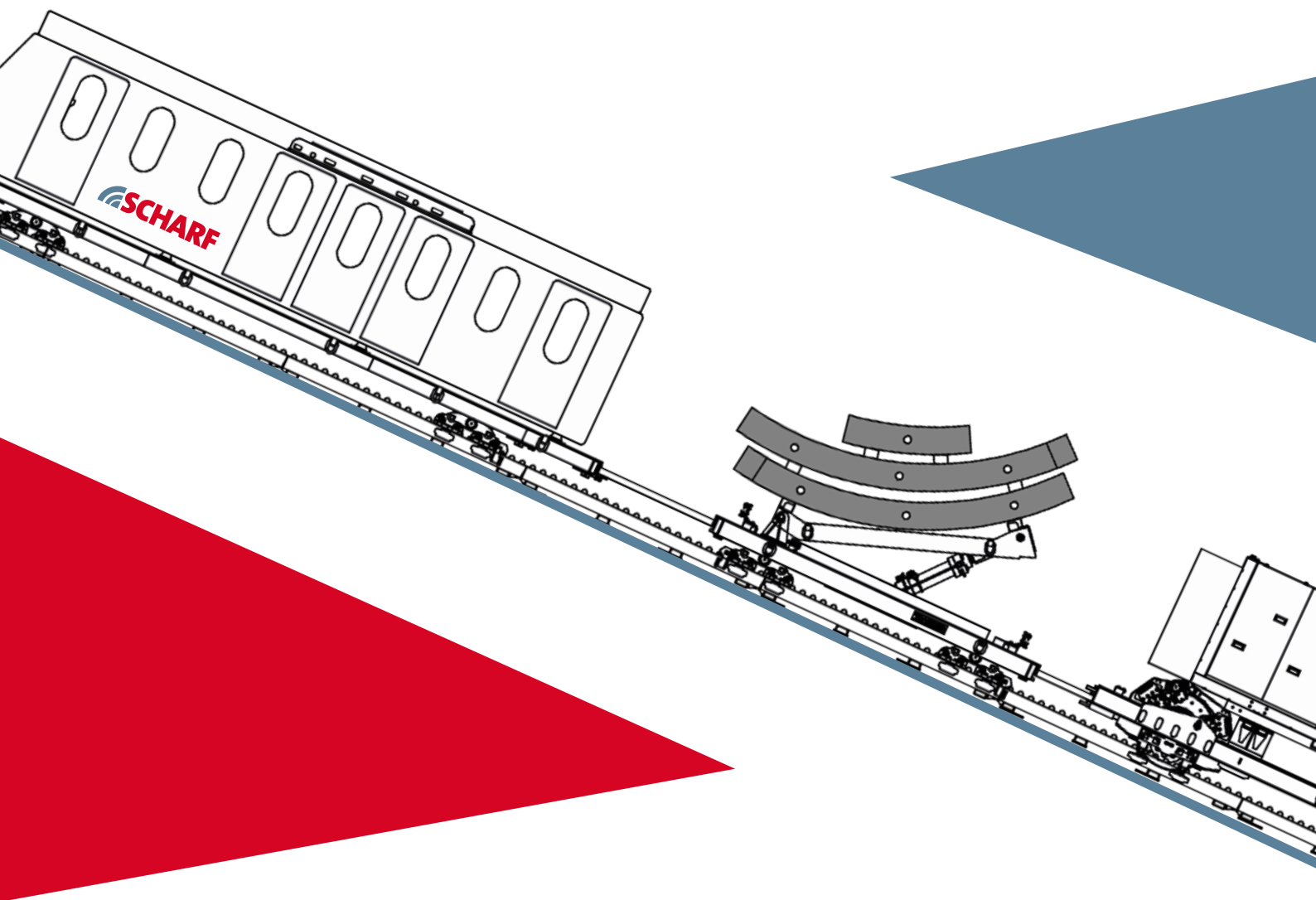




6-MONTH REPORT **2025**

Premium quality transport solutions for
people, material and equipment



Key figures at a glance

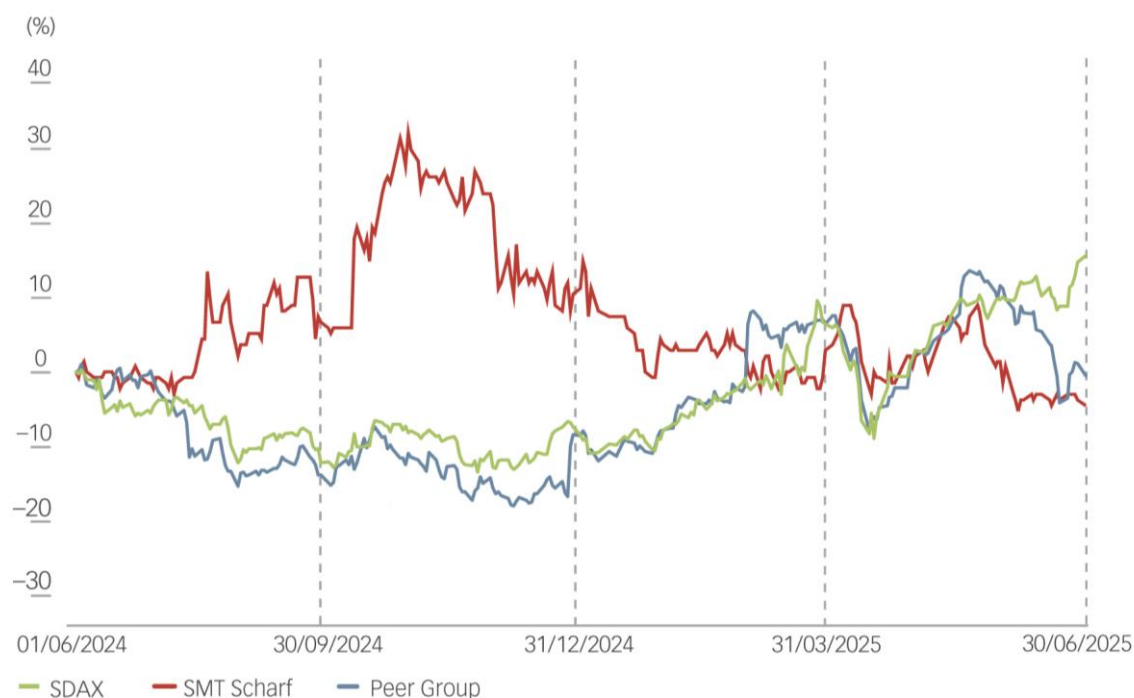
		2023	2024	H1/2024	H1/2025
Revenue	EUR thousand	73,172	95,029	28,356	50,057
Total operating revenue	EUR thousand	81,100	102,435	38,301	53,863
EBIT	EUR thousand	3,952	4,845	-753	2,887
EBIT margin (in relation to the total operating revenue)	in %	4.9	4.7	-2.0	5.4
Consolidated net profit/loss	EUR thousand	5,228	7,192	856	1,766
Equity	EUR thousand	86,712	118,179	89,154	113,353
Equity ratio	in %	69	66	70	71
FTE (full-time employees)	on balance sheet date	411	549	405	543

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Information on the share

Share price performance



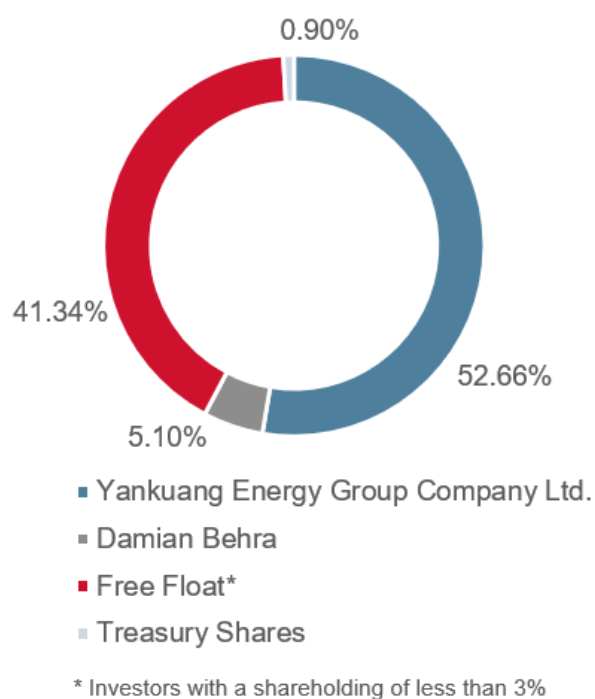
Key share data H1 2025

German Securities Identification Code (WKN) / ISIN	A3DRAE / DE000A3DRAE2
Ticker symbol	S188
Trading segment	Regulated market (Prime Standard), Frankfurt Stock Exchange
Number of shares incl. 49,477 treasury shares	5,521,456
Closing price (30 June 2025)*	EUR 6.40
High / lowest price* in H1/2025	EUR 7.30 / EUR 6.35
Share price performance (LTM on 30 June 2025)	-11.1%
Share price performance SDAX (LTM on 30 June 2025)	+26.5%
Price performance peer group portfolio (LTM on 30 June 2025)	+9.4%
Market capitalization, excluding treasury shares (30 June 2025)	EUR 35.0 million

* Closing prices Xetra trading system of Deutsche Börse AG

Shareholder structure

The voting rights notifications received by the company in accordance with the German Securities Trading Act (WpHG) as well as public announcements resulted in the following shareholder structure as of 7 August 2025:



Financial calendar

31/10/2025	Publication of the 9-month report 2025
31/12/2025	End of the financial year

Foreword by the Management Board

Dear Sir or Madam, dear shareholders,

In the first half of the 2025 financial year, we continued to drive forward our strategic initiatives in mining markets worldwide. In the first half of 2025, the SMT Scharf Group achieved revenue of EUR 50.1 million and operating earnings (EBIT) of EUR 2.9 million, thereby achieving a significant increase in revenue and earnings compared with the same period of the previous year. The increase was mainly attributable to the full consolidation of the joint venture Shandong Xinsha Monorail Co. In this regard, the increase in new equipment business in the Chinese market also contributed significantly to the positive sales and earnings development in the second quarter. In addition, the significant revenue growth in the tunnel logistics segment is particularly noteworthy, as it supports the targeted diversification of the business into areas outside coal mining.

