interest.

Provisions

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. Provisions for pension are valued on the basis of actuarial principles. The other provisions are carried at the nominal value of the expenditure that is expected to be necessary in order to settle the obligation, unless stated otherwise.

If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the consolidated statement of income and expenses on the basis of the effective interest rate during the estimated term of the long-term debts.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they

For identification purpose only
Moore DRV
Date: July 24. 2024

are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

Dividends to be received from participations and securities not carried at net asset value are recognised as soon as Graphite International B.V. has acquired the right to them.

Changes in the value of financial instruments recognised at fair value are recorded in the consolidated statement of income and expenses.

Income tax expense

Tax on the result is calculated based on the result before tax in the consolidated statement of income and expenses, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result. The corporate income tax that is due by these group companies is charged into the current accounts with Graphite International B.V.

Share in results of participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Graphite International B.V.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group corporation has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group corporation have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

For identification purpose only
Moore DRV
Date: July 24, 2024

3.5 Notes to the consolidated balance sheet as at 31 March 2024

Fixed assets

1 Intangible assets

	Costs of goodwill acquired from third party	Other intangible assets	Total
	€	€	€
<i>Balance as at 1 April 2023</i>			
Cost or manufacturing price	10.767.134	785.395	11.552.529
Accumulated amortization	-7.135.651	-163.118	-7.298.769
Book value as at 1 April 2023	<u>3.631.483</u>	<u>622.277</u>	<u>4.253.760</u>
Movements			
Additions	-	77.289	77.289
Amortisations	-1.558.410	-29.873	-1.588.283
Balance movements	<u>-1.558.410</u>	<u>47.416</u>	<u>-1.510.994</u>
<i>Balance as at 31 March 2024</i>			
Cost or manufacturing price	10.767.135	862.684	11.629.819
Accumulated amortization	-8.694.062	-192.991	-8.887.053
Book value as at 31 March 2024	<u>2.073.073</u>	<u>669.693</u>	<u>2.742.766</u>

Intangible assets: Economic life

	Costs of goodwill acquired from third party	Other intangible assets
Amortisation rate	20,00	20,00

For identification purpose only
Moore DRV
Date: July 24. 2024

2 Property, plant and equipment

	Land and buildings	Machinery	Other fixed assets	Property, plant and equipment in progress and prepayments of property, plant and equipment	Total
	€	€	€	€	€
<i>Balance as at 1 April 2023</i>					
Cost or manufacturing price	2.386.662	11.840.042	1.438.119	493.228	16.158.051
Accumulated depreciation	-395.428	-8.895.138	-776.090	-	-10.066.656
Book value as at 1 April 2023	1.991.234	2.944.904	662.029	493.228	6.091.395
Movements					
Additions	11.116	644.131	-209.646	-422.975	22.626
Depreciation	-57.760	-840.668	-78.918	-	-977.346
Disposals	-	-	-3.928	-	-3.928
Depreciation on disposals	-	-	3.263	-	3.263
Exchange differences	1.515	14.156	366	-	16.037
Balance movements	-45.129	-182.381	-288.863	-422.975	-939.348
<i>Balance as at 31 March 2024</i>					
Cost or manufacturing price	2.397.778	12.644.866	1.204.632	70.253	16.317.529
Accumulated depreciation	-453.188	-9.896.499	-831.832	-	-11.181.519
Accumulated exchange differences	1.515	14.156	366	-	16.037
Book value as at 31 March 2024	1.946.105	2.762.523	373.166	70.253	5.152.047

For identification purpose only
Moore DRV
Date: July 24. 2024

Property, plant and equipment: Economic life

	Land and buildings	Machinery	Other tangible assets	Property, plant and equipment in progress and prepayments of property, plant and equipment
Depreciation rate	-	-	-	-
Start of the range of the depreciation rate	-	10,00	10,00	-
End of the range of the depreciation rate of property, plant and equipment	10,00	20,00	20,00	-

The limited business or personal right of use of property, plant and equipment

Within the tangible fixed assets an amount of € 56.170 regards right of use assets.

