

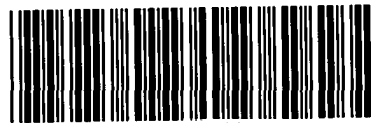
Registered In England and Wales number 13399065

European Green Metals Limited

Annual Report and Financial Statements

Period from Incorporation (14 May 2021) to 31 December 2021

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EUROPEAN GREEN METALS LIMITED

COMPANY INFORMATION

Directors

Mr D Hall (Appointed 8 June 2021)
Mr M Nolan (Appointed 1 February 2022)
Mr C Friel (Appointed 24 May 2022)

Mr Paul Foord (Appointed 14 May 2021 and
resigned 28 February 2022)

Secretary

Mr R Whelan

Company number

13399065

Registered office

The Walbrook Building
25 Walbrook
W1F 7TE

Auditor

Gravita Audit Limited
Finsgate
5-7 Cranwood Street
London
EC1V 9EE

EUROPEAN GREEN METALS LIMITED
STRATEGIC REPORT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

Following incorporation in May 2021, the Company intends to move towards an Alternative Investment Market ("AIM") listing on the London Stock Exchange.

Outlook

The Company listing process is expected to be finalised in Q3 2023.

Principle activity

The Company intends to focus on the exploration for and development of world class green metals deposits.

Key performance indicators

As at the reporting date, no key performance indicators were applicable for this period as the Company had not yet commenced investment activity outside of general market research.

Business Strategy

The Company is a newly formed entity which, at the reporting date, did not acquire any licences or interests. In February 2022, the Company was granted its first two exploration permits over the "Hainichen 1709" and "Eichigt II" areas in Saxony's Erzgebirge region, Germany. On 10 June 2022 the Company acquired Irish registered Company Rockfleet Minerals Limited "Rockfleet" for consideration in shares of the Company. Rockfleet has two Swedish graphite exploration permits in Northern Sweden ("Lehtosölkä" and "Liljövåara").

The Company plans to explore these permits with a view to achieving audited industry compliant resource deposits and commercialise those deposits.

Liquidity Risk

The Directors have reviewed the working capital requirements and believe there is sufficient working capital to fund the business.


Future developments and acquisition strategy

The Company has a number of potential acquisitions under review and intends to expand the portfolio of licence interests pre and post listing.

On behalf of the Board

David Hall

Director



Date: 30 May 2023

EUROPEAN GREEN METALS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

The directors present their report and financial statement for the period ended 31 December 2021.

Results and dividends

No dividends are applicable.

Directors

The directors who held office during the period and up to the end of signature of the financial statements were as follows:

Paul Foord (resigned 28 February 2022)

David Hall

Michael Nolan

Cathal Friel

Results and dividends

No dividends are applicable.

Results and dividends

As the Company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low-energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Going Concern

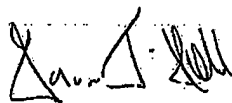
The day-to-day working capital requirements and investment objectives are met by existing cash resources and the issue of equity. The Company's forecasts and projections, taking into account reasonably possible charges in the level of overhead costs, show that the Company should be able to operate within its available cash resources. The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. They, therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board

David Hall



Director

Date: 30 May 2023

EUROPEAN GREEN METALS LIMITED
DIRECTORS' RESPONSIBILITY STATEMENT
FOR THE PERIOD FROM INCORPORATION (14 MAY 2021 TO 31 DECEMBER 2021)

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards and applicable law. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK-adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EUROPEAN GREEN METALS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EUROPEAN GREEN
METALS LIMITED

Opinion

We have audited the financial statements of European Green Metals Limited (the Company) for the period ended 31 December 2021, which comprise the statement of income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs at 31 December 2021 and of the Company's loss for the period then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We draw attention to note 2 in the financial statements, which indicates that the Company is in net asset position and raised cash in 2021. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that the entity has sufficient resources to continue as going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**EUROPEAN GREEN METALS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EUROPEAN GREEN
METALS LIMITED**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

EUROPEAN GREEN METALS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EUROPEAN GREEN
METALS LIMITED

- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and,
- we assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and,
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes of the Company financial statements were indicative of potential bias; and,
- investigated the rationale behind significant or unusual transactions.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - agreeing financial statement disclosures to underlying supporting documentation;
 - reading the minutes of meetings of those charged with governance;
 - enquiring of management as to actual and potential litigation and claims; and,
 - reviewing correspondence with HMRC and the Company's legal advisor.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**EUROPEAN GREEN METALS LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EUROPEAN GREEN
METALS LIMITED**