Following a subdued willingness to invest in the mining markets in the first half of the year, we expect the market environment to remain difficult in the second half of the year given the current macroeconomic conditions. Nevertheless, we are focusing on driving forward our activities in development, production and sales. Within the SMT Scharf Group, we established a Global Technical Council in the first half of the year to efficiently and systematically develop new transport systems and realise synergies within the Group. As an important Group-wide project, we are focusing on the development of emission-free, sustainable transport equipment for the traditional mining market. The aim is to obtain European approval for a battery-powered monorail suspension system for underground mining in areas prone to firedamp in the second half of 2025. This will enable us to better meet specific requirements in terms of size and underground environmental conditions in the important Polish market, for example.

As a newly formed Managing Board, we intend to further expand our activities in key mining markets over the course of the year. We remain in a solid financial position to implement our corporate strategy, which gives us the necessary room for manoeuvre. Another advantage is the integration of SMT Scharf into the Yankuang Energy Group subgroup and the Shandong Energy Group, which is progressing successfully and will help us tap into new sales opportunities.

Overall, we see our strategic orientation confirmed, which we will continue to adhere to in the challenging months ahead. The low growth rates in countries with underground mining are further burdened by the high uncertainties of the smoldering trade conflicts and the numerous geopolitical hotspots. In addition, banks in the European Union (EU) are already refusing to process payment transactions from Russia on a large scale. Due to the EU's 18th package of sanctions, an even more restrictive stance is to be expected, which would also affect the SMT Scharf Group.

Based on the business results for the first half of 2025 and expected burdens in the second half of the year, the Managing Board has reassessed its revenue and earnings expectations for 2025. According to this, consolidated revenue for the full year 2025 is expected to range between EUR 100 million and EUR 120 million, and EBIT between EUR 0.5 million and EUR 2.5 million. On the one hand, we are focusing on generating order intake in the relevant mining markets and strengthening SMT Scharf's market position in order to be well positioned for an upturn in business in 2026. On the other hand, we are concentrating on achieving further efficiency gains and cost reductions within the SMT Scharf Group.

We would like to take this opportunity to express our special thanks to our employees for their great commitment. We would also like to thank all investors, business partners and customers for the trust they have placed in us. Let us continue to drive forward the development of SMT Scharf

With best regards

Longjiao Wang Volker Weiss Reinhard Reinartz

Management report (unaudited)

Basis of the Group

Business model and Group structure

The SMT Scharf Group ("SMT Scharf") develops, manufactures and services transportation equipment and logistics systems for underground mining and tunnel construction. SMT Scharf's business profile can be described on the basis of the following criteria:

- **Business areas:** The SMT Scharf Group's core product continues to comprise rail-bound railway systems that are deployed in underground mining. These systems are technically capable of transporting personnel and materials up to 48 tonnes on gradients of up to 35 degrees. As an ancillary product, SMT Scharf offers chairlifts for the mining industry. The product range also includes the development and installation of open-air rail-bound and cable management systems, including for energy supplies to machines, for example. In addition, SMT Scharf has a portfolio of rubber-tired vehicles and is positioning itself as an integrated system provider in the area of underground logistics. The development of the Tunnel Logistics business segment also forms part of this process.

SMT Scharf draws on in-house expertise in electronics and controls by way of the ser elektronik GmbH subsidiary, based in Möhnesee. The systems – which are integrated into SMT Scharf's transport solutions for coal and mineral mining – are manufactured in-house. In addition, ser elektronik develops customer-specific solutions for various industries, including the food industry or medical technology. Business outside the scope of underground mining and tunnel logistics is reported within the Other Industries segment.

- **Type of business:** The core business activity is the production and installation of new equipment and systems. SMT Scharf also focuses on downstream services. The offerings include the provision of spare parts, maintenance, repairs or servicing work. In response to customer requests, SMT Scharf occasionally acts as a railway operator.
- **Customer groups:** SMT Scharf products are deployed mainly in hard coal mining (the Coal Mining segment), as well as increasingly in producing gold, platinum, copper, nickel or salts (aggregated within the Mineral Mining segment). In the Tunnel Logistics business segment, companies from the tunnel construction sector represent a relevant customer group. Through the business of ser elektronik, companies from various sectors in the Other Industries segment also include potential customer groups that require electronic control systems for their machines.
- **Regions:** SMT Scharf sells its own products in its main markets through subsidiaries located in the world's most important mining nations. These include, above all, the foreign markets in Russia, Poland, China and South Africa. In addition, SMT Scharf also operates in South America with its own sales subsidiary in Chile and in North America by way of an additional subsidiary in North America. Nowadays, the German domestic mining market plays only a minor role. In smaller markets, SMT Scharf works together with dealers or agents.

Organs

Managing Board

At its meeting on 20 May 2025, the Supervisory Board appointed Mr. Longjiao Wang as a further member of the Managing Board with immediate effect and as the new Chief Executive Officer (CEO) of SMT Scharf AG. The background here was that Mr. Jun Liu was offered a new position in the Group by Yankuang Energy Group Company Limited. He assumed this position with immediate effect and at the same time resigned from his position as a member of the company's Managing Board.

The composition of the Managing Board is now as follows:

Name	Function	Term of office
Longjiao Wang	Chief Executive Officer (CEO)	As of 20 May 2025
Volker Weiss	Chief Financial Officer (CFO)	As of 11 January 11 2023
Reinhard Reinartz	Chief Operating Officer (COO)	As of 1 March 2024

Supervisory Board

At the Annual General Meeting on 20 May 2025, Dr. Lei Zhang, Prof. Wei Luan and Prof. Dr. Ferdinand Bernhard Mager were elected as new Supervisory Board members by the Annual General Meeting. At the same time, the Deputy Chairman of the Supervisory Board, Prof. Dr. Louis Velthuis, resigned from office at the end of the Annual General Meeting.

Furthermore, Mr. Li Zhang informed the company on 30 June 2025 that he was resigning from his position as a member of the Supervisory Board and Chairman of the Board with immediate effect due to his new high-ranking position in the sister group of the main shareholder Yankuang, and the associated change in his area of responsibility. Until the election of the new Chairman of the Supervisory Board, the Deputy Chairman of the Supervisory Board, Prof. Dr. Ferdinand Bernhard Mager, assumed the duties of the Chairman in accordance with the Articles of Association and the law.

On 17 July 2025, the Supervisory Board elected Mr. Jian Liu as the new Chairman of the Supervisory Board. The Hamm Local Court had previously approved the application for the appointment of Mr. Jian Liu as a new member of the Supervisory Board.

Furthermore, Mr Qiang Yu has resigned from the Supervisory Board with effect from 1 August 2025 for professional reasons.

The composition of the Supervisory Board is therefore as follows:

Name	Function	Term of office
Jian Liu	Chairman of the Supervisory Board	As of 17 July 2025
Prof. Dr. Ferdinand Mager	Deputy Chairman of the Supervisory Board	as of 20 May 2025

Name	Function	Term of office
Dr. Lei Zhang	Member of the Supervisory Board	as of 20 May 2025
Prof. Wei Luan	Member of the Supervisory Board	as of 20 May 2025

Corporate objectives and strategy

SMT Scharf pursues a strategy based on three areas of activity. To this end, the Managing Board team has defined an extensive **list of measures** that are being consistently addressed and implemented.

The **three strategic areas of activity** are:

- **Organic growth:** Development and launch of new products in the area of underground logistics in coal mining and, with increasing significance, in mineral mining, the development of new geographical markets, and the development and establishment of tunnel logistics as a third business area. To this is added the business with electronic control systems and components in the Other Industries segment.
- **External growth:** Takeovers and partnerships aimed at promoting and securing SMT Scharf's core positioning. Takeovers, strategic partnerships and joint ventures have already been brought to completion and established. Here, SMT Scharf AG is paying particular attention to expanding its business activities outside of coal mining.
- **Operational excellence:** SMT Scharf is constantly working to improve its productivity, profitability and market position. Part of SMT Scharf's permanent strategy is to leverage optimisation potential more effectively through the interplay of international locations, as well as in the management of development processes. Furthermore, SMT Scharf continuously analyses specific markets and customer requirements on a targeted basis in order to further enhance its competitiveness.