	31-03-2024	31-03-2023
	€	€

3 Financial assets

Other investments	1.858.270	-
-------------------	-----------	---

	31-03-2024	31-03-2023
	€	€

Other investments

G&R Boston Metal Fund BVI LP	1.858.270	-
------------------------------	-----------	---

Current assets

	31-03-2024	31-03-2023
	€	€

4 Inventories and work in progress

Raw materials and consumables	12.591.831	8.231.823
Work in progress	3.465.187	5.337.586
Finished products and goods for resale	781.354	3.132.783
	16.838.372	16.702.192

Disclosure of inventories

The raw materials and finished goods includes inventories in transit for an amount of € 3.302.862 (PY: € 239.851).

For identification purpose only
Moore DRV
Date: July 24, 2024

Receivables

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
5 Trade debtors		
Trade debtors	2.117.645	5.112.284
Trade debtors related parties	629.982	-
	<u>2.747.627</u>	<u>5.112.284</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
6 Other receivables and accrued income		
Other interest receivable	-	6.636
Other amounts receivable	114.455	211.941
	<u>114.455</u>	<u>218.577</u>

Disclosure of cash and cash equivalents

The cash and cash equivalents are at free disposal of the company.

Group equity

Disclosure of group equity

The equity is disclosed in the company only accounts.

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
Minority interest in group company		
Minority interest in General Graphene Corporation, USA	486.944	198.429
	<u>486.944</u>	<u>198.429</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
7 Provisions		
Deferred tax liabilities	-	97.209
Other provisions	267.846	261.563
	<u>267.846</u>	<u>358.772</u>

Disclosure of provisions

The provision included in the balance sheet mainly relates to pension liabilities and deferred tax liabilities which is accounted for because of the difference in valuation of the securities.

For identification purpose only
Moore DRV
Date: July 24. 2024

Deferred tax liabilities

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Balance as at 1 April	97.209	159.774
Decrease	-97.209	-62.565
Balance as at 31 March	<u>-</u>	<u>97.209</u>

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
Other provisions		
Defined benefit obligations	267.846	258.869
Other provisions	-	2.694
	<u>267.846</u>	<u>261.563</u>

<u>31-03-2024</u>	<u>31-03-2023</u>
-------------------	-------------------

The material actuarial principles are the following

Applied discount rate	3,73%	4%
-----------------------	-------	----

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
8 Long-term liabilities		
Payables to banks	38.242	18.809
Other long-term liabilities	-	681.213
	<u>38.242</u>	<u>700.022</u>

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
Payables to banks		
Lease liabilities	38.242	18.809

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
Other long-term liabilities		
Other long-term liabilities	-	681.213

For identification purpose only
Moore DRV
Date: July 24, 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Other long-term liability		
Balance as at 1 April	681.213	499.349
Increase	-	181.864
Reclassification to short term	-681.213	-
Balance as at 31 March	<u>-</u>	<u>681.213</u>

Short-term liabilities

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
9 Payables to banks		
Other banks	<u>9.000.000</u>	<u>10.000.000</u>

The working capital limit from bank was € 15.000.000 as at 31st March, 2024. Total utilisation of fundbased limits from bank was € 9.000.000 at the end of the year.
The total funding is provided by Citibank against collateral in the form of Corporate Guarantee of € 9.000.000 (2021: € 10.000.000) from Graphite India Limited. Interest rate ranged from 4 to 5%.

