

Registre de Commerce et des Sociétés

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Référence de dépôt : L250071141
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RCSL Nr. : B90829	Matricule : 2009 2408 346
eCDF entry date : 04/03/2025	

ABRIDGED BALANCE SHEET

Financial year from 01 01/12/2023 to 02 30/11/2024 (in 03 USD)

Traxys S.à.r.l.
19-21, route d'Arlon
L-8009 Strassen

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 227.345.897,94	110 227.316.192,88
I. Intangible assets	1111 _____	111 _____	112 _____
II. Tangible assets	1125 _____	125 _____	126 _____
III. Financial assets	1135 _____ 3	135 227.345.897,94	136 227.316.192,88
D. Current assets	1151 _____	151 744.964.641,70	152 774.845.527,28
I. Stocks	1153 _____	153 _____	154 _____
II. Debtors	1163 _____ 4	163 718.221.872,83	164 741.080.866,78
a) becoming due and payable within one year	1203 _____	203 699.317.160,31	204 727.217.689,65
b) becoming due and payable after more than one year	1205 _____	205 18.904.712,52	206 13.863.177,13
III. Investments	1189 _____ 5	189 24.000.000,00	190 24.000.000,00
IV. Cash at bank and in hand	1197 _____	197 2.742.768,87	198 9.764.660,50
E. Prepayments	1199 _____	199 5.328.599,97	200 7.963.665,16
TOTAL (ASSETS)		201 977.639.139,61	202 1.010.125.385,32

The notes in the annex form an integral part of the annual accounts

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
1301 _____	5	301 _____ 228.314.474,49	302 _____ 256.975.815,81
I. Subscribed capital	1303 _____	303 _____ 66.826.900,00	304 _____ 66.826.900,00
II. Share premium account	1305 _____	305 _____ 108.188.236,76	306 _____ 151.491.541,06
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____ 30.682.690,00	310 _____ 30.682.690,00
V. Profit or loss brought forward	1319 _____	319 _____ 7.974.684,75	320 _____ 52.257.027,47
VI. Profit or loss for the financial year	1321 _____	321 _____ 14.641.962,98	322 _____ -44.282.342,72
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions	1331 _____ 6	331 _____ 2.932.842,07	332 _____ 3.135.168,00
C. Creditors	1435 _____ 7	435 _____ 746.307.006,87	436 _____ 749.956.754,32
a) becoming due and payable within one year	1453 _____	453 _____ 746.307.006,87	454 _____ 749.956.754,32
b) becoming due and payable after more than one year	1455 _____	455 _____	456 _____
D. Deferred income	1403 _____	403 _____ 84.816,18	404 _____ 57.647,19
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 977.639.139,61	406 _____ 1.010.125.385,32

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Traxys S.à.r.l.

**Annual Accounts and Report of
the Réviseur d'Entreprises Agréé**

**As at and for the Year Ended on
November 30, 2024**

*Bâtiment Serenity, Blocs C&D, 1st and 2nd floors
19-21, route d'Arlon
L-8009 Strassen
Grand-Duchy of Luxembourg*

*R.C.S. Luxembourg: B 90829
Subscribed capital: USD 66,826,900*

NOTE 1 - GENERAL

1.1. Corporate Matters

TRAXYS S.à r.l. ("TRAXYS" or the "Company") was incorporated on December 31, 2002 under the name DUOLOGY S.A. for an unlimited period. The Extraordinary Meeting of Shareholders dated July 15, 2003 resolved to change the name of the Company into TRAXYS S.A.. The extraordinary shareholder's meeting held on February 17, 2009 resolved to convert the company from a *Société Anonyme* ("S.A.") to a *Société à responsabilité limitée* ("S.à r.l.").

The registration number is R.C.S. Luxembourg B 90.829. The registered address of the Company is Bâtiment Serenity, Bloc C & D, 1st & 2nd floors, 19-21, route d'Arlon, L-8009 Strassen, Grand-Duchy of Luxembourg.