The Managing Board team deploys these strategies to advance its measures in order to further develop the company into a **system supplier of logistics solutions**, while at the same time staking out a position in **adjacent markets** (through the core positioning in the mining supply market). The aim of this approach is to tap additional sales revenue potential and make sales trends less dependent on the traditionally cyclical business in mining, which remains SMT Scharf's core market.

Management and control system

SMT Scharf AG steers its business applying financial and non-financial performance indicators whose developments exert a positive influence on the company's value in different ways. Financial and non-financial performance indicators are monitored continuously, and included in monthly reporting to the Managing Board and in discussions with the Supervisory Board. Reporting is by subsidiary, and includes an analysis of actual outcomes, as well as a budget/actual analysis, and a year-on-year comparison. SMT Scharf undertakes further specific analyses where required.

Financial performance indicators:

Consolidated revenue as well as EBIT are the key financial performance indicators for managing the Group. The non-financial performance indicators are not used to manage the Group, but regarded indications of the Group's development.

Financial and non-financial performance indicators as well as current forward planning are presented in the following tables. The medium-term targets reflect the underlying assumption that the market environment continues to normalise, especially based on stable or a further uptrend in raw materials prices.

Key indicator	Calculation method	Target (medium-term, 3–5 years)
Key income statement figures		
Consolidated revenue growth (organic and inorganic)	(Consolidated revenue in reporting year / Consolidated revenue in previous year) -1	>5%
Tunnel revenue share	Tunnel segment revenue / Consolidated revenue	>10%
EBIT margin	Earnings before interest and tax (EBIT) / Total operating revenue	>10%
Cost of materials ratio	Cost of materials / Total operating revenue	~50%
Key balance sheet indicators		
Net working capital	Current assets - cash and cash equivalents - current liabilities (excluding current liabilities) Financial liabilities	EUR 20 million
Equity ratio (on the reporting date)	Total assets	>=30%
Key efficiency figures		
Net working capital intensity	Net working capital / Consolidated revenue	<50%
Days of sales outstanding	Number of days in reporting year* (Annual average trade receivables / Consolidated revenue)	<150 days

Non-financial performance indicators:

Key indicator	Calculation method	Target (medium-term, 3- 5 years)
Employee numbers		
Employee turnover	Employee-related departures (FTEs) / Annual average number of employees (FTEs)	<10%
Sickness rate	Number of workdays lost due to sickness / Budgeted working days	5%

From the company's perspective, the key financial performance indicators are consolidated revenue growth and the EBIT margin. Further information on their development in the reporting

period can be found in the section "Business performance and results of operations, net assets and financial position".

Employees

SMT Scharf AG calculates the number of its employees in the form of full-time equivalents (FTEs). As of 30 June 2025, the SMT Scharf Group had 543 employees (FTE), including 3 trainees at the Hamm location. In the previous year, the Group employed a workforce of 405 FTEs (including 6 trainees). In order to manage production capacity flexibly, SMT Scharf also draws on short-term and temporary staff in accordance with the three-layer model. In the event of sustainable growth, these temporary workers are then taken on accordingly in the respective higher layer.

In Germany, SMT Scharf relied on existing personnel capacities, so that the number of employees as of 30 June 2025 stood at 135 FTEs (H1 / 2023: 137 FTE) and remained almost constant. In order to cover short-term peaks in demand, temporary workers were also deployed, particularly in Germany.

	H1 / 2024	H1 / 2025
Total employees	405	543
Employees in Germany	137	135
Employees abroad	268	408
Proportion of female employees (%)	18.0	16.2

By comparison with the first half year of 2024, the number of employees at foreign locations advanced from 268 FTEs to a current 408 FTEs. This increase is primarily due to the full consolidation of Xinsha. The proportion of employees working abroad therefore rose to 75.1% (H1 / 2024: 66.2%).

Research and development

In order to drive research and development activities forward and realize synergies within the SMT Scharf Group, SMT Scharf is focusing in particular on closer networking with the now fully consolidated joint venture company Xinsha from Shandong Province, China. A so-called Global Technical Council was successfully introduced to harmonize development systems and design systems within the SMT Scharf Group. An initial global project in the field of battery-powered monorail systems was launched in the first half of 2025 in close cooperation between the sites in China, Germany, Poland and South Africa.

SMT Scharf continues to focus on the development of emission-free, sustainable transportation equipment for the traditional mining market. In order to meet the requirements for future applications, SMT Scharf is developing and marketing a battery-operated monorail hanging rail system for underground mines in firedamp-prone environments. This will satisfy both the Chinese market in terms of its requirements for variable application options and, in future, the Polish market with its specific requirements in terms of size and the environmental conditions

underground. Mining approval for the Chinese market has already been granted, and the European approval is expected already in the second half of 2025.

Automation solutions and smart machine control for underground transport systems, which are required by Chinese cooperation partners and customers, among others, are being incrementally implemented in series production. Here, SMT Scharf is drawing on its decades of experience in underground mining and tunnel construction to further develop its proven, sustainable product designs to meet the requirements of the respective market segments.

In the tunnel logistics area, SMT Scharf focuses on meeting demand for transportation systems for rail-based material and passenger transport. As part of a major order, specific transportation systems were developed and successfully tested for an infrastructure project in the Middle East, meaning that commissioning can now take place. Individual system control was also an important focus in this project, which SMT Scharf adapted to the respective conditions.

In the hard rock mining area, SMT Scharf is focusing on further optimizing its electric monorail hanging railroads, which have already been in use for more than twenty years. For example, electrically operated monorail hanging railroads are now available in hazardous areas, as well as in mineral mining and tunnel construction, which can be operated with various energy sources, whether direct current collector, an explosion-proof lithium-iron-phosphate battery or a capacity-optimized nickel-manganese-cobalt battery. In addition, individual, electrified transport machines such as a battery-powered wheel loaders round off the sustainable portfolio.

Our customer proximity and many years of experience in mining, combined with the existing potential and passion in product development, which are subject to the most stringent requirements, ensure that SMT Scharf remains well positioned worldwide as the preferential supplier of efficient and sustainable transportation logistics – now, and also in tomorrow's mines.

Expenses for research and development amounted to EUR 1.5 million in the first half of 2025 (H1 / 2024: EUR 1.1 million). The share of capitalized development costs in overall research and development costs stood at EUR 43 thousand (H1 / 2024: EUR 226 thousand). No amortization of capitalized development costs was carried out in the reporting year (H1 / 2024: EUR 149 thousand).

Economic and business report

Macroeconomic environment

According to the International Monetary Fund (IMF), the global economy recorded growth of 3.3% in 2024 as stated in the World Economic Outlook of July 2025 (2023: 3.5%). In its latest economic report, the IMF has slightly lifted its forecast for global growth in 2025 by 0.2 percentage points to 3.0%. The reasons given for this are an unexpectedly high volume of business activities brought forward in anticipation of further tariffs, as well as the easing of tensions on the financial markets due to the weak US dollar. Nevertheless, attention is drawn to the high level of uncertainty resulting from the smoldering trade disputes and the numerous geopolitical tensions and conflict areas that pose risks for the global economy.

According to the IMF, the Chinese economy expanded by 5.0% in 2024. The economy benefited from high production and government fiscal support measures. The IMF forecasts growth of 4.8% for 2025, while experts see several challenges for the country. Growth is being hampered by low domestic consumption, problems in the real estate sector as well as the trade dispute with the USA.

In Russia, the economy grew by 4.3% in 2024. By contrast, the IMF expects a noticeable decline in economic output in 2025, which is set to grow by a mere 0.9%. In Poland, growth amounted to 2.9% in 2024 and the IMF anticipates even higher economic growth of 3.2% in 2025. This means that the Polish economy is expanding significantly faster than the EU average. Government investment is one of the main reasons for the high level of growth, which is likely to increase further thanks to the release of EU funds. In addition, declining inflation and the low key interest rate in Poland are contributing to livelier, upbeat consumer spending. In South Africa, economic output grew by a mere 0.5% in 2024 and the IMF is forecasting slightly stronger growth of 1.0% for 2025. The tariffs announced by the USA are one of the main reasons for the low growth, which are weighing on South African exports. The shortage of skilled workers and energy supply problems are additional negative factors.

The four aforementioned countries represent SMT Scharf's most important sales markets. Together, the customers that are situated there regularly account for more than 85% of Group sales revenues.

GDP growth in the most important sales markets* (in %)	2024
World	3.3
China	5.0
Poland	2.9
Russia	4.3
South Africa	0.5

*Source: *IMF World Economic Outlook, July 2025

SMT Scharf limits the impact of foreign exchange risks through the partial relocation of production and purchasing processes to the company's sales markets. In the first half of 2025, the euro gained strength and made significant gains against the Chinese renminbi. However,

this leads to significantly negative foreign currency effects for SMT Scharf AG in the interim financial statements for the first half of 2025, which burden earnings accordingly.