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
10 Repayment obligations		
Short-term portion repayment lease liability	<u>18.808</u>	<u>-</u>

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
11 Trade payables		
Trade creditor	<u>1.875.773</u>	<u>1.895.376</u>

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
12 Liabilities to group companies		
Current account Graphite India Limited	<u>4.045.067</u>	<u>2.168.066</u>

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
13 Other liabilities and accrued expenses		
Other interest	-	409.361
Bonus payments	224.764	233.279
Other	663.988	3.421.347
	<u>888.752</u>	<u>4.063.987</u>

For identification purpose only
Moore DRV
Date: July 24, 2024

Off-balance-sheet rights, obligations and arrangements

Any contingent income or expense

Potential obligation under Public Law of Germany in respect of environment amounting € 1.728.054. In respect of contingent liabilities, it is not practicable for the Graphite International B.V. to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. Graphite International B.V. does not expect any reimbursements in respect of the above contingent liabilities.

The nature of off-balance sheet liabilities

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to € 36.580.

Disclosure of payments of operating leases

The company has no cancellable operating lease arrangements for vehicle and equipments. Terms of such lease include option for renewal on mutually agreed terms and no legal restriction imposed for purchase. There are no contingent rent. The operating lease expenses amount € 18.808 within one year and € 38.242 between two and five years.

3.6

Notes to the consolidated profit and loss account for the period 1 April 2023 until 31 March 2024

Ratio, to what extent, net sales relative to those of the previous period is increased or decreased

-60,08 %

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
14 Net turnover		
Germany	5.554.944	5.565.073
Italy	2.484.450	8.542.268
India	1.779.097	-
Other	5.329.393	23.840.511
	<u>15.147.884</u>	<u>37.947.852</u>
	<u>€</u>	<u>€</u>
15 Wages and salaries		
Salaries and wages	4.613.513	8.424.370
Severance pay	-	3.669.000
	<u>4.613.513</u>	<u>12.093.370</u>
	<u>€</u>	<u>€</u>
16 Social security premiums and pensions cost		
Social security charges	802.976	1.752.289
Pension charges	13.006	-
	<u>815.982</u>	<u>1.752.289</u>
	<u>€</u>	<u>€</u>
17 Amortisation of intangible fixed assets		
Amortisation costs of goodwill acquired from third party	1.558.410	1.954.258
Amortisation costs other intangible fixed assets	29.873	29.117
	<u>1.588.283</u>	<u>1.983.375</u>
	<u>€</u>	<u>€</u>

For identification purpose only
Moore DRV
Date: July 24. 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
18 Depreciation of property, plant and equipment		
Buildings and land	57.760	1.169.071
Depreciation costs of revaluation machinery	-	2.756.802
Depreciation costs of machinery	840.668	17.767
Other fixed assets	78.918	67.442
	<u>977.346</u>	<u>4.011.082</u>
Book profit machinery	-1.309	-234.538
	<u>976.037</u>	<u>3.776.544</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
19 Other operating expenses		
Other expenses of employee benefits	238.704	398.739
Housing expenses	1.384.166	8.548.117
Operating and machine expenses	884.651	2.814.737
Selling expenses	807.887	1.420.013
Office expenses	-	1.222
General expenses	2.195.978	4.407.229
	<u>5.511.386</u>	<u>17.590.057</u>
		<u>2023 / 2024</u>
		€
Audit fee		
Total audit fee		134.600
Total		<u>134.600</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
20 Revenues of receivables from fixed assets and securities		
Interest of receivables from other participations	60.996	9.886
Income from other securities	-	32.697
	<u>60.996</u>	<u>42.583</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
21 Other interest and similar income		
Other interest received	75.341	324.654

For identification purpose only
Moore DRV
Date: July 24, 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
22 Value changes of receivables from fixed assets and securities		
Value changes other securities	879.356	-1.016.509
	<u> </u>	<u> </u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
23 Interest and similar expenses		
Paid bank interest	638.537	679.367
	<u> </u>	<u> </u>
24 Income tax expense		
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Deferred income tax expense	97.209	-
Income tax expense from current financial year	-872.544	228.716
Other income tax expense	-	-38.189
	<u> </u>	<u> </u>
Total of income tax expense	-775.335	190.527
	<u> </u>	<u> </u>
Effective tax rate	-9,90	0,90
Applicable tax rate	25,80	25,80

For identification purpose only
Moore DRV
Date: July 24. 2024

3.7 Other notes

Average number of employees

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
Average number of employees over the period working outside the Netherlands	100,00	185,00
Total of average number of employees over the period	<u>100,00</u>	<u>185,00</u>

Remuneration of managing and supervisory directors

Disclosure of remuneration of managing and supervisory directors

The remuneration of a managing directors amounts for 2023/2024 € 500.456 (2022/2023: € 519.519).