1.2. Nature of the Company's business

TRAXYS and its subsidiaries ("the Group") is a sourcing, trading, marketing and distribution group. The Group serves a broad base of industrial customers and offers a full range of commercial and financial services to customers in the minerals and metals industries. The Company engages in any other transactions, which are directly or indirectly linked to these purposes.

1.3. Annual accounts

The Company's financial year begins on December 1 and ends on November 30 of each year.

The annual accounts are established in accordance with Luxembourg law and are available at the Company's headquarters (address mentioned above).

In accordance with the Law, the Company is exempted from publishing consolidated accounts, being consolidated in T-I Holdings S.à r.l., representing the smallest and largest scope of consolidation in which the Company is a subsidiary, under the Laws of Grand-Duchy of Luxembourg. These consolidated accounts are available upon request at the head office located at Bâtiment Serenity, Bloc C & D, 1st & 2nd floors, 19-21, route d'Arlon, L-8009 Strassen, Grand-Duchy of Luxembourg.

NOTE 1 – GENERAL (CONT.)

The annual accounts have been prepared with the abridged balance sheet, abridged profit and loss accounts and abridged annex in compliance with the articles 35, 47 and 66 of the Law of 19 December 2002.

NOTE 2 - ACCOUNTING POLICIES

2.1. General principles

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements using historical cost except for the use of the fair value option as disclosed in the accounting policies. The accounting and valuation policies are determined by the Board of Managers in compliance with the Law of December 19, 2002 as amended. These policies have been consistently applied to the annual periods presented.

In preparing these annual accounts, the Board of Managers has assessed the ability of the Company to continue to operate; following this assessment the Board of Managers believes it is appropriate to prepare these annual accounts on a going concern basis.

The Company maintains its accounting records in USD and the annual accounts are expressed in this currency unless otherwise stated.

All the transactions of the Company entered into with related parties have been concluded under normal market conditions.

2.2. Critical accounting estimates

The preparation of the annual accounts and the application of the accounting policies and methods described below require critical accounting estimates that involve judgements and the use of assumptions. By their nature, the assessments necessary for drawing up the annual accounts require the formulation of hypotheses and carry risks and uncertainties as to their occurrence in the future.

NOTE 2 - ACCOUNTING POLICIES (CONT.)

Although the Board of Managers believes that it has taken all available information into account in determining these judgements and estimates, the actual future profits and losses from the operations concerned could differ from these estimates and therefore have a material impact on the annual accounts. The use of estimates mainly concerns the following valuations:

- The estimation of the recoverable amount of some assets like non-performing assets and impaired assets;
- Assessment of provision, including provisions related to employee benefits;
- The valuation of shares and loans in affiliated undertakings and participating interests.

2.3. Comparative figures

Comparative figures have not been modified. The annual accounts have been filed under the abridged version while prior year the annual accounts have been filed under the normal version.

2.4. Foreign currency transactions

The cost of fixed assets, including shares in affiliated undertakings and participating interests, expressed in a currency other than USD is translated into USD at historical rates, except for non-current receivables (loans) that are translated at closing rate.

All other assets and liabilities expressed in currencies other than USD are valued individually at the exchange rates prevailing at the balance sheet date.

Income and expenses in currencies other than USD are translated into USD at the exchange rates prevailing at the date of the transaction, using the rates fixed by the European Central Bank.

Both realized exchange gains and losses and unrealized exchange gains and losses are reflected in the profit and loss account.

NOTE 2 - ACCOUNTING POLICIES (CONT.)

2.5. Financial assets

Investments in affiliated undertakings and investments in undertakings with which the undertaking is linked by virtue of participating interests are valued at cost less any value adjustments for permanent impairment in value.

Participating interests mean rights in the capital of other undertakings on which the Company does not have control but significant influence.

Other securities are valued as follows:

- i) Financial investments traded on terminal market: fair valuation;
- ii) Equity instruments in funds (or equivalent) not traded on terminal market: the percentage of interest in the fund (or equivalent) Net Asset Value ("NAV");
- iii) Equity instruments not traded on terminal market: at cost less impairment;
- iv) Debt instruments not traded on terminal market: amortized cost;
- v) Options not traded on terminal markets for financial investments traded on terminal markets are valued according to Black Scholes model;
- vi) Options not traded on terminal markets for financial investments not traded on terminal markets are valued at lower of cost or market.