Exchange rate changes in the most important sales markets* (in %)	H1 2025	H1 2024
Yuan Renminbi (China) / Euro	-11.5	+0.7
Zloty (Poland) / Euro	+0.8	+1.4
Rouble (Russia) / Euro	+20.0	+8.5
Rand (South Africa) / Euro	-8.1	+4.3

*Source: European Central Bank, change during the year

*Source: Currency exchange rates from Commerzbank AG, Frankfurt am Main

Sector trends

Prices for energy commodities and metals fell during the reporting period. The S&P GSCI Energy and Metal Index, which is important for the industry, was down by 3.7% between January and June 2025. The oil price also developed negatively during the reporting period, decreasing by 8.2% in the first half of 2025. In the same period, the price of coal fell by just under 5%. German mechanical and plant engineering companies are currently concerned about the economic situation. According to figures from the German Engineering Federation (VDMA), the industry in Germany generated revenue of EUR 253 billion in 2024, while production was down by 8% in 2024. At its annual press conference, the VDMA also forecast a 2% decline in price-adjusted production for 2025.

PwC also noted a negative situation in its mechanical engineering barometer of April 2025. The sector as a whole expects sales to fall by 3.7% in 2025 and 61% of the machine and plant manufacturers surveyed are pessimistic with regard to the development of the German economy.

The OECD forecast, according to which global demand for raw materials is set to double by 2060, provides reason for optimism. The VDMA expects higher demand emanating especially from companies focusing on the extraction of raw materials utilised in alternative forms of energy generation. The EU Commission is also forecasting an unprecedented increase in demand for relevant raw materials for the green and digital transformation.

The mining supply industry is also set to benefit from higher demand for mineral fertilisers for agricultural production. Consequently, the global mining equipment market is forecast to grow from USD 83.7 billion in 2024 to USD 136.3 billion in 2034, representing a CAGR of 5.2% (2025–2034). More stringent legislation and environmental regulations are expected to burden growth. By contrast, VDMA emphasises that only state-of-the-art mining technology can ensure the supply of raw materials needed for climate protection and digitalisation.

SMT Scharf also perceives positive growth prospects in the tunnel segment: The International Tunneling and Underground Space Association (ITA) anticipates further growth in the coming years. With a look to the tunnel construction projects currently in the planning stage, the ITA forecasts that global investment will total EUR 1,385 billion by 2030. Business Research Insights also confirms the growth trend and forecasts that the global tunnel construction market will expand from USD 109.75 billion in 2024 to USD 208.38 billion in the year 2033. This

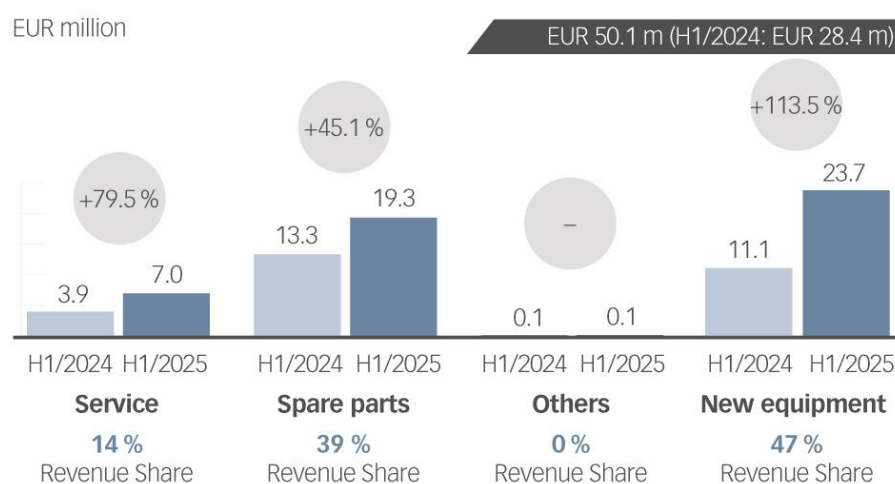
corresponds to a significant increase in revenue of 7.4% - and also results in attractive sales opportunities for SMT Scharf.

Based on diversification according to products, application areas, customer groups and regional markets, SMT Scharf is positioning its business model on several pillars. This will mitigate the impact of the cyclically progressing coal mining sector on the business development of SMT Scharf.

Business performance and results of operations, net assets and financial position

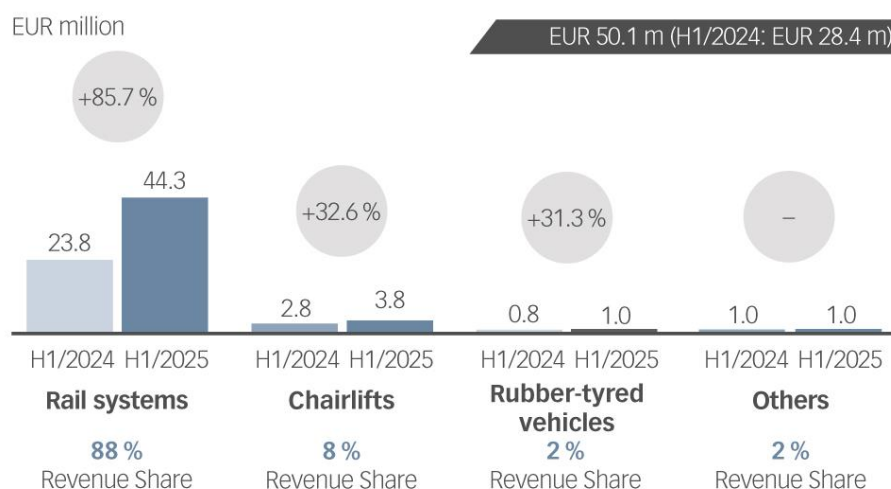
In the first half of the 2025 fiscal year, the SMT Scharf Group generated consolidated revenue of EUR 50.1 million. This corresponds to a significant year-on-year rise by 76.4% (H1 / 2024: EUR 28.4 million). The increase in revenue was largely attributable to the full consolidation of the joint venture company Shandong Xinsha Monorail Co. The Tunnel Logistics segment also contributed to the positive development with significant sales growth driven by the major order in the Middle East. Above all, the new equipment and systems business in particular benefited from the aforementioned effects, and climbed by 113.5% to EUR 23.7 million in the reporting period (H1 / 2024: EUR 11.1 million). In addition, the service business and the spare parts business also recorded revenue gains. In the Services area, SMT Scharf significantly increased its revenue by 79.5% to EUR 7.0 million in the first half of 2025, compared with EUR 3.9 million in the same period of the previous year. Revenue of spare parts advanced by 45.1% to EUR 19.3 million (H1 / 2024: EUR 13.3 million). As in the same period last year, the Other segment contributed EUR 0.1 million to total revenue.

Revenue share by type of business



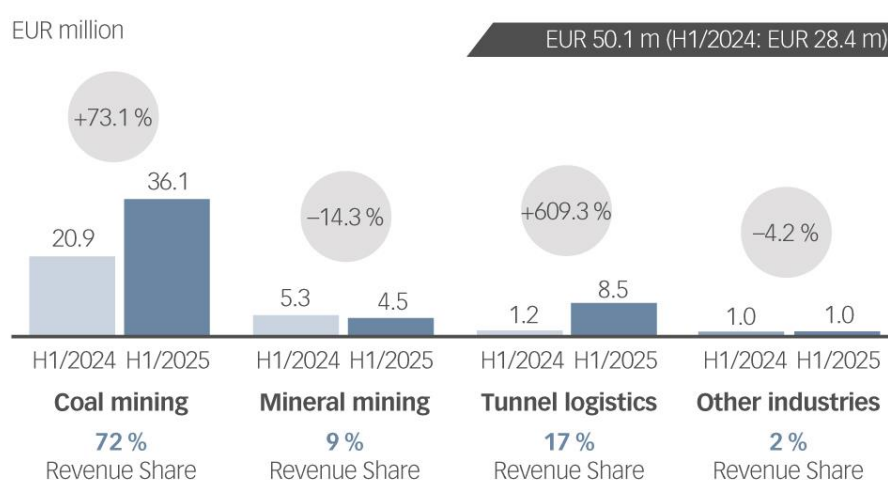
The rail systems product area recorded an increase in revenue of 182.2% to EUR 44.3 million in the reporting period (H1 / 2024: EUR 23.8 million). At 88.4%, this product category continued to account for the largest share of total revenue (H1 / 2024: 83.8 %). Revenue in the chairlift segment increased from EUR 2.8 million in the prior year period to EUR 3.8 million in the first six months of the 2025 financial year. Their share of total revenue decreased from 10.0% in the same period of the previous year to a current 7.6%. At EUR 1.0 million, revenue in the rubber-tyred vehicles product area also exceeded the previous year's figure of EUR 0.8 million. The share of Group revenue accounted for by rubber-tyred vehicles fell from 2.7% in the same period of the previous year to 2.0% in the first half of 2025.

Revenue share by product



Regarded by segment, SMT Scharf recorded revenue growth by 72.7% to EUR 36.1 million in the Coal Mining segment (H1 / 2024: EUR 20.9 million). At 72.1%, the segment continues to make the largest contribution to Group revenues (H1 / 2024: 73.6 %). In mineral mining, however, revenue contracted by 17.5% to EUR 4.5 million or 9.0% in the first half of 2025 (H1 / 2024: EUR 5.3 million or 18.5%). Revenue in the Tunnel Logistics segment advanced significantly by EUR 7.3 million to EUR 8.5 million (H1 / 2024: EUR 1.2 million). This resulted in a significantly higher share of total revenue of 17.0% in the first half of 2025 (H1 / 2024: 4.2%). In the "Other Industries" segment, revenue amounted to EUR 1.0 million, as in the same period of the previous year. The share of total revenue fell to 2.0% (H1 / 2024: 3.7%).

