

Independent Auditor's Report

To the Shareholder and Management of Star Mining Limited Liability Company

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Star Mining LLC (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2024, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. 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 consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group'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 consolidated 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 the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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 deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Audit Azerbaijan LLC

Baku, Republic of Azerbaijan


25 September 2025

"Star Mining" LLC
Consolidated Statement of Financial Position

<i>In Azerbaijani Manats</i>	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	8	14,987,572	14,871,561
Loan issued	11	1,601,892	-
Deferred tax assets	23	807,572	-
Right-of-use assets	9	466,545	885,787
Intangible assets		51,199	33,697
Total non-current assets		17,914,780	15,791,045
Current assets			
Inventories	110	4,659,430	4,442,832
Trade and other receivables	12	3,222,887	2,713,420
Prepayment	1413	2,338,436	1,910,507
Contract asset	13	1,313,724	8,081,493
Cash and cash equivalents	1514	1,146,392	3,118,721
Loan issued	11	441,089	2,347,045
Current income tax prepayment		514,066	-
Other assets		280,632	11,823
Total current assets		13,916,656	22,625,841
TOTAL ASSETS		31,831,436	38,416,886
EQUITY			
Share capital	16	50,000	50,000
Other reserves		847,705	-
Retained earnings		2,053,985	6,556,876
Equity attributable to the Group owners		2,951,690	6,606,876
Non-controlling interest	25	923,708	1,360,852
TOTAL EQUITY		3,875,398	7,967,728
LIABILITIES			
Non-current liabilities			
Borrowings	17,18	864,705	5,397,724
Lease liabilities	9,18	367,458	277,378
Deferred tax liabilities		-	43,268
Total non-current liabilities		1,232,163	5,718,370
Current liabilities			
Trade and other payables	19	16,961,906	16,058,769
Borrowings	17,18	8,584,490	5,034,829
Contract liabilities	13	967,923	2,493,869
Lease liabilities	9,18	209,556	490,079
Current income tax payable		-	653,242
Total current liabilities		26,723,875	24,730,788
TOTAL LIABILITIES		27,956,038	30,449,158
TOTAL LIABILITIES AND EQUITY		31,831,436	38,416,886

Approved for issue and signed on 25 September 2025.

Jamil Abasov
 Director



Gulnar Jalalova
 Deputy Director



The accompanying notes on pages 5 to 29 are an integral part of these consolidated financial statements.

"Star Mining" LLC**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

<i>In Azerbaijani Manats</i>	Note	2024	2023
Revenue	20	53,960,285	60,452,618
Cost of services	21	(50,400,352)	(49,105,074)
Gross profit		3,559,933	11,347,544
General and administrative expenses	22	(6,636,040)	(6,099,008)
Other gain/(losses), net		234,591	8,122
Operating profit		(2,841,516)	5,256,658
Net finance costs	18	(1,136,266)	(1,140,114)
Impairment losses on financial assets		(651,192)	(16,000)
Foreign exchange (losses)/gains		(13,870)	6,136
Finance income		220,000	220,000
Profit/(Loss) before income tax		(4,422,844)	4,326,680
Income tax expense	23	377,809	(1,332,579)
PROFIT/(LOSS) FOR THE YEAR		(4,045,035)	2,994,101
Total comprehensive income / (loss) for the year		(4,045,035)	2,994,101
Total comprehensive income/loss attributable to:			
Owners of the Company		(3,607,891)	3,133,245
Non-controlling interest		(437,144)	(139,144)

The accompanying notes on pages 5 to 29 are an integral part of these consolidated financial statements.

"Star Mining" LLC
Consolidated Statement of Changes in Equity

<i>In Azerbaijani Manats</i>	Note	Attributable to owners of the Group			Non-controlling interest	Total equity
		Share capital	Other reserves	Retained earnings		
At 1 January 2023		50,000	-	5,813,631	2,900	5,866,531
Profit for the year		-	-	3,133,245	(139,144)	2,994,101
Total comprehensive income for 2023		-	-	3,133,245	(139,144)	2,994,101
Additional capital injection by NCI to subsidiaries		-	-	-	1,497,096	1,497,096
Dividends declared	16	-	-	(2,390,000)	-	(2,390,000)
Balance at 31 December 2023		50,000	-	6,556,876	1,360,852	7,967,728
Loss for the year		-	-	(3,607,891)	(437,144)	(4,045,035)
Total comprehensive loss for 2024		-	-	(3,607,891)	(437,144)	(4,045,035)
Remeasurement of payable to shareholders		-	847,705	-	-	847,705
Dividends declared	16	-	-	(895,000)	-	(895,000)
Balance at 31 December 2024		50,000	847,705	2,053,985	923,708	3,875,398

The accompanying notes on pages 5 to 29 are an integral part of these consolidated financial statements.

"Star Mining" LLC
Consolidated Statement of Cash Flows

<i>In Azerbaijani Manats</i>	Note	2024	2023
Cash flows from operating activities			
Profit before income tax		(4,422,844)	4,326,680
Adjustments for:			
Depreciation of property and equipment and amortisation of intangible assets	8,21,22	4,809,613	4,550,792
Depreciation of right-of-use assets	9,21,22	673,631	4,391,511
Finance costs	18	1,136,266	1,140,114
Finance income		(220,000)	(220,000)
Impairment losses on financial assets		651,192	16,000
Foreign exchange translation differences		13,870	(6,136)
Losses less gains on disposals of property and equipment		51,511	318,672
Other non-cash operating costs		37,985	682,457
Operating cash flows before working capital changes		2,731,224	15,200,090
Increase in trade and other receivables		(509,467)	(1,055,701)
Decrease/(increase) in contract asset		6,767,769	(1,073,788)
Increase in inventories		(246,346)	(788,708)
Increase in prepayments		(430,856)	(842,226)
(Increase)/decrease in other assets		(268,809)	183,115
Increase in trade and other payables		585,584	4,962,243
(Decrease)/increase in contract liabilities		(1,525,820)	48,384
Increase/(decrease) in tax liabilities		336,024	(250,294)
Changes in working capital		4,708,079	1,183,025
Income taxes paid		(1,640,339)	(1,264,888)
Interest paid	18	(1,005,072)	(1,140,114)
Net cash from operating activities		4,793,892	13,978,113
Cash flows from investing activities			
Purchases of property, plant and equipment	8	(4,976,974)	(10,140,522)
Acquisition of intangible assets		(17,664)	(32,893)
Loans granted to related parties	11	(602,479)	(464,960)
Loan repayments received from related parties		475,351	151,000
Net cash used in investing activities		(5,121,766)	(10,487,375)
Cash flows from financing activities			
Proceeds from borrowings	18	24,391,174	14,511,850
Repayment of borrowings	18	(24,658,021)	(9,897,297)
Repayment of lease liabilities – principal	18	(482,815)	(4,526,690)
Acquisition of non-controlling interest in subsidiaries		-	1,497,096
Dividends paid to the Group's shareholder	16	(895,000)	(2,390,000)
Net cash used in financing activities		(1,644,662)	(805,041)
Effect of exchange rate changes on cash and cash equivalents		207	2,646
Cash and cash equivalents at the beginning of the year	15	3,118,721	430,378
Cash and cash equivalents at the end of the year	15	1,146,392	3,118,721

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