Except financial assets measured at fair value, they are assessed for indicators of impairment at the end of each reporting period. Where the Company considers that fixed assets have suffered a durable decline in value, a value adjustment is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

2.6. Debtors

Debtors are carried at costs which generally correspond to their nominal value. A value adjustment is recorded when the estimated recoverable value is lower than the nominal value. These value adjustments are reversed if the reasons for which the value adjustments were made ceased to apply.

NOTE 2 - ACCOUNTING POLICIES (CONT.)

2.7. Investments

Own shares: carried at purchase price. A value adjustment is recorded to reflect a durable decline in value. The value adjustment is reversed if the reasons for which the value adjustment was made have ceased to apply.

In accordance with the Law, in case of acquisition of own shares or corporate units, an amount equal to the carrying amount is recorded in a non-distributable reserve for own shares or corporate units.

2.8. Cash at bank and cash in hand

Cash at bank and cash in hand are valued at their nominal value.

2.9. Prepayments

Prepayments and deferred income include:

- expenditure paid during the financial year (or prior years) but relating to a subsequent financial year;
- fair value adjustments of derivatives. See also Note 2.12.

2.10. Provisions

Provisions are intended to cover losses or debts, 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.

Provisions set up in previous years are reviewed regularly and may be written back to the profit and loss account.

2.11. Creditors

Debts are recorded at their reimbursement value.

NOTE 2 - ACCOUNTING POLICIES (CONT.)

2.12. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the profit or loss immediately.

2.13. Interest income and interest charges

Interest income and interest charges are accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.14. Dividend

Dividend income from investments is recognized when the shareholder's right to receive the payment has been established. Dividend is accounted under the caption "9. Income from Participating Interests".

NOTE 3 - FINANCIAL ASSETS

Breakdown of net carrying amounts of financial assets:

- Shares in affiliated undertakings	180,676,539
- Participating interests	9,950,656
- Loans to undertakings with which the undertaking is linked by virtue of participating interests	16,454,646
- Other loans (including long term cash deposit)	20,264,057

As at November 30, 2024, reversals of value adjustments recognized in prior years have been recorded (amounting to USD 474,889) in order to adjust the carrying amount to the lower of equity of the affiliated undertakings and investment value in the affiliated undertakings. Carrying amount of financial assets doesn't exceed fair value.

The following dividends have been recognized by the Company:

- On May 30, 2024, Traxys France SAS declared a dividend of EUR 3,000,000 (or the equivalent: USD 3,326,100), out of which USD 2,491,850 has been considered as a partial repayment of the investment (in order to align the carrying amount of this participation to its net equity as at November 30, 2024) and the balance has been considered as a dividend income (USD 834,250) (reported under the caption 9. Income from participating interests)
- On June 5, 2024, Metmar Mauritius Limited declared a dividend USD 1,280,000 and has been considered as a partial repayment of the investment (in order to align the carrying amount of this participation to its net equity of November 30, 2024).
- On November 18, 2024, Traxys Far East Ltd declared a dividend USD 20,000,000 and has been considered as a dividend income (reported under the caption "9. Income from participating interests").

The Company granted the following loans to its associate Southern Resources S.à r.l.:

- Shareholder's loan of USD 4,135,041 bearing an annual interest rate of SOFR plus 5.50%. It is repayable prior to declaration or payment of any dividends or distributions.
- Senior shareholder's loan of USD 7,434,669 bearing an annual interest rate of SOFR plus 8.00% / 8.50%. It is repayable prior to shareholder's loan. On April 12, 2023, accrued interests were partly paid for an amount of by USD 1,904,209.

Interest income recognized in the profit and loss account under the caption "10. "Income from other investments and loans forming part of the fixed assets" amounts to USD 1,762,185 (2023: USD 1,571,298).

NOTE 3 - FINANCIAL ASSETS (Cont.)

The information prescribed by Article 65(1)2° of the Law of 18 December 2002 relating to undertakings in which the Company holds at least 20% of the share capital has been omitted as per the Article 67(3) of the same law.