Sudhir Rawal (Senior Statutory Auditor)
For and on behalf of Gravita Audit Limited



Chartered Accountants
Statutory Auditor
5 - 7 Cranwood Street
London
EC1V 9EE

Date: 30/5/23

EUROPEAN GREEN METALS LIMITED
STATEMENT OF INCOME AND LOSS
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

		Period from Incorporation (14 May 2021) to 31 December 2021
	Notes	£
Revenue		-
Cost of sales		-
Gross profit/(loss)		-
Other administrative expenses		(11,778)
Administrative expenses		(11,778)
Operating profit/(loss)	4	(11,778)
Profit/(loss) before income tax		(11,778)
Tax charge	6	-
Profit/(loss) for the period		(11,778)
Other comprehensive income		-
Total comprehensive Profit/(loss) for the period		(11,778)
Attributable to owners of the parent:		(11,778)
Earnings/(loss) per ordinary share - basic	7	(£.0003)

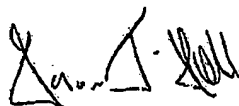
EUROPEAN GREEN METALS LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

	Notes	2021 £
Non-current assets		
Current assets		
Cash and cash equivalents	8	28,222
Total current assets		28,222
Total assets		28,222
Current liabilities		
Trade and other payables	9	3,000
Total current liabilities		3,000
Net assets		25,222
Share capital	10	24,000
Share premium	10	13,000
Accumulated deficit		(11,778)
Total equity		25,222

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the board of directors on 30 May 2023 and were signed on its behalf by:

David Hall
Director
Date: 30 May 2023



EUROPEAN GREEN METALS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

	Share capital £	Share capital £	Retained earnings £	Total £
Profit/(loss) for the period	-	-	(11,778)	(11,778)
Total				
comprehensive loss	-	-	(11,778)	(11,778)
Ordinary Shares Issued on Incorporation	-	-	-	-
Issue of Ordinary Shares	24,000	13,000	-	37,000
Equity as at 31 December 2021	24,000	13,000	(11,778)	25,222

EUROPEAN GREEN METALS LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

	Period from Incorporation (14 May 2021) to 31 December 2021 £
Cash flows from operating activities	
Profit/(loss) before taxation	(11,778)
Adjusted operating profit/(loss) before changes in working capital	(11,778)
Changes in working capital	
(Increase)/decrease in receivables	-
Increase/(decrease) in trade and payables	3,000
Cash generated/(used) in operations	(8,778)
Net cash inflow/(outflow) from operating activities	(8,778)
Financing activities	
Proceeds from issue of share capital	37,000
Proceeds from shares to be issued	-
Net cash flows from financing activities	37,000
Net change in cash and cash equivalents	28,222
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	28,222

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

1. General information

European Green Metals Limited (the "Company") is a private Company limited by shares incorporated and domiciled in England and Wales. The registered office of the Company is The Walbrook Building, 25 Walbrook, W1F 7TE, London. The registered Company number is 13399065.

2. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial information have been prepared under the historical cost convention.

The preparation of financial statements in compliance with adopted IFRSs requires the use of certain critical accounting estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed below.

Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors have adopted the going concern basis of accounting in preparing the financial statements.

At the end of the period, the Company is in a net asset position of £25,222. At 31st December 2021, the Company has a cash balance of £25,222. Based on the forecasted expenditure for the year to 31 December 2022, combined with subsequent cash raises in 2022 the Directors are of that the Company will have sufficient cash for the foreseeable future.

The Directors are therefore of the opinion that the Company has adequate resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They can arise from the provision of goods and services to customers (eg trade receivables). They are initially

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

The Company recognises financial debt when the Company becomes a party to the contractual provisions of the instruments.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Equity and equity instruments

Equity comprises share capital (the nominal value of equity shares), deferred shares, share premium, share-based payment reserve, capital redemption reserve, reverse acquisition reserve and retained earnings. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Provisions

A provision is recognised when the Company has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3. Critical accounting estimates and judgements

The Company makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Company's accounting policies, which are described above, the Directors do not believe that they have had to make any assumptions or judgements that would have a material effect on the amounts recognised in the financial information.

