RNS Number : 9837X
Tirupati Graphite PLC
28 December 2023

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this information is considered to be in the public domain.

28 December 2023

Tirupati Graphite plc

('Tirupati' or the 'Company')

Unaudited Half-Yearly Results

Tirupati Graphite plc (TGR.L, TGRHF.OTCQX), the specialist flake graphite company and supplier of the critical mineral for the global energy transition, is pleased to announce its Interim Results for the six months ended 30 September 2023.

The Company is engaged in mining and processing flake graphite, the only key battery mineral where the supply chain is dependent on a single nation across the value chain from mining to final product.

The development of its two projects in Madagascar to a combined capacity of 30,000 tons per annum ("tpa") was completed at the start of the reporting period, and the Company was engaged in ramping up production, creating markets and increasing sales during the period. The Company also completed the acquisition of Suni Resources SA ("Suni"), Mozambique to add the construction-initiated Montepeuz and DFS-ready Balama Central projects in Mozambique to its portfolio of assets, and further initiated studies for optimisation of the proposed processing facilities to be built at these projects using the lean, cost effective, and sustainable technologies successfully used by the Company at its Madagascar projects.

Shishir Poddar, Executive Chairman of Tirupati Graphite, said:

"We feel proud of our achievements in the period under reporting. In spite of very tight working capital conditions, it is a testament to the inherent strengths of the Company and the team's expertise in graphite operations, that we continued our ramp up to achieve significant year on year increases in production and sales. During this initial phase we have designed and implemented various improvements to increase the resilience of the operations, control costs and reduce emissions.

"The completion of the acquisition of Suni adds two advanced development projects in the north of Mozambique's renowned graphite producing region. We are encouraged by the quality of these projects which underpin our long term growth ambitions. Given the amount of work and investment in these assets we believe they were acquired at a very attractive consideration. Given the inbound interest already received for potential supply, we see the acquired assets as driving the next key milestones in our corporate journey, especially given the expected increases in demand for ex-China graphite and recent policy interventions to fuel supply chain diversity. Despite which, graphite remains the only key battery mineral where the supply chain is dependent on a single nation across the value chain from mining to final product.

"As previously announced, we are exploring a variety of funding options that will enable us to accelerate the production ramp-up and growth through 2024 and onwards, having laid a strong foundation to build a leadership position in this critical material.

"Discussions are at an advanced stage and we are confident that the funds will serve to unlock the Company's potential at a time when graphite consumers are looking to urgently diversify and build resilience into their supply chains."

Highlights for the six-month period ending on 30 September 2023 ("H1FY24")

Operations in Madagascar

- Production ramp up continued at the Company's two flake graphite projects in Madagascar, established in modules between January 2021 to March 2023 to produce:
  - 12,000 tpa flake graphite capacity at Vatomina Project
  - 18,000 tpa flake graphite capacity at Sahamamy Project
- Various process improvements made during development to manage costs and emissions were tested and further improved, gaps identified, and plans evolved to reach an effective output of nameplate capacity and enhance the capacity further by 20%.
- 100 Kw Hydro Power Plant (HPP) commissioned and put in regular operations at Sahamamy to reduce costs and emissions.
- Plans and studies completed and regulatory approvals applied for to add a new 500 Kw HPP at Sahamamy to further lower long term costs and emissions.
- Substantial growth achieved in production, marketing and sales despite working capital limitations, including delayed receipt of VAT refunds.

Key operating and financial highlights

From Unaudited Consolidated Statement of Comprehensive Income

Six Months Ending	**30 Sep 2023**	**30 Sep 2022**
Cost of Production	£2,366,299	£787,312
Quantity of Production (MT[1])	4,508 MT	1,731 MT
Cost per MT of Production	**£525/MT**	**£454/MT**
Total Sales (MT)	4,785 MT	1,691 MT
Revenue from Sales	£3,146,627	£1,165,195
Achieved Basket Price (per MT)	**US$827/£658 MT**	**US$833/£689 MT**
Gross Operating Profit	**£780,328**	**£377,883**
Gross Operating Margins (per MT)	**£163/MT**	**£223/MT**
Gross Operating Margin on Sales (%)	**25%**	**32%**
Corporate and Administrative Costs	£1,831,879	£1,010,774
Other Income	£92,347	-
Gain on Bargain Purchase	£9,562,407*	-
EBIDTA	**£ 8,693,204**	**£ (632,891)**
Depreciation	£758,862	£793,173
EBIT	**£7,934,342**	**£(1,426,064)**
1. MT = Metric Tonnes *Provisional, subject to Valuation on business combination		