Companies in which the Company directly holds shares are as follows (on November 30, 2024):

Name of undertakings USD	Net Book Value	Percentage of Interests	Total Equity (¹)	Result for the Year (¹)
TRAXYS NORTH AMERICA, LLC (USA - Delaware)	136,971,945	100%	196,412,822	10,897,191
TRAXYS Africa (Pty) Ltd (Johannesburg - South Africa)	22,107,361	100%	23,010,498	399,879
TRAXYS EUROPE S.A., Strassen (Strassen – GD of Luxembourg)	10,031,578	100%	232,692,589	76,265,951
Southern Resources S.à r.l. (Strassen – GD of Luxembourg) (²)	9,950,656	58.76%	6,088,577	(61,827)
TRAXYS Far East Ltd (Hong Kong)	3,062,122	100%	29,305,483	11,916,446
TRAXYS France S.A.S., Paris (Paris - France)	3,015,247	100%	3,015,247	(240,518)
TRAXYS Singapore Pte. Ltd. (Singapore)	2,100,000	100%	2,295,207	86,177
TRAXYS Metales y Quimicos, S.L (Madrid – Spain)	1,821,760	100%	2,136,363	386,588
Other companies	1,566,526	Not applicable	Not applicable	Not applicable
TOTAL	<u>190,627,195</u>			

¹ Extracted from the standalone annual accounts if available otherwise from the contribution of the entity to the consolidated annual accounts of TRAXYS S.à r.l. as at November 30, 2024. Amounts are multiplied by the percentage of interests. Equity includes the result of the year.

² Special quorums are required in Southern Resources S.à r.l. ("SRS") to have control. Current percentage of ownership is not sufficient to consider having control over that entity. Despite the lower amount of equity of SRS as at November 30, 2024 compared with the carrying amount of this participation, no impairment recorded because of an unrecognized fair value gain of one of the investment project held by SRS: Sefateng Chrome Valley Development.

NOTE 4 - DEBTORS

Amounts owed by affiliated undertakings correspond to:

- Carrying amount of loans granted to the subsidiaries of the Company mainly funded by the syndicated facility (see Note 7): USD 668,092,508 (2023: USD 683,827,922). The maturity of these loans is less than one year. The current year value adjustment of USD (6,555,790) (2023: USD (56,645,407)) included in the profit and loss account caption "7b. Value adjustments in respect of current assets" has been determined based on the capacity of the subsidiary to repay its loan to the Company. The remaining exposure of this loan is USD 35,727,000 (2023: USD 36,641,000);
- loans granted to affiliated companies (parent entities and subsidiaries of the parent entities): USD 15,274,746 (2023: USD 8,269,746), out of which USD 2,000,000 due and payable within one year and the USD 13,274,746 after more than one year (2023: USD 8,269,746 due and payable after more than one year).
- Accrued interest: USD 10,551,163 (2023: USD 13,408,646)
- other receivables and accruals: USD 8,540,746 (2023: USD 19,743,419);

Loans to the TRAXYS Group companies and affiliates are granted under normal market conditions.

Other debtors balance consists of:

- subscription of 5% of the bonds issued by the securitization program: USD 9,880,693 (2023: USD 9,486,417). The bond has a revolving maturity of 1 month and bear a variable interest (funding rate plus a margin).
- promissory notes: USD 5,629,967 (2023: USD 5,593,431): limited recourse notes subscribed by shareholders secured by share pledges and bearing an interest (at US Applicable Federal Rate established on its issuance date and reset on their anniversary). Initial term of the notes is 5 years from May 2023 but could be repaid earlier if specific conditions are met. Out of this amount, USD 2,789,565 relates to loan granted to a member of the Board of Managers of the Company under the same conditions as describe above.
- sundry receivables / advances: USD 252,051 (2023: USD 751,286)

Except the promissory notes, the maturity of these loans and advances are less than one year.

