

**EV METALS UK LIMITED**

**Company Registration Number:  
11086144 (England and Wales)**

**Unaudited statutory accounts for the year ended 30 June 2022**

**Period of accounts**

**Start date: 1 December 2021**

**End date: 30 June 2022**

# **EV METALS UK LIMITED**

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# **EV METALS UK LIMITED**

## **Directors' report period ended 30 June 2022**

The directors present their report with the financial statements of the company for the period ended 30 June 2022

### **Directors**

The directors shown below have held office during the whole of the period from  
**1 December 2021 to 30 June 2022**

Michael John Naylor  
Dominic Traynor

The director shown below has held office during the period of  
**8 June 2022 to 30 June 2022**

Russell William Thomson

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on  
**9 September 2023**

And signed on behalf of the board by:  
**Name: Russell William Thomson**  
**Status: Director**

# EV METALS UK LIMITED

## Profit And Loss Account for the Period Ended 30 June 2022

	<i>7 months to 30 June 2022</i>	<i>2021</i>
	£	£
Turnover:	0	0
Cost of sales:	0	0
<b>Gross profit(or loss):</b>	<u>0</u>	<u>0</u>
Distribution costs:	0	0
Administrative expenses:	( 508,972 )	0
Other operating income:	0	0
<b>Operating profit(or loss):</b>	<u>(508,972)</u>	<u>0</u>
Interest receivable and similar income:	0	0
Interest payable and similar charges:	0	0
<b>Profit(or loss) before tax:</b>	<u>(508,972)</u>	<u>0</u>
<b>Profit(or loss) for the financial year:</b>	<u>(508,972)</u>	<u>0</u>

# EV METALS UK LIMITED

## Balance sheet

As at 30 June 2022

	<i>Notes</i>	<i>7 months to 30 June 2022</i>	<i>2021</i>
		<b>£</b>	<b>£</b>
Called up share capital not paid:		0	0
<b>Fixed assets</b>			
Intangible assets:	3	32,278,466	0
Tangible assets:	4	27,853,000	0
Investments:		0	0
<b>Total fixed assets:</b>		<b>60,131,466</b>	<b>0</b>
<b>Current assets</b>			
Stocks:		0	0
Debtors:		0	0
Cash at bank and in hand:		1	1
Investments:		0	0
<b>Total current assets:</b>		<b>1</b>	<b>1</b>
Prepayments and accrued income:		551,512	0
Creditors: amounts falling due within one year:	5	( 51,266,035 )	0
<b>Net current assets (liabilities):</b>		<b>(50,714,522)</b>	<b>1</b>
<b>Total assets less current liabilities:</b>		<b>9,416,944</b>	<b>1</b>
Creditors: amounts falling due after more than one year:		0	0
Provision for liabilities:		( 9,925,915 )	0
Accruals and deferred income:		0	0
<b>Total net assets (liabilities):</b>		<b>(508,971)</b>	<b>1</b>
<b>Capital and reserves</b>			
Called up share capital:		1	1
Share premium account:		0	0
Other reserves:		0	0
Profit and loss account:		(508,972 )	0
<b>Total Shareholders' funds:</b>		<b>( 508,971 )</b>	<b>1</b>

The notes form part of these financial statements

# **EV METALS UK LIMITED**

## **Balance sheet statements**

For the year ending 30 June 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 9 September 2023  
and signed on behalf of the board by:**

Name: Russell William Thomson  
Status: Director

The notes form part of these financial statements

# EV METALS UK LIMITED

## Notes to the Financial Statements

for the Period Ended 30 June 2022

### 1. Accounting policies

#### Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 101

#### Tangible fixed assets depreciation policy

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows: Buildings Leasehold improvements Plant and equipment Plant and equipment under lease 40 years 3-10 years 3-7 years 2-5 years The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

#### Intangible fixed assets amortisation policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less than any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefit embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

#### Other accounting policies

**2.2 Going Concern** The financial statements have been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. During the year ended 30 June 2022, the Company incurred net loss of £508,972 (2021: Nil). At 30 June 2022, the Company had negative equity of £508,971. The Company is dependent on external equity & debt sources from Group for funding - it has no means of generating internal operating cash flows. In forming this view the directors have taken into consideration that they will be able to obtain additional funding from the Parent Company when needed for the Company to continue to execute against its milestones in the medium term. However, cash flows will be adjusted to ensure that the Company can pay its debts as and when they fall due. The financial report does not include adjustment relating to the recoverability or classification of the recorded asset amounts or the amount or classification of liabilities that might be necessary should the Company not be able to continue as a going concern. The above conditions represent material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