- Revenue from sales increasing by 170% to £3,146,627 (H1FY23: £1,165,195).
- Production increasing by 160% to 4,508 tons (H1FY23: 1,731 tons).
- Gross operating profits increased by 106% YoY to £780,328 despite enlarged workforce and establishment costs for enlarged capacity.
  - As production and sales ramp up, the operating margins are expected to improve with economies of scale and asset efficiency.
- A provisional non-cash gain of £9,562,407, subject to independent third-party valuation, on Bargain Purchase resulting from the acquisition of Suni Resources.
- Corresponding increase in Corporate and Administrative Costs limited to 81% at £1,831,879 with added subsidiary and capacity growth (H1FY23: £1,010,774).

From Unaudited Consolidated Statement of financial position

As at	**30 Sep 2023**	**31 March 2023**
Total non-current assets	£28,828,389	£14,904,003

Total non-current assets	£28,828,389	£14,904,003
Net Current Assets	£4,125,080	£3,837,717
Total non-current liabilities	£2,799,604	£1,893,580
Total Equity	**£30,153,864**	**£16,848,140**

- Total non-current assets increased by 93% to £28,828,389 (FY23: £14,904,003) reflecting assets added upon acquisition of Suni.
- Total equity increased by 79% to £30,153,864 (FY23: £16,848,140) reflecting gain on bargain purchase upon acquisition of Suni.

Mozambique Projects acquisition completed

- Acquisition of 100% of the equity of Suni Resources SA, Mozambique, ('Suni") from ASX listed Battery Minerals Limited ("BAT") completed.
- The Mineral Resource Estimates classified under JORC 2012 at the projects acquired are as tabulated below:

Project	**Deposit**	**Mozambique Group Total Mineral Resource**		
		Tonnes Mt	**TGC %**	**Cont. Graphite kt**
Montepuez	Elephant	76.9	7.3	5,620
	Buffalo	42.6	9.5	4,050
Balama Central	Lennox	21.9	10.2	2,230
	Buffalo	11.0	10.2	1,120
Total		**152.5**	**8.5**	**12,030**

Of which combined Probable Ore Reserves are as below:

Tirupati Graphite Plc Mozambique Group Probable Ore Reserves			
Project	**Mt**	**Grade % TGC**	**Contained Graphite Mt**
Balama Central	19.66	11.06	2.17
Montepuez	42.19	9.27	3.91
Total	**61.9**	**10.1**	**6.08**

- Montepuez project mining license over 3,666.88 hectares valid up to 22.02.2043 (and further renewable) is license to build to 100,000 tpa flake graphite production in 2 stages of 50,000 tpa each.
- BAT initiated construction of 50,000 tpa first module . Planned and executed investment position as acquired are as below:

Area	**BAT forecast Total Capex US$**	**Spent to Date US$**	**Remaining Capex US$**
Process Plant and Power	28,129,000	4,160,000	23,969,000
Mining Equipment and Light vehicles	4,378,000	72,000	4,306,000
Camp Infrastructure and fit-out	3,108,000	3,108,000	0
Earthworks, Tailings Storage Facility and Water Storage	3,834,000	3,491,000	343,000
Buildings, offices and workshops	1,814,000	62,300	1,751,700
Owners costs	4,747,000	1,772,000	2,975,000
Pre-production costs	4,926,000	47,000	4,879,000
Freight	1,672,000	389,000	1,283,000
Total	**52,608,000**	**13,101,300**	**39,506,000**

Notes

1) The plan envisages outsourcing of execution of mining activities and certain other logistic facilities that significantly reduced the total investment and the Company believes this is a reasonable approach for many reasons.

2) The Company has verified the assets created out of the amounts spent by BAT prior to its acquisition and believes that development activities conducted by the spend remain productive and substantially in order.

- In terms of studies under JORC 2012 standards, the operating financial parameters of the planned first 50,000 tpa Montepuez project are estimated as below:

OPEX for years 1 to 10	US$ PA	US$/t conc
Mining	5,129,000	102.9
Processing	5,692,000	114.3
General and Administrative	2,545,000	30.7
Logistics	3,082,000	51.1
Maintenance	1,532,000	61.9
Total C1 cost	**17,980,000**	**360.9**

Notes:

1) Above table excludes Government Royalties.