Securitization program

On July 9, 2021, TRAXYS signed a USD 265 million Securitization Program, through which Traxys North America LLC and Traxys Europe S.A. sell and assign certain of their credit insured Trade Receivables (customer invoices) to an independent third party on a revolving and non-recourse basis. The Company contributes 5% of the purchase price of the receivables sold and hence benefits from 5% of the economic interest and credit risk for these receivables. TRAXYS also acts as agent for the administration and follow-up of the collections for the invoices under this program.

NOTE 5 - CAPITAL AND RESERVES

The movements of share capital and reserves of the Company are summarized in the schedule below:

	Subscribed capital	Share premium and similar premiums	Legal reserve	Reserve for own shares or own corporate units	Profit brought forward	Result for the financial year	Total
Balance at November 30, 2023	66,826,900	151,491,541	6,682,690	24,000,000	52,257,027	(44,282,343)	256,975,815
Allocation of results according to AGM of March 1, 2024	–	–	–	–	(44,282,343)	44,282,343	–
Share premium repayment according to sole shareholder's resolution dated August 2024	–	(43,303,304)	–	–	–	–	(43,303,304)
Profit for the financial year	–	–	–	–	–	14,641,963	14,641,963
Balance at November 30, 2024	66,826,900	108,188,237	6,682,690	24,000,000	7,974,684	14,641,963	228,314,474

NOTE 5 - CAPITAL AND RESERVES (CONT.)

Number of shares and categories

As of November 30, 2024, the subscribed capital of the Company is USD 66,826,900. It is represented by 2,673,076 shares with a nominal value of USD 25 each.

Share premium and similar premiums

In August 2024, the sole shareholder of the Company approved to distribute (a) its Share Premium account in the amount of USD 34,915,167.13 and (b) its Capital Contribution Not in Shares in the amount of USD 8,388,137.17, for an aggregate amount of USD 43,303,304.30.

Reserve

Legal reserve: Under Luxembourg law, the Company must appropriate to the legal reserve a minimum of 5% of net profit, if any, until such reserve reaches 10% of the share capital. As from the AGM dated March 28, 2011, the legal reserve reached 10% of the share capital as required by Luxembourg Law. Distribution of the legal reserve is restricted.

Own shares and reserve for own shares: By resolution of the Extraordinary General Meeting of shareholders dated January 25, 2007, TRAXYS S.à r.l. exercised its option to purchase 200,000 Class B of its own shares at a price of USD 55 per share. Total consideration was USD 11,000,000. TRAXYS S.à r.l. exercised its option to purchase 200,000 Class A of its own shares at a price of USD 65 per share the on November 27, 2008. Total consideration was USD 13,000,000. As required by Luxembourg Company Law, a reserve for own shares held has been made for an amount of USD 24,000,000. Own shares are reported under the caption III. Investments in the balance sheet.

Dividend distribution

In August 2024, the sole shareholder of the Company approved the distribution of Share Premiums and Similar Premiums for an amount of USD 43,303,304.

NOTE 5 - CAPITAL AND RESERVES (CONT.)Profit allocation

The Board of the Company proposes to the annual general meeting of the shareholders to allocate the net result for the financial year 2024 to the results brought forward. Consequently, the new split of the capital and reserves will be as follows:

Subscribed capital	66,826,900
Share premium and similar premiums	108,188,237
Legal reserve	6,682,690
Reserve for own shares	24,000,000
Results brought forward	22,616,647
Shareholders' equity	228,314,474

NOTE 6 - PROVISIONS

Provisions relate mainly to the variable remuneration.

NOTE 7 - CREDITORS

Most of the creditors relates to amounts owed to credit institutions and amounts owed to affiliated undertakings.

Amounts owed to credit institutions

Breakdown of amounts owed to credit institutions on November 30, 2024 (in USD):

	30-Nov-2024	30-Nov-2023
Multicurrency Revolving Facilities Agreement	645,620,000	691,406,400
Cash pooling Ancillary overdraft facility	-	1,805,570
Accrued interest	1,659,675	1,526,177
Total	647,279,675	694,738,147

NOTE 7 – CREDITORS (CONT.)*Multicurrency Revolving Facilities Agreement (“MRFA”):*

On June 28, 2024, TRAXYS successfully extended and increased its Multicurrency Revolving Facilities Agreement (“MRFA”) by 1 year, reinstating the original 3-year tenor now continuing until May 2, 2027 for Facility A and extending the maturity of Facility B, C and D to June 30, 2025.