4. Operating loss

**Period ended 31
December 2021**

Operating loss for the period is stated after charging/(crediting):	£
Fees payable to the Company's auditor for the audit of the Company's financial statements	3,000

5. Employees

The average monthly number of persons employed by the Company during the period including directors was:

**Period ended 31
December 2021**

Directors	Number 2
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EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

Directors' remuneration

Period ended 31
January 2021
£

Remuneration for qualifying services

6. Tax charge

2021

£

Loss before taxation

(11,778)

Expected tax credit based on a corporation tax rate of 19.00%

Disallowable expenses

Change in unrecognised deferred tax assets

11,778

Taxation charge for the period

The excess management expenses carried forward at 31 December 2021 were £11,778.

No deferred tax asset has been recognized as recovery cannot be foreseen with reasonable certainty.

7. Loss per share

2021

Basic and diluted

Profit/(loss) for the period and earnings used in basic & diluted EPS

(£11,778)

Weighted average number of ordinary shares used as the denominator in calculating the basic/diluted loss per share

41,021,870

Earnings/(loss) per share

£ (.0003)

Fully diluted earnings per share

£ (.0003)

The loss attributable to equity holders (holders of ordinary shares) of the Company for the purpose of calculating the fully diluted loss per share is identical to that used for calculating the loss per share.

8. Cash and cash equivalents

2021

£

Cash at bank and in hand

28,222

Where cash at bank earns interest, interest accrues at floating rates based on daily bank deposit rates. The fair value of the cash & cash equivalent is as disclosed above. For the purpose of the cashflow statement, cash and cash equivalents comprise of the amounts shown above.

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

9. Trade and other payables

	2021 £
Trade and other payables	3,000
	-

10. Share capital

	2021 £
Ordinary shares	
48,000,000 Ordinary shares at £0.0005 each	24,000
	24,000

On Incorporation, the Company issued 2,000 Ordinary Shares of £0.0005 par value. On 09 June 2021 the Company allotted 21,998,000 Ordinary shares of £0.0005 each at par. On 23 June 2021 the Company allotted 26,000,000 Ordinary shares of £0.0005 each at par.

11. Shares to be issued

	2021 £
At the beginning of the period	-
Additions	-
At 31 December 2021	-

12. Reserves

Share capital is the amount subscribed for shares at nominal value. Share premium represents amounts subscribed for share capital in excess of nominal value, net of expenses.

Retained earnings represents the cumulative profits and losses of the Company attributable to the owners of the Company.

13. Financial Risk Management

	As at 31 December 2021 £
Financial assets	
Cash and cash equivalents	28,222
Trade receivables – net of provision	-
Financial assets	28,222

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
FOR THE PERIOD FROM INCORPORATION (14
MAY 2021 TO 31 DECEMBER 2021

	As at 31 December 2021
Financial liabilities	£
Trade and other payables	3,000
Trade and other payables	3,000
Loans and borrowings	-
Lease liabilities	-
Loans and borrowings	-
Deferred consideration	-
Financial liabilities at amortised cost	3,000

Fair value hierarchy

All the financial assets and financial liabilities recognised in the financial statements which are short-term in nature are shown at the carrying value which also approximates the fair values of those short-term financial instruments. Therefore, no separate disclosure for fair value hierarchy is required for them. The disclosure on fair value hierarchy does not apply to the financial leases. The Group's activities expose it to a variety of financial risks, mainly credit risk, liquidity risk and interest rate risk.

Financial risk management

As at 31 December 2021, the Company have not yet initiated its activity and therefore, its exposure to various types of risks, such as market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk, is very limited if none.

Interest risk

The Company is not exposed to significant interest rate risk as it has limited interest bearing liabilities at the period end.

Credit risk

The Company is not exposed to significant credit risk as it did not make any credit sales during the period.

Liquidity risk

Liquidity risk is the risk that Company will encounter difficulty in meeting these obligations associated with financial liabilities.

The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the Company's short term and long-term funding risks management requirements.

~~During the period under review, the Company has not utilised any borrowing facilities.~~

The Company manages liquidity risks by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Capital risk

The Company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

EUROPEAN GREEN METALS LIMITED
NOTES TO FINANCIAL STATEMENT
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14. Contingent liabilities and unrecognised contractual commitments

As at 31 December 2021, the Company did not have any contingent liabilities nor off-balance sheet commitments.

15. Related Party Transactions

None.

16. Ultimate controlling party

There is no one ultimate controlling party of the Company.