2) Above table is based on average blended ore for 50,000 tpa production rate and ore at an average rate of ~500,000tpa at 12% TGC resulting from targeted mining of high grade ores in the first 10 years.

3) The above is subject to further reviews that the Company intends to conduct.

- 1543.08 hectares Mining License Area of Balama Central project.The project shares its east boundary with the Balama project of ASX listed Syrah Resources Limited.
- The 2018 DFS promises compelling economics for the project Licensed for development to a 58,000 tpa flake graphite facility with estimated 27 years mine life.
- Future plans for the project development pathway are under assessment by the Company as inbound inquiries continue and market dynamics evolve.
- The Mozambique projects together lay the foundation for future growth of the Company's operations, positioning it to benefit from the growing EV ("Electric Vehicle") sector demand.

Key Market Highlights

- The Graphite markets remained subdued through substantial portion of CY23 due to increased synthetic graphite capacity in China, impacting consumption and prices of natural graphite in Lithium-ion battery sector and also due to the impacts of the Energy Crisis on the conventional graphite markets.
- However, the end of CY23 saw a turn to this situation specially benefitting ex-China graphite producers.
- China produced >70% of the total consumption of natural graphite. Additionally, graphite is the **only key battery mineral** where the supply chain is dependent on a single nation across the value chain from mining to final product for the cell.
- The Chinese government imposed restrictions on exports of graphite from China, further highlighting the strategic importance of ex-China sources.
- This initial restrictions led to increased graphite prices from December 2023 onwards, of c.4% as assessed by credible sources.
- The lack of clarity on these Chinese export restrictions, the ability of one nation to control the supply chain of this classified critical mineral, used not just for the energy transition but also other applications like steel manufacturing, has resulted in graphite taking the centre stage in the current global geopolitical scenario.
- In December 2023, the USA has issued new guidance that no EVs manufactured in the USA using Chinese made components will be eligible for full subsidies under the US$369Bn Inflation Reduction Act, nor will those EVs that are made by companies with significant ties to the Chinese government or produced with licensing agreement with a China based or Beijing-controlled operator qualify.

Impact on Tirupati

- The Company is one of the handful of significant current producers of graphite ex-China. The Company has received increased inquiries from around the world for supplies of its products, including from OEMs and EV manufacturers. The internal and external developments together during the period give the Company a first mover opportunity with the advantage of having a visible track record of its ability to produce this critical mineral at substantial and growing scale, a competitive cost levels, and in accordance with global Sustainability standards.

- The Company continued to realise basket prices near those achieved in previous periods in HY23 even in subdued market conditions.

Future Market Outlook - The Energy Transition

Since the end of the reporting period, recent Graphite export restrictions announced and implemented in China have resulted in some price increases for small and fine flake graphite, as have some prices for traditional sectors using larger flake types due to improving economic conditions in some jurisdictions. This is expected to continue as the energy transition continues its momentum globally and graphite demand is forecast by the likes of Benchmark Minerals Intelligence to outstrip supply from 2025. Little additional capacity outside China is currently forecast to become available to serve the increased demand by that time.

In October, China announced the introduction of export restrictions on Graphite products from 1 December 2023.

The deficit of graphite is expected to arise from demand coming a growing number of battery manufacturing plants, or gigafactories, that are set to finish construction, begin production and therefore grow the overall demand for the competitively priced critical minerals such as the natural graphite required for most battery chemistries. This future demand is expected to provide strong moves in the pricing of small and fine flake graphite sizes that are most commonly used for the energy storage and battery sectors. The small and fine flake sizes make up the majority of the Company's Mozambique project product baskets.

Electric vehicle uptake continues to grow across the world with China hitting record monthly EV sales during the period despite the end of available subsidies there, with EV sales in China growing 29% year on year. Elsewhere, in North America, sales in the period grew 78% in North American and 34% on average globally, and EVs look to continue to grow their market share which will continue to increase demand for critical minerals such as natural graphite.

The push to diversify supply chains to reduce economic dependence of certain nations is acutely illustrated in the form of the current Graphite supply chain. China alone dominates the Natural Graphite industry across its entire value chain, from mining to advanced processing, retaining >75% of its global value. The likes of the aforementioned graphite export restrictions, and more rules and legislation being introduced in the rest of the world whereby considerations of the provenance of raw materials are placed front and centre as eligibility criteria for automotive manufacturers and OEMs to receive sought after incentives under the likes of the US Inflation Reduction Act and EU Critical Raw Materials Act to stimulate diversified supply chains and boost security of supply, is therefore extremely relevant for natural graphite as there are so few current producers outside China. The combined factors above are further expected to result in upward price pressure for graphite and substantial demand specially for ex-China graphite.