The renewed MRFA is composed of the following facilities:

- The Facility A up to 3 years secured and committed tranche at USD 496,000,000;
- The Facility B - 1 year secured and committed tranche at USD 670,000,000;
- The Facility C - 1 year secured and uncommitted tranche at USD 310,000,000;
- The Facility D - 1 year unsecured and committed tranche at USD 124,000,000.

In addition, the Facility contains USD 345 million accordion feature remaining as well as a swingline sub-limit. The MRFA also has a 1-year extension option.

A portion of current assets (inventories, trade and other receivables) of the Subsidiaries of the Company are pledged to banks against borrowings.

As of November 30, 2024, this facility was utilized as follows:

	30-Nov-2024	30-Nov-2023
Total facility	1,600,000,000	1,570,000,000
Utilized portion – by the Company	645,620,000	693,211,970
Utilized portion – by one of its subsidiaries	30,000,000	50,000,000
Unutilized portion	924,380,000	826,788,030

The interest cost for the credit facility is primarily based upon the aggregate of the following components:

- Applicable Credit Margin
- Applicable Market Base Rate for the relevant Base Currency
- Any Applicable mandatory or other cost

The Company expensed interest and related costs of third-party borrowings under the caption “14.b Other interest and similar expenses” for an amount of USD 65,378,959 (2023: USD 61,220,960).

NOTE 7 – CREDITORS (CONT.)Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings correspond to:

- loans and advances granted by affiliated undertakings to the Company: USD 7,378,354 (2023: USD 32,973,144);
- Cash pool from affiliated undertakings: USD 84,851,517 (2023: USD 3,128,662);
- other miscellaneous payables to affiliated undertakings: USD 977,956 (2023: USD 4,105,502).

The maturities are less than one year and are granted under normal market conditions.

NOTE 8 - INCOME TAX**8.1 General**

The tax charge for the year is made up as follows:

Other taxes not included in the previous caption	2024	2023
Net Wealth tax	607,827	657,425
Total	607,827	657,425

The Company is subject to all taxes applicable to commercial companies in Luxembourg.

The Company is part of a tax unit including, among other, T-I Holdings S.à r.l. and Traxys Europe S.A.. According to the law of December 18, 2015, each entity part of a tax group is jointly liable to the tax liability of the tax unit reporting entity.

8.2 Pillar 2 - Introduction

As a result of a reform of the international taxation rules that multinational enterprises pay a fair share of tax wherever they operate, the OECD and published a range of documents comprising the Global Anti-Base Erosion (« GloBE ») rules, commonly referred as « Pillar Two ».

The EU member states reached an agreement to implement the GloBE rules in the national law of each member state by the end of 2023. To this end, the EU has prepared and published several directive proposals resulting in the Council Directive (EU) 2022/2523 of 14 December 2022.

NOTE 8 - INCOME TAX (CONT.)

The Luxembourg parliament voted the law on 20 December 2023 which became effective for taxable years starting on or after 31 December 2023 (« Lux P2 Law »).

In a nutshell, the Pillar 2 rules aim at ensuring a global minimum level of taxation of 15% for MultiNational Enterprise (“MNE”) groups and large-scale domestic groups in the EU. In particular, the Law targets constituent entities located in Luxembourg that are part of a group – a MNE group or a large-scale domestic group – with an annual revenue of EUR 750 million or more (including the revenue of the excluded entities) based on consolidated financial statements of its Ultimate Parent Entity (“UPE”) in at least two of the four previous consecutive fiscal years.

The Law is structured around three rules: QDMTT, IIR and UTPR. These rules apply where the Effective Tax Rate (“ETR”) in a jurisdiction in which the group operates falls below the minimum tax rate of 15%. In such a case, the group has to pay a top-up tax to make the ETR up to the minimum rate of 15%. The Law is applicable to fiscal years beginning on or after 31 December 2023 (FY2025 for Traxys) for the IIR and the QDMTT and to fiscal years beginning on or after 31 December 2024 (FY2026 for Traxys) with respect to the UTPR.