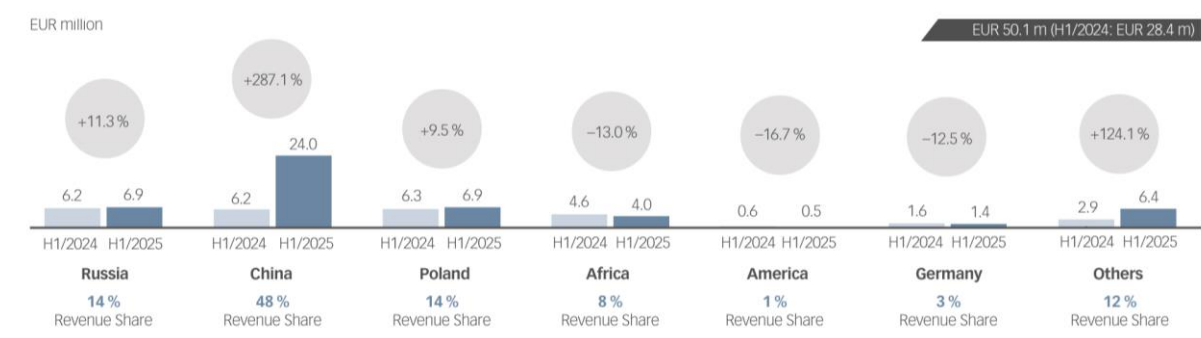
Revenue share by segment



In the key foreign market of China, revenue increased significantly to EUR 24.0 million in the first half of 2025 (H1 / 2024: EUR 6.2 million), which resulted from the marked gains in new investment business. New order intake amounted to EUR 6.9 million in the 2025 fiscal year compared to EUR 6.2 million in the previous year. In the Polish sales market, SMT Scharf

succeeded in generating revenue of EUR 6.9 million (H1 / 2024: EUR 6.3 million). At EUR 1.4 million, sales revenue in Germany stood slightly below the previous year's level (H1 / 2024: EUR 1.6 million). Sales in the Africa region were also down by 13.0% to EUR 4.0 million in the reporting period, compared to EUR 4.6 million in the same period of the previous year.

Revenue share by region



At EUR 3.8 million, **changes in inventories** were recorded below the previous year's level (H1 / 2024: EUR 9.9 million), total operating revenue (defined as the sum of sales revenue and changes in inventories) was up by 40.7% to EUR 53.9 million due to the year-on-year increase in sales revenue (H1 / 2024: EUR 38.3 million).

Other operating income rose by 5% to EUR 2.1 million in the first half of 2025 (H1 / 2024: EUR 2.0 million). One of the main reasons for this is the hedging of a USD loan in June 2025, as well as changes in the ruble and Chinese yuan exchange rates.

At EUR 11.3 million, **other operating expenses** were significantly higher than the previous year's figure of EUR 6.7 million. The full consolidation of Xinsha also had an impact here, with expenses amounting to EUR 3.1 million. In addition, the weakness of the Chinese yuan against the euro contributed around EUR 1.7 million to this increase.

The **cost of materials** rose by 29.9% from EUR 22.4 million in the prior year period to EUR 29.1 million in the first half of 2025. By contrast, the cost of materials ratio (in relation to operating performance) decreased to 53.9% (H1 / 2024: 58.5%).

By comparison, **personnel expenses** were up by 7.5% to EUR 11.5 million in the first half of 2025 (H1 / 2024: EUR 10.7 million), which is fully attributable to the consolidation of Xinsha. The personnel expenses ratio, however, decreased to 21.3% (H1 / 2024: 30.5%).

At EUR 1.3 million, **depreciation and amortization** on fixed assets slightly exceeded the previous year's level (H1 / 2024: EUR 1.2 million).

The **result from operating activities (EBIT)** was positive at EUR 2.7 million in the first six months of the current financial year (H1 / 2024: EUR -0.8 million). The year-on-year increase in earnings is mainly due to the gains in sales revenue and the full consolidation of the joint venture company Shandong Xinsha Monorail Co. At segment level, EBIT in the significantly expanded Coal Mining segment improved to EUR 0.7 million in the first half of 2025 (H1 / 2024: EUR -1.1 million). In the Mineral Mining segment, EBIT dropped to EUR -161 thousand after EUR 161 thousand in the same period of the previous year due to the decline in sales. The Tunnel Logistics segment made a positive contribution of EUR 2.4 million (H1 / 2024: EUR 0.2

million), while the Other Industries segment recorded a slightly negative result of EUR –90 thousand (H1 / 2024: EUR -34 thousand).

The Group's **financial result** decreased to EUR -0.4 million in the reporting period (H1 / 2024: EUR 1.4). This was due to the missing income from at-equity investments compared to the previous year. Meanwhile, the result from operating activities in the first half of 2025 resulted in income taxes of EUR 0.7 million (H1 / 2024: EUR -0.2 million).

Overall, SMT Scharf recorded a positive **Group result** of EUR 1.8 million in the first half of 2025 (H1 / 2024: EUR 856). Based on the average number of shares outstanding of 5,471,979, basic earnings per share amounted to EUR 0.01 in the reporting period (H1 / 2024: EUR 0.15).

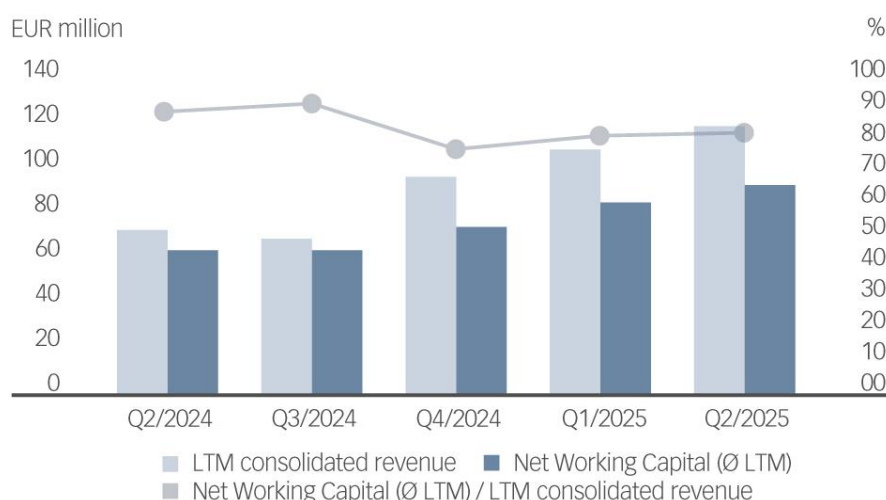
At EUR 39.9 million, **order intake** in the first six months of 2025 was significantly below the previous year's figure of EUR 53.8 million. This reflects the restrained willingness to invest in the international mining markets. SMT Scharf's **order backlog** amounted to EUR 21.5 million as of the 30 June, 2025 reporting date (June 30, 2024: EUR 48.0 million).

As of the reporting date of 30 June, 2025, **total assets** decreased to EUR 160.7 million (31 December 2024: EUR 179.7 million). Consequently, trade receivables were down significantly to EUR 58.1 million (31 December 2024: EUR 75.9 million). Overall, **current assets** dropped to EUR 137.3 million as of 30 June 2025 (31 December 2024: EUR 155.6 million). It is to be noted that cash in Russia has been subject to restrictions on disposal since the beginning of 2025. **Non-current assets** also decreased to EUR 23.3 million as of 30 June 2025 compared to the end of 2024 (31 December 2024: EUR 24.2 million).

On the liabilities side of the balance sheet, **non-current provisions and liabilities** contracted slightly and amounted to EUR 7.8 million as of 30 June 2025 (31 December 2024: EUR 8.2 million). The **current provisions and liabilities** decreased markedly from EUR 53.4 million on 31 December 2024 to EUR 43.8 million on the reporting date June 30 2025. The significant decline compared with the same reporting date last year is primarily attributable to the fact that the major order in the tunnel logistics segment was largely completed and thus recognised in the income statement.

In the period under review SMT Scharf continued to have a solid equity base. SMT Scharf's **equity** amounted to EUR 113.4 million as of the 30 June 2025 balance sheet date, down by 4.1% by comparison with the 31 December 2024 reporting date (EUR 118.2 million). The equity ratio increased to 70.6% as of 30 June 2025 (31 December 2024: 69.9%).

Net working capital



As of 30 June 2025, **net working capital** amounted to EUR 97.9 million, a significant decrease of 7.3% compared to the end of 2024 (31 December 2024: EUR 105.6 million). This was primarily due to the significant decline in trade receivables and only a moderate increase in inventories as of the reporting date. The average net working capital for the past twelve months (LTM, calculated on the basis of quarterly figures) amounted to EUR 93.9 million as of 30 June 2025. Rolling consolidated sales for the past twelve months amounted to EUR 116.7 million as of the balance sheet date. This results in a lower net working capital intensity of 80.4% compared to the previous year's reporting date. Over the medium term, SMT Scharf aims to reduce net working capital intensity to <50%.