There is also a consensus forming that prices for material sourced from outside China may attract a premium should the material conform to the highest international standards of Sustainability.

The Company's focus has been on gaining ex-China market share in order to establish its presence and position itself well for the future forecasted demand that will arise for graphite from these ex-China markets to supply anode, battery and automotive manufacturers in these same markets in the years to come.

TG Markets and marketing developments

TG continued to spread its global footprint in developing markets both for its current and future markets recording a significant increase in sales to the United States of America while continuing to grow in Europe and Asia as depicted in the table below:

	USA	Europe	Asia	Total
Half year ended 30 Sep 2023	£608,893	£432,142	£2,105,592	£3,146,627
Half year ended 30 Sep 2022		£398,120	£767,075	£1,165,195

The current order book and engagements remains sufficient for the Company to sell its growing production in the immediate term and the company remains in standby mode to activate increased business with its existing customers and with those it has achieved qualification.

The company has also engaged with key players in the ex-China EV sector, both automakers and manufacturers of EV batteries or anodes looking to secure their flake graphite needs and is at various stages of prospective business development with different companies. These stages include entering into Non-Disclosure Agreements, General Supply Terms and Conditions Agreements, providing information about the Company's projects and product samples for approval. Negotiations on possible offtake agreements are ongoing though the current subdued markets remain a challenge to address future price basis and the Company remains conscious in its approach towards possible future price trends as the markets turn from oversupply to shortfall. The Company believes that the geopolitical uncertainties driven policy evolution, progress of construction of various battery projects and resultant imminent shortage of ex-China flake graphite products used in the battery space shall help it secure prudent offtake arrangements on the back of its successful developments at Madagascar and prospects of the Mozambique assets and remains well prepared for expeditious development of additional capacities at appropriate time under appropriate market arrangements.

To date, the Company has strategically been gaining market share for itself supplying customers outside of China and all sales have been made to consumers outside China. The urgency with which legislation and incentives are evolving in the rest of the world provide the Company with a significant opportunity to be at the forefront of natural graphite supply for the global energy transition. As an advanced, low-cost, ex-China current producer it is staged to serve markets that are set to grow at speed and scale in the coming years. As a result, the Company would like to accelerate its development to further position itself for further significant business development

Future Outlook and Strategy

In line with evolving markets, the Company remains focussed on its step-by-step approach to targeting the following

- Considering an average head grade of c.3% across the two Madagascar projects, the Company will add two pre-concentrate units and ramp up production and sales in Madagascar to steady state of 2,000 tons per month in the minimum possible time.
- Simultaneously, further work will be done to enhance the effective production and sales rate to 3,000 tons per month by adding further two PCU's and enhancing Vatomina FCU capacity to 18,000 tpa.

The Company is extensively engaged on various options to meet the related capital requirements to achieve its targets as it continues its efforts to ramp up production and sales within its current resources.

- Targeting a total production of 104,000 tpa across its projects by establishing the next 18,000 tpa module in Madagascar, and first 50,000 tpa module at Montepuez.
- Extensive new ex-China battery capacities are expected to come online by 2025 and inbound inquiries justify the developments above.
- Add further capacities in sync with markets remaining flexible on location.
- The Company has engaged with DFIs ("Development Finance Institutions") for project finance arrangements for the development of the larger new capacities.

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MANAGEMENT'S CONDENSED REPORT

The Company remains engaged in its areas of focus, flake graphite, an important constituent of the energy transition economy and the largest single component of EV batteries by weight. The Company continued to focus on ramping up production at its two projects in Madagascar, and having completed the acquisition of Suni Resources, it initiated assessments for furthering market engagement, financing and development of its new projects.

Graphite has a set of unique properties and therefore a diversity of applicable end-uses, including in electric vehicles, smartphones, metal forming, hydrogen power, fire safety and many more. The energy transition economy is fast growing even in the current slowdown and with flake graphite a key material in the transition economy we have the opportunity to grow as we have planned.

The period under reporting saw the Company's production ramp up at its newly developed projects, though remained slower than the company is capable of, primarily an effect of working capital limitations. At the start of the period, when the Company had completed its stage 1 development, it was left with c.250,000 cash to manage its production ramp up for a potential upwards of £ one million monthly revenues, operating at a remote location in an underdeveloped nation, with negligible internal resources for inputs.