Subsequent events

Disclosure of subsequent events

Up and until now no subsequent events took place with a significant impact on the financial position of the company

For identification purpose only
Moore DRV
Date: July 24. 2024

4. Company-only financial statements

For identification purpose only
Moore DRV
Date: July 24, 2024

4.1 Non-consolidated balance sheet as at 31 March 2024

Assets

		31-03-2024		31-03-2023	
		€	€	€	€
Fixed assets					
Intangible assets	25				
Costs of goodwill acquired from third party			2.073.073		3.631.483
Financial assets					
Shares in group companies	26	5.171.692		1.938.234	
Receivables from group companies	27	971.485		6.182.677	
Other investments	28	1.858.270		-	
			8.001.447		8.120.911
Current assets					
Receivables					
Trade debtors	29	4.810.289		4.760.451	
Taxes and social security charges	30	19.192		5.004	
Other receivables and accrued income	31	-		431.628	
			4.829.481		5.197.083
Securities			6.772.242		12.772.366
Cash and cash equivalents	32		1.145.495		160.659
			22.821.738		29.882.502

For identification purpose only
Moore DRV
Date: July 24, 2024

Equity and liabilities

		31-03-2024		31-03-2023	
		€	€	€	€
Equity	33				
Share capital paid called up	34	17.300.000		17.300.000	
Legal and statutory reserves	35	768.951		201.931	
Other reserves		3.487.735		11.146.473	
			21.556.686		28.648.404
Provisions					
Deferred tax liabilities	36	-		97.209	
Other provisions	37	-		1.001.610	
			-		1.098.819
Short-term liabilities					
Trade payables	38	125.305		38.335	
Payables relating to taxes and social security contributions	39	1.139.747		96.944	
			1.265.052		135.279
			<u>22.821.738</u>		<u>29.882.502</u>

For identification purpose only
Moore DRV
Date: July 24, 2024

**4.2 Non-consolidated statement of income and expenses
for the period 1 April 2023 until 31 March 2024**

	2023 / 2024		2022 / 2023	
	€	€	€	€
Net turnover		49.838		381.886
Amortisation of intangible fixed assets	40	1.558.410	1.954.258	
Other operating expenses	41	303.700	150.833	
Total of sum of expenses		<u>1.862.110</u>	<u>2.105.091</u>	
Total of operating result		-1.812.272	-1.723.205	
Revenues of receivables from fixed as- sets and securities	42	1.436.221	729.548	
Other interest and similar income	43	82.407	331.479	
Value changes of receivables from fi- xed assets and securities	44	879.356	-1.016.509	
Interest and similar expenses		-	-32.232	
Financial income and expense		<u>2.397.984</u>	<u>12.286</u>	
Total of result before tax		585.712	-1.710.919	
Income tax expense		-759.521	24.377	
		<u>-173.809</u>	<u>-1.686.542</u>	
Share in result of participations	45	-7.484.929	-17.502.101	
Total of result after tax		<u><u>-7.658.738</u></u>	<u><u>-19.188.643</u></u>	

For identification purpose only
Moore DRV
Date: July 24. 2024

4.3 Notes to the company-only financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Graphite International B.V. is Verlengde Poolseweg 14, 4818 CL in Breda, The Netherlands. Graphite International B.V. is registered at the Chamber of Commerce under number 24355320.

General notes

The most important activities of the entity

The activities of Graphite International B.V. consist mainly of holding activities.