Comparison of the actual financial position and performance with the forecast

With the publication of the 2024 Annual Report, the Managing Board of SMT Scharf AG announced its forecast for the current 2025 fiscal year. Due to the fact that Xinsha will be consolidated for the entire reporting period for the first time in the 2025 financial year, the Managing Board expects consolidated revenue of between EUR 110 million and EUR 130 million and EBIT within the range of EUR 5.5 million to EUR 7.5 million for the 2025 financial year.

Based on the figures for the first half of 2025, SMT Scharf had not yet achieved its expectations for 2025 as a whole as of the reporting date:

- At EUR 50.1 million, actual Group revenue in the first half of 2025 were below the pro rata forecast in the bracket between EUR 55 million and EUR 65 million.
- At EUR 2.9 million, actual EBIT was recorded within the pro rata EBIT forecast corridor of between EUR 2.75 million and EUR 3.75 million.

Overall statement on the company's business position

The SMT Scharf Group significantly increased its revenue and earnings in the first half of 2025 compared to the same period of the previous year. On the one hand, the full consolidation of the joint venture company Xinsha has a positive effect. On the other hand, investment activity in the relevant mining markets, including China, remains very subdued. There are signs that order intake planned for 2025 will be postponed until after 2026. The significant revenue growth in the Tunnel Logistics segment should be highlighted as a positive factor, supporting the targeted diversification of the business into areas outside of coal. SMT Scharf can continue to build on a solid financing situation to implement its corporate strategy. At 68.7%, the equity ratio is at a very high level in connection with a moderate level of financial debt. Overall, SMT Scharf will continue to focus on developing innovative transportation solutions for underground mining and tunnel construction sites over the remainder of the year, as well as on further expanding its activities in key sales regions.

Risk, opportunity and supplementary report

The opportunities and risks associated with the future development of the SMT Scharf Group are presented in detail in the Group management report for the 2024 fiscal year (see pages 31-35).

On 18 July 2025, the EU adopted its 18th package of sanctions against Russia. Among other things, this package of measures targets the energy and banking sectors. SMT Scharf AG is thus confronted with further tightened sanctions, the final impact of which on the SMT Scharf Group's business is not yet foreseeable. As part of the risk management system we have in place, we will assess geopolitical risks appropriately and take appropriate measures if necessary.

Outlook

According to the International Monetary Fund (IMF), the global economy grew by 3.3% in 2024. The IMF is forecasting global economic growth of 3.0% for 2025, thereby confirming the positive signs for the development of global gross domestic product in the short term, in spite of the continued high level of uncertainty. The reasons cited for this are an unexpectedly high volume of business activities brought forward in anticipation of further tariffs as well as the easing of tensions on the financial markets due to the weak US dollar. Nevertheless, risks for the global economy are perceived in the smoldering trade disputes and the numerous geopolitical tensions and international conflict areas. Furthermore, the global process of disinflation is progressing and inflation will reach 4.2% in 2025. Inflationary risks, however, lie in continuing price increases for services in the USA and the eurozone.

The IMF forecasts the following GDP growth rates in SMT Scharf's target markets:

GDP growth in the most important sales markets for SMT Scharf AG* (in %)	2025e	2024
World	3.0	3.3
China	4.8	5.0
Poland	3.2	2.9
Russia	0.9	4.3
South Africa	1.0	0.5

Sources: *IMF World Economic Outlook, July 2025

Following on from economic growth of 5.0% in 2024, the IMF expects slightly lower growth of 4.8% in China in 2025. Although this represents high growth rates by international standards, China would still be lagging behind the pace of expansion seen in previous years. Problems in the real estate sector, restrained domestic consumption and increased trade policy uncertainties are incurring negative impacts. On the plus side, however, China is benefiting from low inflation, export growth and the economic stimuli that have been introduced.

In spite of continued high volatility in the market environment, SMT Scharf believes that it is fundamentally well positioned in the niche to implement customised transport and logistics solutions for its customers worldwide. As before, SMT Scharf is focusing on its core markets of China, Poland, South Africa and America. While the IMF is forecasting a slowdown in growth momentum for China in 2025, the economy in the key sales markets of Poland and South Africa is expected to grow in the current year. Overall, the Managing Board expects the international mining markets to remain challenging, reflecting very subdued capital spending by coal mining companies and delays in projects and planned order intake. Over the long term, the company believes that trends such as stricter regulation, for example with regard to emissions standards, and the high demand for innovative mining technology in modern mines will continue to ensure attractive growth prospects in these important core markets.

The Managing Board has revised its revenue and earnings forecasts for 2025. According to the new forecast, consolidated revenue for the full year 2025 is expected to range between EUR 100 million and EUR 120 million, with EBIT ranging between EUR 0.5 million and EUR

2.5 million. Previously, the Managing Board had expected consolidated revenue of between EUR 110 million and EUR 130 million and EBIT in the range of EUR 5.5 million to EUR 7.5 million. In order to diversify further and continue to reduce its dependency on coal mine operators, SMT Scharf will work towards further expanding its activities in business segments outside of coal. As part of its corporate strategy, the company will continue to focus in the future on operative excellence, as well as on both external growth and organic growth, in order to further strengthen SMT Scharf's market position.

Hamm, 22 August 2025

SMT Scharf AG

The Managing Board

IFRS half-year financial statements (unaudited)

Consolidated balance sheet

(EUR thousand)	30/6/2025	30/06/2024	31/12/2024
Assets			
Intangible assets	6,952	6,700	7,777
Property, plant and equipment	9,048	6,853	8,872
Loans	628	649	628
Equity accounted investments	0	22,286	0
Other investments	7	7	7
Deferred tax assets	6,513	4,826	6,663
Non-current lease receivables	110	0	192
Other non-current non-financial assets	60	1	28
Non-current assets	23,318	41,332	24,167
Inventories	52,077	45,091	50,670
Trade receivables	58,133	25,486	75,889
Contract assets	4,788	525	7,505
Current lease receivables	127	204	126
Other current non-financial liabilities	5,485	4,056	5,568
Other current non-financial assets in connection with employee benefits, employee benefit entitlements	700	1,494	715
Cash and cash equivalents	16,024	9,360	15,100
Current assets	137,334	86,216	155,573
Total assets	160,652	127,538	179,740

(EUR thousand)	30/6/2025	30/6/2024	31/12/2024
Equity and liabilities			
Subscribed share capital	5,472	5,472	5,472
Capital reserve	23,623	23,623	23,623
Revenue reserves	69,516	65,867	70,599
Other reserves	-9,711	-7,667	-9,023
Non-controlling interests	24,453	1,859	27,508
Equity	113,353	89,154	118,179
Provisions for pensions	2,438	2,442	2,521
Other non-current provisions	230	195	232
Deferred tax liabilities	1,251	748	1,152
Lease liabilities	2,039	2,319	1,836
Non-current financial liabilities	352	40	435
Other non-current financial liabilities	1,464	1,965	2,016
Non-current provisions and liabilities	7,774	7,709	8,192
Current income tax	5	3,342	341
Other current provisions	4,199	5,330	6,182
Contract liabilities	1,543	4,542	6,355
Trade payables	10,942	3,289	15,063
Lease liabilities	803	841	925
Current financial liabilities (cash and cash equivalents)	16,079	8,604	3,433
Current financial liabilities (not cash and cash equivalents)	0	3,560	15,093
Other current non-financial liabilities	5,954	1,167	5,977
Current provisions and liabilities	39,525	30,675	53,369
Total equity and liabilities	160,652	127,538	179,740

Consolidated statement of comprehensive income

EUR thousand	Q2/2025	Q2/2024	H1/2025	H1/2024
Revenue	27,201	15,900	50,057	28,356
Changes in inventories	-944	7,838	3,806	9,945
Total operating revenue (100 %)	26,257	23,738	53,863	38,301
Other operating income	822	888	2,144	2,008
Cost of materials	12,457	14,778	29,052	22,424
Personnel expenses	5,779	5,320	11,485	10,726
Depreciation, amortisation and impairment losses	644	598	1,254	1,200
Other operating expenses	6,524	3,686	11,329	6,712
Earnings from operating activities (EBIT)	1,675	244	2,887	-753
- Income from equity-accounted investments	0	1,492	0	1,868
Interest income	119	151	224	348
Interest expenses	314	419	657	771
Financial result	-195	1,224	-433	1,445
Profit before tax	1,480	1,468	2,454	692
Income taxes	711	167	688	-164
Consolidated net profit/loss	769	1,301	1,766	856
of which attributable to shareholders of SMT Scharf AG	-398	1,115	66	817
of which attributable to non-controlling interests	1,167	186	1,700	39
Other comprehensive income items to be reclassified to profit or loss at a later date:				
Currency differences from translation of foreign financial statements	-3,711	1,313	-3,089	1,385
Share of other comprehensive income attributable to equity accounted investments	0	111	0	201
Other comprehensive income items not to be reclassified to profit or loss at a later date:				