Considering Pillar II rules, MCHL Global Holdings LLC (“MCHLGH”) is the UPE of the Company and the Traxys Group within the meaning of the OECD GloBE rules. This is effective for fiscal year starting on December 1, 2024 which correspond to FY2025 for Traxys.

For the Company (and all entities part of the Group Traxys being subject to the Luxembourgish tax jurisdiction), the Lux P2 Law impacts the Company as follows:

1. IIR and QDMTT – for fiscal year beginning on or after 31 December 2023, which correspond to FY2025 for Traxys. For subsidiaries incorporated in jurisdictions that have not implemented the Pillar Two (and specifically the QDMTT) and for which the Effective Tax Rate (“ETR”) is less than 15%, the highest parent entity in the structure located in a jurisdiction applying Pillar Two Rules will have to pay a top-up tax.
2. UTPR – for fiscal year beginning or after 31 December 2024, which correspond to FY2026 for Traxys. In case IIR doesn’t exist for the parent entity (which is the case for Traxys’ UPE), the UTPR will request T-I Holdings SARL (being the direct parent of the Company) to pick-up the tax that would otherwise have gone untaxed.

NOTE 8 - INCOME TAX (CONT.)

Based on the applicable criteria, the Company is subject to Pillar Two minimum tax as from financial year 2025 and has substantially performed the assessment of its potential exposure. This assessment has been based on the tax filings and financial information of the 4 years preceding the first year of Pillar Two application for the group, which correspond to financial years 2021 to 2024. According to this assessment carried out on the impact of Pillar Two legislation, the Company doesn't expect material impact on its annual accounts with the exception of additional disclosure on tax matters. Nevertheless, as the rules are complex, uncertainty exists and unforeseen outcomes of the Pillar Two legislation may exceptionally result in additional tax adjustments.

The Transitional Safe Harbor ("TSH") is an optional short-term measure to exclude an MNE group's operations in "lower-risk" countries from the requirement to prepare a full Pillar Two calculation during fiscal years starting on or before 31 December 2026 and ending on or before 30 June 2028. Traxys is undertaking a TSH test analysis based on the filed 2023 and to be filed 2024 country-by-country report data to determine which jurisdictions would be expected to qualify for the TSH in Fiscal Year 2025 (Transition Year for Traxys)."

8.3 Lux Tax Unity

As mentioned above, the Company is part of the Lux Tax Unity for which the estimated taxable income for the fiscal year ending November 30, 2024 has been determined as follows:

Notes:

- The Lux Tax Unity is denominated in USD.
- The exempted taxable income reported by the Company relates to dividend income.

FY 2024 USD	Traxys Europe	Traxys SARL	T-I Holdings SARL	Other Entities	Lux Tax Unity
15. Tax on profit or loss	-	-	-	-	-
16. Profit or (Loss) after taxation	76,581,785	15,249,790	(75,538,887)	55,843	16,348,531
17. Other taxes not shown under items 1 to 16	(315,834)	(607,827)	(6,511)	(7,409)	(937,580)
Net Result	76,265,951	14,641,963	(75,545,397)	48,434	15,410,951
Exempted taxable income	-	(20,834,250)	-	-	(20,834,250)
Disallowed expenses	315,834	607,827	6,511	7,409	937,580
Taxable Income	76,581,785	(5,584,460)	(75,538,887)	55,843	(4,485,719)

NOTE 8 - INCOME TAX (CONT.)

The fiscal losses of the Lux Tax Unity, including the estimated taxable loss for financial year 2024 are summarized in the table below:

Expiry year	As at November 30, 2024	As at November 30, 2023	Estimation FY2024	Deferred Tax Assets (related to fiscal losses)
Unlimited	204,993,218	204,993,218	-	50,469,330
2035	72,934	72,934	-	17,956
2037	32,766,420	32,766,420	-	8,067,093
2039	1,064,887	1,064,887	-	262,175
2041	4,485,719		4,485,719	1,104,384
TOTAL	243,383,178	238,897,459	4,485,719	59,920,938

Fiscal losses generated up to financial year 2016 can be carried forward for an unlimited period while fiscal losses generated on or after financial year 2017 can be carried forward for 17 years. Fiscal losses generated before financial year 2016 were non-recurrent losses related to two investments held by Traxys S.à r.l. and fully disposed.