General accounting principles

The accounting standards used to prepare the financial statements

The non-consolidated financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

For identification purpose only
Moore DRV
Date: July 24, 2024

4.4 Notes to the company-only balance sheet as at 31 March 2024

Fixed assets

25 Intangible assets

	Costs of goodwill acquired from third party
	€
<i>Balance as at 1 April 2023</i>	
Cost or manufacturing price	10.767.134
Accumulated amortization	-7.135.651
Book value as at 1 April 2023	<u>3.631.483</u>
Movements	
Amortisations	-1.558.410
Balance movements	<u>-1.558.410</u>
<i>Balance as at 31 March 2024</i>	
Cost or manufacturing price	10.767.135
Accumulated amortization	-8.694.062
Book value as at 31 March 2024	<u>2.073.073</u>

Financial assets

Register of participations

	Share in issued capital in %	Shareholders' equity latest adopted accounts	Result latest adopted accounts
		€	€
Bavaria Carbon Specialities GmbH, Röthenbach an der Pegnitz,	100,00	480.531	40.449
Bavaria Electrodes GmbH i.L., Röthenbach an der Pegnitz,	100,00	1.515.373	516.982
Bavaria Carbon Holdings GmbH, Röthenbach an der Pegnitz,	100,00	1.263.630	-8.073
Graphite COVA GmbH, Röthenbach an der Pegnitz,	100,00	-25.427.052	-5.359.079
General Graphene Corporation, Knoxville, USA an Associate,	60,93	2.399.101	-2.675.208

As per 31 March 2024 the company legally owns 60,93% (last year 55,32%) in General Graphene Corporation, hereafter "GGC". Since GGC distributed different type of shares which represent a hierarchy in equity classes and therefor in the event of liquidation certain type of shares will be paid first, the economic portion in ownership in GGC per 31 March 2024 is 85,62% and per 31 March 2023 is 90,15%. The net asset value of GGC is based on the economic portion.

For identification purpose only
Moore DRV
Date: July 24, 2024

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
26 Shares in group companies		
Bavaria Carbon Specialities GmbH, Röthenbach an der Pegnitz	480.531	440.082
Bavaria Electrodes GmbH i.L., Röthenbach an der Pegnitz	1.515.373	1
Bavaria Carbon Holdings GmbH, Röthenbach an der Pegnitz	1.263.630	1.271.703
Graphite COVA GmbH, Röthenbach an der Pegnitz	1	1
General Graphene Corporation, Knoxville, USA an Associate	1.912.157	226.447
	<u>5.171.692</u>	<u>1.938.234</u>
	<u>€</u>	<u>€</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Bavaria Carbon Specialities GmbH, Röthenbach an der Pegnitz		
Book value as at 1 April	440.082	779.208
Profit/(Loss)	40.449	-339.126
Book value as at 31 March	<u>480.531</u>	<u>440.082</u>
	<u>€</u>	<u>€</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Bavaria Electrodes GmbH i.L., Röthenbach an der Pegnitz		
Book value as at 1 April	1	1.768.769
Investments	2.000.000	-
Profit/(Loss)	516.982	-2.770.378
Movement in provision	-1.001.610	1.001.610
Book value as at 31 March	<u>1.515.373</u>	<u>1</u>
	<u>€</u>	<u>€</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Bavaria Carbon Holdings GmbH, Röthenbach an der Pegnitz		
Book value as at 1 April	1.271.703	1.152.813
Profit/(Loss)	-8.073	118.890
Book value as at 31 March	<u>1.263.630</u>	<u>1.271.703</u>
	<u>€</u>	<u>€</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Graphite COVA GmbH, Röthenbach an der Pegnitz		
Book value as at 1 April	1	1
Profit/(Loss)	-5.359.079	-11.471.808
Addition to provision	5.359.079	11.471.808
Book value as at 31 March	<u>1</u>	<u>1</u>
	<u>€</u>	<u>€</u>