Actuarial gains / losses	0	0	0	0
Deferred taxes	0	0	0	0
Other comprehensive income	-3,711	1,424	-3,089	1,586
of which, share of other comprehensive income attributable to shareholders of SMT Scharf AG	-2,203	1,385	-688	1,539
of which, share of total comprehensive income attributable to non-controlling interests	-1,508	39	-2,401	47
Total comprehensive income	-2,942	2,725	-1,323	2,442
of which attributable to shareholders of SMT Scharf AG	-2,601	2,500	-622	2,356
of which, share of total comprehensive income attributable to non-controlling interests	-341	225	-701	86
Earnings per share *				
Undiluted (basic)	-0.07	0.20	0.01	0.15
Diluted	-0.07	0.20	0.01	0.15
Average number of shares undiluted	5,471,979	5,471,979	5,471,979	5,471,979
Average number of shares diluted	5,471,979	5,471,979	5,471,979	5,471,979

Consolidated cash flow statement

EUR thousand	H1/2025	H1/2024
Consolidated net profit/loss	1,766	856
-/+ Income / expenses from equity-accounted investments	0	-1,868
+ Depreciation and amortisation of non-current assets	1,254	1,200
-/+ Gain/losses on disposal of non-current assets	65	85
+/- Increase/decrease in provisions	-1,965	-622
-/+ Increase/decrease in inventories, trade receivables and other assets not allocable to investing or financing activities	15,941	4,160
+/- Increase/decrease in liabilities from trade receivables and other liabilities not allocable to investing or financing activities	-10,568	2,787
+/- Other non-cash expenses/income	0	0
+/- Income taxes	688	-164
+/- Financial expenses	433	423
-/+ Income taxes paid	-1,718	-615
Cash flow from operating activities	5,896	6,242
+ Cash inflows from disposal of items of property, plant and equipment	0	0
- Capital expenditure on property, plant and equipment	-208	-267
- Capital expenditure on intangible assets	-106	-254
+ Interest received	224	347
Cash flow from investing activities	-90	-174
+ Cash inflow from loans taken out, including from securities repurchase transactions	0	975
- Cash outflow for the repayment of lease liabilities	-475	-356
+ Cash inflow from sale-and-leaseback agreements	23	0
- Cash outflow for the repayment of loans	-5,128	-2,972
- Interest paid	-366	-633
Cash flow from financing activities	-7,095	-2,986
Net change in cash and cash equivalents	-1,289	3,083
Changes in cash and cash equivalents due to effects from exchange rates and consolidated Group cash and cash equivalents	-869	279
Cash and cash equivalents at start of period	11,666	-2,606
Cash and cash equivalents at end of period	9,508	756

Consolidated statement of changes in equity

EUR thousand			Profit		Other re-serve s	Equity at-tributa-ble to SMT Scharf AG share-holders	Non-control-ling in-terests	Total equity
			reserves					
			Actuarial gains and losses	Other reve-nue re-serves	Differ-ence from			
cur-ency con-ver-sion								
	Subscribed share capital	Capital re-serve						
Balance on 1/1/2025	5,472	23,623	-35	70,633	-9,023	90,671	27,508	118,179
Group result	-	-	-	66	-	66	1,700	1,766
Currency difference from translating results from foreign annual financial statements	-	-	-	-	-688	-688	-2,401	-3,089
Share of other comprehensive income attributable to	-	-	-	-	-	-	-	0
at equity investments								
Recognition of actuarial gains/losses	-	-	-	-	-	-	-	-
Deferred taxes on recognized actuarial gains/losses	-	-	-	-	-	-	-	-
Total expenses and income recognized	-	-	-	66	-688	-622	-701	-1,323
Dividends paid by the parent company	-	-	-	-1,149	-	-1,149	-	-1,149
Dividends at subsidiaries	-	-	-	-	-	-	-2,354	-2,354
Balance on 30/6/2025	5,472	23,623	-35	69,550	9,711	88,900	24,453	113,353

EUR thousand			Revenue		Other re-serve s	Equity at-tributa-ble to SMT Scharf AG share-holders	Non-control-ling in-terests	Total equity
			reserves					
			Actuarial gains and losses	Other reve-nue re-serves	Differ-ence from			
cur-rency con-ver-sion								
	Subscribed share capital	Capital re-serve						
Balance on 1/1/2024	5,472	23,623	19	65,031	-9,206	84,939	1,773	86,712
Group result	-	-	-	856	-	817	39	856
Currency difference from translating results from foreign annual financial statements	-	-	-	-	1,338	1,338	47	1,385
Share of other comprehensive income attributable to	-	-	-	-	201	201	-	201
at-equity investments								
Recognition of actuarial gains/losses	-	-	-	-	-	-	-	-
Deferred taxes on recognized actuarial gains/losses	-	-	-	-	-	-	-	-
Total expenses and income recognized	-	-	-	856	1,539	2,356	86	2,442
Increase in equity due to shares to be issued	-	-	-	-	-	-	-	-
Balance on 30/6/2024	5,472	23,623	19	65,887	-7,667	87,295	1,859	89,154

Notes

Information about SMT Scharf AG and the SMT Scharf Group

SMT Scharf AG, Römerstrasse 104, 59075 Hamm, Germany (hereinafter also referred to as the “company”) was formed on 31 May 2000, under German law. It is the management holding company for the companies in the SMT Scharf Group. In addition to 49,477 treasury shares, all remaining 5,471,979 shares of SMT Scharf AG are available for trading on the Frankfurt Stock Exchange in the Prime Standard. The purpose of the companies in the SMT Scharf Group is to plan, produce, sell, install and maintain machinery and equipment to transport people, equipment and material and to hold participating interests. SMT Scharf AG has its registered offices in Hamm and is entered into the commercial register at the District Court of Hamm under commercial register sheet number 5845.

General information on reporting

This half-yearly financial report of the SMT Scharf Group as of 30 June 2025 comprises condensed interim consolidated financial statements and an interim group management report pursuant to Section 37w (2) of the German Securities Trading Act (WpHG). The condensed interim consolidated financial statements have been prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS), as applicable in the EU, for interim financial reporting (IAS 34). The accounting policies and calculation methods applied are the same as those used in the consolidated financial statements in accordance with IFRS as of 31 December 2024. Income taxes were accrued on the basis of the tax rate expected for the year as a whole. The interim Group management report was prepared in accordance with the applicable provisions of the WpHG. The half-year financial report has not been reviewed by an auditor.

The interim financial statements provide a true and fair view of the SMT Scharf Group's net assets, financial position and results of operations for the period under review. These condensed interim consolidated financial statements do not contain all the disclosures required by IFRS for consolidated financial statements and should therefore be read in conjunction with the consolidated annual financial report as of 31 December 2024, which forms the basis for these interim financial statements. Please also refer to the interim management report in this document for information on significant changes and transactions up to 30 June 2025.

The consolidated financial statements have been prepared in Euros. Unless otherwise indicated, all amounts in the notes to the financial statements are stated and rounded to thousands of Euros (EUR thousand).

New standards and interpretations

Please refer to the 2024 Annual Report for a detailed description of the standards to be applied in the future.

Currency translation

The exchange rates of the most important currencies developed as follows:

	Closing rate		Average rate	
	30/6/2025	30/6/2024	2025	2024
1 Euro =				
Polish Zloty	4.2423	4.3090	4.2310	4.3167
South African Rand	20.8411	19.4970	20.0900	20.2467
Chinese Renminbi Yuan	8.3970	7.7748	7.9260	7.8011
Russian Rouble	92.1500	92.0000	93.3583	97.7850
Canadian Dollar	1.6027	1.4670	1.5403	1.4685

Scope of consolidation

The scope of consolidation in the current reporting period was as shown below.

In addition to SMT Scharf AG, the following controlled companies are included in the SMT Scharf Group's consolidated financial statements:

SMT Scharf GmbH, Hamm, Germany	100%****
SMT Scharf Polska Sp. z o.o., Tychy, Poland	100%
SMT Scharf Africa (Pty.) Ltd., Gauteng, South Africa	70%
Scharf Mining Machinery (Beijing) Co., Ltd., Xuzhou, China	100%
Scharf Mining Machinery (Beijing) Co., Ltd., Beijing, China	100%***
SMT Scharf Sudamerica SpA, Santiago, Chile	100%
OOO SMT Scharf, Novokuznetsk, Russian Federation	100%*
OOO SMT Scharf Service, Novokuznetsk, Russian Federation	100%**
RDH Mining Equipment, Alban Ontario, Canada	100%
ser elektronik GmbH, Möhnesee, Germany	51%
Shandong Xinsha Monorail Co. Ltd., Xintai/China	50%***

* of which 1.25% indirectly through SMT Scharf GmbH

** indirectly through OOO SMT Scharf

*** indirectly through SMT Scharf GmbH

***** exemption pursuant to Section 264 (3) of the German Commercial Code (HGB)

Notes to the income statement

(1) Revenue

Revenue is composed of the following items:

	Q2/2025	Q2/2024	H1/2025	H1/2024
New equipment and systems	12,383	6,374	23,727	11,067
Spare parts / Service / Other	14,818	9,526	26,330	17,289
Total	27,201	15,900	50,057	28,356
Germany	943	636	1,406	1,558
Other countries	26,258	15,264	48,651	26,798
Total	27,201	15,900	50,057	28,356

(2) Income taxes

Income taxes are composed of the following items:

	Q2/2025	Q2/2024	H1/2025	H1/2024
Current tax expense	442	339	676	529
Deferred taxes	269	-171	12	-692
Total	711	168	688	-163

(3) Segment report

According to IFRS 8, the identification of operating segments subject to reporting is based on the “Management Approach”. External segment reporting is then carried out on the basis of the Group's internal organizational and management structure and internal financial reporting to the highest management body (“Chief Operating Decision Maker”). In the SMT Scharf Group, the Managing Board of SMT Scharf AG is responsible for evaluating and managing the business success of the segments, and is regarded as the highest management body within the meaning of IFRS 8.