**2.4 Finance costs** Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.5 Debtors** Short-term debtors are measured at transaction price, less any impairment. Loans receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.6 Cash and cash equivalents** Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown in net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.7 Creditors** Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Leases** At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate. Lease payments included in the

measurement of the lease liability are as follows: fixed lease payments less any lease incentives; variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; the amount expected to be payable by the lessee under residual value guarantees; the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; lease payments under extension options if lessee is reasonably certain to exercise the options; and payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease. The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.



# EV METALS UK LIMITED

## Notes to the Financial Statements for the Period Ended 30 June 2022

### 2. Employees

	<i>7 months to 30 June 2022</i>	<i>2021</i>
Average number of employees during the period	0	0

# EV METALS UK LIMITED

## Notes to the Financial Statements

for the Period Ended 30 June 2022

### 3. Intangible assets

	Goodwill	Other	Total
Cost	£	£	£
At 1 December 2021	0	0	0
Additions	200,000	32,400,000	32,600,000
Disposals	0	0	0
Revaluations	0	0	0
Transfers	0	0	0
At 30 June 2022	<u>200,000</u>	<u>32,400,000</u>	<u>32,600,000</u>
<b>Amortisation</b>			
At 1 December 2021	0	0	0
Charge for year	0	321,534	321,534
On disposals	0	0	0
Other adjustments	0	0	0
At 30 June 2022	<u>0</u>	<u>321,534</u>	<u>321,534</u>
<b>Net book value</b>			
At 30 June 2022	<u>200,000</u>	<u>32,078,466</u>	<u>32,278,466</u>
At 30 November 2021	<u>0</u>	<u>0</u>	<u>0</u>

The Battery Materials Technology was a critical acquisition from Johnson Matthey plc. The technology is for the development and creation of cathode active materials ("CAM"). The acquisition complements EVM's plans for midstream battery chemical processing plants in the Kingdom and upstream inventory of critical minerals assets to complete and enable a vertically integrated and sustainable battery materials supply chain. The useful life of the Battery Materials Technology acquired has been assessed at 10 years by the Company, for the purposes of amortisation. No indicators of impairment were noted in relation to Intangibles and Patents, during the period or at the period-end date.

# EV METALS UK LIMITED

## Notes to the Financial Statements

for the Period Ended 30 June 2022

### 4. Tangible assets

	Land & buildings	Plant & machinery	Fixtures & fittings	Office equipment	Motor vehicles	Total
Cost	£	£	£	£	£	£
At 1 December 2021	0	0	0	0	0	0
Additions	10,600,000	17,253,000				27,853,000
Disposals						
Revaluations						
Transfers						
At 30 June 2022	10,600,000	17,253,000	0	0	0	27,853,000
<b>Depreciation</b>						
At 1 December 2021						
Charge for year						
On disposals						
Other adjustments						
At 30 June 2022						
<b>Net book value</b>						
At 30 June 2022	10,600,000	17,253,000	0	0	0	27,853,000
At 30 November 2021	0	0	0	0	0	0

Plant and Machinery acquired in the business combination were not ready for use at 30 June 2022, hence were not depreciated at the period-end date. Management has assessed the impairment of Property, Plant & Equipment via a third party who was appointed to determine the fair value of plant & machinery acquired with the Battery Materials Business at the date of acquisition, 26 May 2022. Management has relied on this valuation and concluded that impairment is not needed.

# EV METALS UK LIMITED

## Notes to the Financial Statements

for the Period Ended 30 June 2022

### 5. Creditors: amounts falling due within one year note

	<i>7 months to 30 June 2022</i>	<i>2021</i>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>0</b>	0
Amounts due under finance leases and hire purchase contracts	<b>674,085</b>	0
Trade creditors	<b>0</b>	0
Taxation and social security	<b>0</b>	0
Accruals and deferred income		0
Other creditors	<b>50,591,950</b>	0
Total	<b>51,266,035</b>	0

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.