For identification purpose only
Moore DRV
Date: July 24, 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
General Graphene Corporation, Knoxville, USA an Associate		
Book value as at 1 April	226.447	4.300.951
Investments	3.793.898	-
Profit/(Loss)	-2.675.208	-4.085.753
Exchange differences	567.020	11.249
Book value as at 31 March	<u>1.912.157</u>	<u>226.447</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
27 Receivables from group companies		
Receivable from Graphite Cova GmbH	971.485	5.033.252
Receivable from General Graphene Corporation,	-	1.149.425
	<u>971.485</u>	<u>6.182.677</u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Receivable from Graphite Cova GmbH		
<i>Balance as at 1 April</i>		
Receivable	25.000.000	25.000.000
Provision for receivable	-19.966.748	-8.494.940
Book value as at 1 April	<u>5.033.252</u>	<u>16.505.060</u>
Movements		
Issue in financial year	1.297.312	-
Impairments	-5.359.079	-11.471.808
Balance movements	<u>-4.061.767</u>	<u>-11.471.808</u>
<i>Balance as at 31 March</i>		
Receivable	26.297.312	25.000.000
Provision for receivable	-25.325.827	-19.966.748
Book value as at 31 March	<u>971.485</u>	<u>5.033.252</u>
Interest percentage	Eurobor + 1,95%	Eurobor + 1,95%
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
Receivable from General Graphene Corporation,		
Book value as at 1 April	1.149.425	-
Movement in financial year	-1.149.425	1.149.425
Book value as at 31 March	<u>-</u>	<u>1.149.425</u>
Interest percentage	4%	4%

For identification purpose only
Moore DRV
Date: July 24. 2024

	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
28 Other investments		
G&R Boston Metal Fund BVI LP	1.858.270	-
	<u>1.858.270</u>	<u>-</u>
28 Other investments		
	Market va- lue	Book value
	31 March 2024	31 March 2024
	€	€
G&R Boston Metal Fund BVI LP	1.858.270	1.858.270
	<u>1.858.270</u>	<u>1.858.270</u>
Current assets		
Receivables		
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
29 Trade debtors		
Debtors related parties	4.810.289	4.760.451
	<u>4.810.289</u>	<u>4.760.451</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
30 Taxes and social security charges		
Value added tax	19.192	5.004
	<u>19.192</u>	<u>5.004</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
31 Other receivables and accrued income		
Interest loan receivable	-	414.598
Other interest receivable	-	6.636
Other amounts receivable	-	10.394
	<u>-</u>	<u>431.628</u>
	<u>-</u>	<u>431.628</u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
32 Cash and cash equivalents		
Other banks	1.145.495	160.659
	<u>1.145.495</u>	<u>160.659</u>

For identification purpose only
Moore DRV
Date: July 24. 2024

33 Equity

Movements in equity were as follows:

	Share capi- tal paid cal- led up	Legal and statutory re- serves	Other reser- ves	Total
	€	€	€	€
Balance as at 1 April 2023	17.300.000	201.931	11.146.473	28.648.404
Appropriation of result	-	-	-7.658.738	-7.658.738
Addition in financial year	-	567.020	-	567.020
Balance as at 31 March 2024	17.300.000	768.951	3.487.735	21.556.686

Statement of the proposed appropriation of the result

The management of the company proposes to appropriate the result as follows:

The loss for the period 1 April 2023 until 31 March 2024 in the amount of € 7.658.738 will be fully deducted from the other reserves.

This proposal needs to be determined by the General Meeting and has therefore not yet been processed in the annual accounts 1 April 2023 until 31 March 2024 for the company.

34 Share capital paid called up

The issued share capital contains a total of 17,300,000 ordinary shares of € 1 each at balance date.

35 Legal and statutory reserves

Foreign currency translation reserve

	31-03-2024	31-03-2023
	€	€
Foreign currency translation reserve	768.951	201.931

This concerns a legal reserve for exchange differences relating to the participation General Graphene Cooperation. This legal reserve is not at free disposal of the shareholders.