SMT Scharf AG reports on four operating segments, which are managed independently by segment-responsible bodies according to the type of products and services offered, brands, sales channels and customer profiles. Sales and intermediate consumption between the segments are of minor importance and are not reported separately.

EUR thousand	Coal mining		Mineral Mining		Tunnel Logistics		Other Industries		Not assigned		SMT Scharf Group	
	H1/2025	H1/2024	H1/2025	H1/2024	H1/2025	H1/2024	H1/2025	H1/2024	H1/2025	H1/2024	H1/2025	H1/2024
Revenue	36,069	20,860	4,451	5,253	8,528	1,199	1,009	1,044	-	-	50,057	28,356
- of which new equipment and systems	12,599	6,319	2,194	2,602	7,943	1,196	990	950	-	-	23,726	11,067
- thereof spare parts	16,843	10,737	2,019	2,484	412	3	19	94	-	-	19,293	13,318
- thereof service	6,563	3,741	238	167	173	-	-	-	-	-	6,974	3,908
- thereof Other	64	63	-	-	-	-	-	-	-	-	64	63
Operating result (EBIT)	695	(1,050)	161	161	2,441	170	90	(34)	-	-	2,887	(753)
Result from equity accounted investments	-	1,868	-	-	-	-	-	-	-	-	-	1,868
Segment assets	105,612	105,193	6,298	9,449	39,438	5,162	2,791	2,906	6,513	4,826	160,652	127,537
Segment liabilities	36,247	32,655	2,399	3,036	6,491	966	911	979	1,251	748	47,299	38,384
Segment investments	807	503	-	188	-	-	2	54	-	-	809	745
- thereof IFRS 16	360	124	-	188	-	-	-	32	-	-	360	344
Investments in companies accounted for using the equity method	-	22,285	-	-	-	-	-	-	-	-	-	22,285
Scheduled depreciation	912	976	171	131	118	25	53	67	-	-	1,254	1,199
FTE	469	340	50	51	5	5	19	22	-	-	543	418

Notes to the balance sheet

(4) Non-current assets

The SMT Scharf Group leases internally developed machines and heavy-load lifting beams as a lessor in the context of finance leases. On 30 June 2025 the carrying amount of lease receivables stood at EUR 237 thousand (31 December 2024: EUR 318 thousand) .

As at the balance sheet date, as at the end of the previous year, no leased assets were recognized as leased items under property, plant and equipment as part of operating leases.

As of 30 June 2025, non-current assets include right-of-use assets from leases in which the Group is the lessee. Their carrying amount as of 30 June 2025 is EUR 2,563 thousand (31/12/2024: EUR 2,440).

In the first six months of 2025, development expenses of EUR 43 thousand were capitalized for projects (H1/2024: EUR 253 thousand), which meets the recognition criteria of IAS 38.

(5) Equity

The changes in the SMT Scharf Group's equity are shown in the statement of changes in equity.

As a consequence, as of the 30 June 2025 balance sheet date, a total of 5,521,456 ordinary registered shares of SMT Scharf AG were in issue in the form of no-par-value shares with a notional value of EUR 1 per share. All shares have been fully paid in and grant the holders the same rights.

A dividend of EUR 0.21 per share was paid in the first six months of 2025 (EUR 1,149 thousand in total).

Actuarial gains and losses were not recognized for reasons of materiality, as was already the case in the comparative periods. The other changes in equity are shown in the statement of changes in equity.

Other disclosures

(6) Contingent liabilities and other financial obligations

At the end of the fiscal year under review, contingent liabilities existed from advance payment and warranty guarantees with a total value of EUR 7,884 thousand (previous year: EUR 7,612).

(7) Leases

The Group is a lessee under leases for cars, office premises and office equipment.

As of 30 June 2025, the liabilities from leases are composed as follows:

EUR thousand	Future payments on leasing liabilities	Interest share	Present value of fu- ture leasing payments
Due within one year	831	28	803
Due in one to five years	2,264	298	1,966
Due after more than five years	106	32	74
Total	3,201	358	2,843

As of 31 December 2024, the liabilities from leases are composed as follows:

EUR thousand	Future lease pay- ments	Interest share	Present value of fu- ture leasing payments
Due within one year	950	31	919
Due in one to five years	1,953	375	1,578
Due after more than five years	261	113	148
Total	3,164	519	2,645

In 2025, the rental and lease agreements resulted in payments totaling EUR 626 thousand (previous year: EUR 552 thousand). Some of these payments do not represent interest or principal payments, but were expensed instead.

In connection with the lease liabilities, interest expenses of EUR 78 thousand were recognized in the first half of 2024 (H1/2024: EUR 91 thousand).

Moreover, the Group is also a lessor as part of finance and operating leases involving drive machines.

Receivables from finance leases of EUR 237 thousand existed as of the reporting date (31 December 2024: EUR 275). They are disclosed under lease receivables and measured at amortised cost. These generated interest income of EUR 13 thousand in the reporting year (previous year H1: EUR 21 thousand). As in the previous year, there were no gains on disposal. The decrease in leasing contracts is due to the scheduled termination of leasing contracts.

Their fair value on the balance sheet date amounted to EUR 239 thousand (31 December 2024: EUR 275).

The following information is provided on receivables from finance leases:

Sum total of future minimum leasing payments (gross investment) in EUR thousand	30/6/2025	31/12/2024
Due within one year	135	184
Due in one to two years	116	118
Due in two to three years	0	0
Due in three to four years	0	0
Due in four to five years	0	0
Due after more than five years	0	0
Total	251	302
Present value of outstanding minimum lease payments in EUR thousand		
Due within one year	127	175
Due in one to two years	110	100
Due in two to three years	0	0
Due in three to four years	0	0
Due in four to five years	0	0
Due after more than five years	0	0
Total	237	275
Unrealised financial income included in the out- standing minimum lease payments	14	27

As in the previous year, no lease income from operating leases was realized in the first half of 2025.

(8) Cash flow statement

The cash flow statement shows the changes in the SMT Scharf Group's net financial position as a consequence of cash inflows and outflows during the period under review. In accordance with IAS 7, a distinction is made between cash flows from operating, investing and financing activities.

The cash flows from investing and financing activities are identified directly, in other words, these are related to payments. By contrast, the cash flow from operating activities is derived indirectly from the net profit.

The net financial position shown in the cash flow statement comprises all cash and cash equivalents reported in the balance sheet, i.e. cash in hand and bank balances, provided they are available within three months (calculated from the date of acquisition) without significant fluctuations in value). Securities available for sale and current financial liabilities are not included.

(9) Related party disclosures

Besides the Managing and Supervisory boards of SMT Scharf AG, related parties pursuant to IAS 24 include key management personnel at companies that SMT Scharf AG controls or significantly influences. Business transactions between the parent company and its subsidiaries which are regarded as related enterprises are eliminated through consolidation and are not explained in these notes to the financial statements. Concerning at equity exchange relationships, reference is made to the explanations on joint ventures in the 2024 Annual Report (p.

54 ff.). Apart from these business relationships, there were no transactions in the first half of the year.

Remuneration of the Supervisory Board

At the Annual General Meeting of SMT Scharf AG on 20 May 2025, a resolution was passed to change the remuneration system for the Supervisory Board. The members of the Supervisory Board of SMT Scharf AG will receive remuneration under the new remuneration system for the first time for the fiscal year from 1 January 2025 to 31 December 2025.

The remuneration system for the Supervisory Board is available on the company's website at <https://www.smtscharf.com/investorrelations/hauptversammlung-2025/>.

A full presentation of the remuneration of the Management Board and Supervisory Board is provided in the remuneration report accompanying the annual financial report. The remuneration report for the 2024 financial year is available on the company website at <https://www.smtscharf.com/investorrelations/corporate-governance/verguetungsbericht/>.

(10) Events after the balance sheet date

Change in the Supervisory Board

On 17 July 2025, the Supervisory Board elected Mr. Jian Liu as the new Chairman of the Supervisory Board. The Hamm Local Court had previously approved the application for the appointment of Mr. Jian Liu as a new member of the Supervisory Board.

On 1 August 2025, Supervisory Board member Qiang Yu resigned from his position as a member of the Supervisory Board of SMT Scharf AG for professional reasons.

Responsibility statement

We assure that, to the best of our knowledge, and in accordance with the applicable reporting principles for the half-year financial reporting on the half-year financial statements of SMT Scharf AG give a true and fair view of the Group's financial position and performance, and that the Group half-year management report presents the Group's business including its results and the Group's position such as to give a true and fair view, and describes the major opportunities and risks pertaining to the Group's anticipated growth and development in the remaining business year.

Hamm, 22 August 2025

Longjiao Wang Reinhard Reinartz Volker Weiss

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Disclaimer

The report on the first half of 2025 is also available in English. In the event of differences, the German version shall prevail. A digital version of SMT Scharf AG's annual report and the interim reports are available on the Internet at www.smtscharf.com in the Investor Relations section.

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