The corporate income tax rate applicable for financial year 2024 is 25.69% but most of the above listed fiscal losses will be recovered at a lower corporate income tax rate of 24.62% corresponding to the enacted corporate income tax rate applicable for fiscal year starting on or after January 1, 2025 (corresponding to the financial year 2026 for Traxys). The deferred tax assets (as reported in the above table) have been recognized in the consolidated accounts of the Company.

NOTE 9 - EMPLOYEE INFORMATION

The average number of headcounts employed by the Company during financial year ended November 30, 2024 is 21 compared to 19 last year.

NOTE 10 - OFF BALANCE SHEET ITEMSGuarantees

As of November 30, 2024 the Company has issued the following guarantees:

	30-Nov-2024	30-Nov-2023
Guarantees in favor of suppliers, brokers and others	348,100,000	188,100,000
Guarantee to banks for credit facility	1,772,412,759	1,810,235,080
Total	2,120,512,759	1,998,335,080

Additional guarantees are also issued to brokers and suppliers without limit to cover the outstanding amount due.

NOTE 10 - OFF BALANCE SHEET ITEMS (CONT.)

Liens and Pledges

On June 28, 2024, the Company successfully extended its Multicurrency Revolving Facilities Agreement ("MRFA").

The following collaterals have been granted as security interest to the security trustee (which represents the lenders of the MRFA):

- Traxys North America, LLC granted a security interest to the security trustee on all eligible advances, eligible receivables and eligible inventories included in the most recently delivered borrowing base compliance certificate delivered under the "MRFA";
- Traxys Europe S.A. granted a pledge on its business ("gage sur fonds de commerce") amounting to USD 750,000,000 (2023: USD 750,000,000);
- Traxys Europe S.A. granted a deed of pledge over all eligible receivables and eligible advances included in the most recent borrowing base compliance certificate delivered under the "MRFA";
- Traxys Europe S.A. and Traxys North America, LLC granted a deed of pledge over their movable assets (eligible inventories) that are situated in the Netherlands included in the most recent borrowing base compliance certificate delivered under the "MRFA".

Foreign currency contracts

As of November 30, 2024, the Company was committed to the following forward exchange contracts which fair values are recorded in the caption "Deferred income".

The following table details the forward foreign currency contracts and currency swaps outstanding as at the reporting date:

Currency	Average exchange rate	Sell Currency	Buy currency
Sell ZAR/Buy USD			
Less than 3 months	18.2167	130,018,645	7,139,638

Operating lease commitments

At November 30, 2024, the Company was committed to make future payments amounting to USD 239,679 (2023: USD 259,188) in respect of operating lease contracts (vehicles).

To the Shareholders of
Traxys S.à r.l.
19-21, route d'Arlon
L - 8009 Strassen
Grand Duchy of Luxembourg

REPORT OF THE *REVISEUR D'ENTREPRISES* AGREE

Opinion

We have audited the annual accounts of Traxys S.à r.l. (the “Company”), which comprise the balance sheet as at November 30, 2024, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at November 30, 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the *réviseur d’entreprises agréé* for the Audit of the annual accounts” section of our report. We are also independent of the Company 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) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Managers for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Managers determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Managers is responsible for assessing the Company'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 the Board of Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the réviseur d'entreprises agréé for the Audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d'entreprises agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.

- Conclude on the appropriateness of Board of Managers 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 report of the *réviseur d'entreprises agréé* to the related disclosures in the annual accounts 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 report of the *réviseur d'entreprises agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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.

For Deloitte Audit, *Cabinet de révision agréé*



Christiane Chadoeuf
Christiane Chadoeuf, *Réviseur d'entreprises agréé*
Partner

February 20, 2025