Provisions

36 Deferred tax liabilities

	2023 / 2024	2022 / 2023
	€	€
Balance as at 1 April	97.209	159.774
Decrease	-97.209	-62.565
Balance as at 31 March	-	97.209

For identification purpose only
Moore DRV
Date: July 24. 2024

	<u>31-03-2024</u>	<u>31-03-2023</u>
37 Other provisions	€	€
Provision participations	-	1.001.610
	<u><u> </u></u>	<u><u> </u></u>
Short-term liabilities		
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
38 Trade payables		
Trade creditor	125.305	38.335
	<u><u> </u></u>	<u><u> </u></u>
	<u>31-03-2024</u>	<u>31-03-2023</u>
	€	€
39 Payables relating to taxes and social security contributions		
Company tax	1.139.747	96.944
	<u><u> </u></u>	<u><u> </u></u>

For identification purpose only
Moore DRV
Date: July 24, 2024

4.5

Notes to the company-only profit and loss account for the period 1 April 2023 until 31 March 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
40 Amortisation of intangible fixed assets		
Amortisation costs of goodwill acquired from third party	1.558.410	1.954.258
	<u>1.558.410</u>	<u>1.954.258</u>
	<u>€</u>	<u>€</u>
41 Other operating expenses		
Office expenses	-	1.222
General expenses	303.700	149.611
	<u>303.700</u>	<u>150.833</u>
	<u>€</u>	<u>€</u>
42 Revenues of receivables from fixed assets and securities		
Interest of receivables from other participations	1.436.221	696.851
Income from other securities	-	32.697
	<u>1.436.221</u>	<u>729.548</u>
	<u>€</u>	<u>€</u>
<i>Interest of receivables from other participations</i>		
Interest of receivables from Graphite Cova GmbH	1.436.221	686.965
Interest of receivables from General Graphene Corporation,	-	9.886
	<u>1.436.221</u>	<u>696.851</u>
	<u>€</u>	<u>€</u>
<i>Income from other securities</i>		
Income from securities	-	32.697
	<u>-</u>	<u>32.697</u>
	<u>€</u>	<u>€</u>
43 Other interest and similar income		
Other interest received	82.407	331.479
	<u>82.407</u>	<u>331.479</u>
	<u>€</u>	<u>€</u>
<i>Other interest received</i>		
Exchange differences	82.407	331.479
	<u>82.407</u>	<u>331.479</u>
	<u>€</u>	<u>€</u>

For identification purpose only
Moore DRV
Date: July 24, 2024

	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
44 Value changes of receivables from fixed assets and securities		
Value changes other securities	879.356	-1.016.509
	<u> </u>	<u> </u>
	<u>2023 / 2024</u>	<u>2022 / 2023</u>
	€	€
45 Share in result of participations		
Result from Bavaria Carbon Specialities GmbH, Röthenbach an der Pegnitz	40.449	-339.126
Result from Bavaria Electrodes GmbH i.L., Röthenbach an der Pegnitz	516.982	-2.770.378
Result from Bavaria Carbon Holdings GmbH, Röthenbach an der Pegnitz	-8.073	118.890
Result from Graphite COVA GmbH, Röthenbach an der Pegnitz	-5.359.079	-11.471.808
Result from General Graphene Corporation, Knoxville, USA an Associate	-2.675.208	-3.039.679
	<u>-7.484.929</u>	<u>-17.502.101</u>

Breda, 24 July 2024

Liberation Management(Nederland) N.V	M.K. Chhajer
Represented by: L.F.S. Bagchus	
Director	Director

For identification purpose only
Moore DRV
Date: July 24, 2024

5. Other information

5.1 Reference to the auditor's opinion

We refer to the pages hereafter.

5.2 Provisions of the Articles of Association relating to profit appropriation

According to article 23 of the statutes of the company the Annual General Meeting of Shareholders shall determine how the result will be settled.

For identification purpose only
Moore DRV
Date: July 24, 2024

INDEPENDENT AUDITOR'S REPORT

To: the shareholders and the board of directors of Graphite International B.V.

Report on the audit of the financial statements 2023/2024 included in the annual report

Our opinion

We have audited the financial statements for the year ended 31 March 2024 of Graphite International B.V. based in Rotterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Graphite International B.V. as at 31 March 2024 and of its result for 2023/2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the consolidated and company balance sheet as at 31 March 2024;
2. the consolidated and company profit and loss account for 2023/2024;
3. the consolidated statement of comprehensive income; and
4. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Graphite International B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

We have identified and assessed risks of material misstatement of the financial statements of Graphite International B.V. resulting from fraud. During our audit, we obtained an understanding of the company and its environment, the components of the internal control system, including the risk assessment process and how the board of directors responds to fraud risks and monitors the internal control system.

We evaluated the design and relevant aspects of the internal control system and, in particular, the fraud risk analysis and, to the extent we deemed necessary, tested the operation of the internal control measures aimed at mitigating fraud risks.

As part of our process for identifying risks of material misstatement of the financial statements resulting from fraud, we considered fraud risk factors related to fraudulent financial reporting, improper appropriation of assets, bribery and corruption. We evaluated whether these factors were indicative of the presence of the risk of material misstatement due to fraud.

We considered the identified fraud risks in our audit as follows:

- The risk of management override of controls: the key estimates relate to the depreciation and the impairment of the intangible fixed assets and the inventory valuation. We evaluated these key estimates and judgements for the board of directors bias and performed substantive audit procedures. We used data-analysis to identify high risk journal entries. Where we identified instances of unexpected journal entries, we performed substantive audit procedures for these entries, as part of which we also paid attention to significant transactions outside the normal course of business.
- The risk of fraudulent reporting as a result of overstatement of revenues: we used data analysis to identify high risk journal entries and performed substantive audit procedures for these entries by reconciling them to supporting documentation. Furthermore, we performed substantive audit procedures on revenue transactions by reconciling the delivered performance and transaction prices to the contractual agreements and sales invoices. In addition, we performed substantive audit procedures on the existence of accounts receivables by obtaining balance confirmations for selected debtor balances at the end of the financial year.
- The risk of incorrect revenue cut-off at the end of the reporting period: we performed substantive audit procedures on sales transactions recognised before and after the balance sheet date, using delivery documentation to determine whether they have been recorded in the correct period.
- The risk of incorrect allocation of payments of accounts receivable: we performed substantive audit procedures on payments with a higher risk of incorrect allocation to determine the correct allocation by reconciling them to supporting documentation.
- The risk of fraudulent reporting as a result of understatement of costs and liabilities: we performed substantive audit procedures on invoices received after the end of the reporting period to determine whether costs were recorded in the correct period by reconciling them to supporting documentation.

The procedures we performed for the audit of the financial statements did not lead to indications of fraud or suspicions of fraud.

Audit approach going concern

The board of directors prepared the financial statements on the assumption that the entity is a going concern and that it will continue its operations for at least 12 months from the date of preparation of the financial statements. Our procedures to evaluate the board of directors going-concern assessment include:

- evaluating the budget prepared by the board of directors, including expected cash flow and earnings;
- assessing significant assumptions used by the board of directors in the budget;
- determine that the board of directors has also evaluated the going concern assumption for the period of at least 12 months after the auditor's report is issued;
- analyse and discuss the latest available interim financial statements of the company;
- assessing the available financing as well as whether or not the existing ratio obligations are met;
- assessing whether the disclosure included by the board of directors regarding the going concern is an accurate and complete representation of relevant facts and circumstances.

We believe that the audit procedures we performed allow us to conclude that the going concern assumption used by the board of directors is appropriate.

Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may cause the company to be unable to continue as a going concern.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the management report in accordance with Part 9 of Book

Description of responsibilities regarding the financial statements**Responsibilities of board of directors for the financial statements**

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting, unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity 's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- concluding on the appropriateness of the board of directors use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Rotterdam, July 24. 2024

Moore DRV

W.G.

M. Bick RA