The Company remains engaged with capital markets for arranging its financing needs. The highlights of the period, provide an account of various aspects of the reporting period and a detailed account of the Company's activities was contained in the Directors Report accompanying the Annual Report FY2023. The Company remains focussed on ramping up production at the currently established 30,000 tons capacity, achieving profitability, and progressing its business to make the most of the energy transition.

Responsibility Statement

We confirm that to the best of our knowledge:

- the Interim Report has been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as adopted by the UK; and
- gives a true and fair view of the assets, liabilities, financial position and profit/loss of the Group; and
- the Interim Report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year.
- the Interim Report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The Interim Report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Shishir Poddar
Executive Chairman & Managing Director
28 December 2023

Unaudited Consolidated Statement of Comprehensive Income

For the half-year ended 30 September 2023

	Notes	2023	2022
		£	£
Continuing operations			
Revenue	**5**	3,146,627	1,165,195
Other Income*		9,744,754	-

Cost of Sales	6	(2,366,299)	(787,312)
Depreciation of Operating Assets		(744,598)	(778,202)
Gross profit / (loss)		**9,780,484**	**(400,319)**
Administrative expenses	7	(1,846,143)	(1,025,745)
Operating gain / (loss)		**7,934,342**	**(1,426,064)**
Finance costs	8	(169,012)	(58,474)
Gain / (Loss) before income tax		**7,765,330**	**(1,484,538)**
Income tax		-	-
Gain / (Loss) for the year attributable to owners of the Company		**7,765,330**	**(1,484,538)**
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(283,153)	221,713
Total comprehensive gain / (loss) for the year attributable to the Group		**7,482,177**	**(1,262,825)**
Earnings per share attributable to owners of the Company		Pence per share	Pence per share
From continuing operations:			
Basic and Diluted	9	**7.26**	(1.71)

The accompanying accounting policies and notes are an integral part of these finance

***Note:**

On 3 April 2023 the Company reported completion and gained control of Suni Resources SA as at 1 April 2023. The acquisition has resulted in a Provisional Gain on "Bargain Purchase" of GBP 9,652,407 in terms of International Financial Reporting Standards 3, as adopted by the UK on "Business Combination", subject to independent third party valuation. The Company intends to undertake a valuation process with external valuers, and the amount of gain is subject to its outcome. Please refer note 3 for further detailed explanation.

Unaudited Consolidated and Company Statement of Financial Position

As at 30 September 2023

	Notes	Group		Company	
		Sep 2023	March 2023	Sep 2023	March 2023
		£	£	£	£
Non-current assets					
Investments in subsidiaries	11	-	-	12,377,420	3,921,348
Property, plant and equipment	12	25,112,819	11,198,437	-	-
Deferred tax	22	72,528	74,046	-	-
Deposits		33,341	32,455	-	-
Intangible assets	10	3,609,701	3,599,065	40,970	40,970
Total non-current assets		**28,828,389**	**14,904,003**	**12,418,390**	**3,962,318**
Current assets					
Inventory	14	1,314,798	1,386,558	-	-
Trade and other receivables	13	6,032,723	4,755,629	19,721,423	21,213,389
Cash and cash		125,437	289,338	33,093	130,340

Cash and cash equivalents		[illegible]	[illegible]	[illegible]	[illegible]
Total current assets		**7,472,958**	**6,431,525**	**19,754,516**	**21,343,729**
Current liabilities					
Trade and other payables	**15**	3,347,878	1,684,808	1,960,635	735,440
Borrowings	**17**	-	909,000	-	909,000
Total current liabilities		**3,347,878**	**2,593,808**	**1,960,635**	**1,644,440**
Net current assets		**4,125,080**	**3,837,717**	**17,793,881**	**19,699,289**
Non-current liabilities					
Borrowings	**17**	2,771,500	1,862,500	2,771,500	1,862,500
Other payables	**15**	28,104	31,080	-	-
Total non-current liabilities		**2,799,604**	**1,893,580**	**2,771,500**	**1,862,500**
NET ASSETS		**30,153,864**	**16,848,140**	**27,440,771**	**21,799,107**
Equity					
Share capital	**18**	2,674,169	2,536,195	2,674,169	2,536,195
Share premium account		26,705,061	24,462,976	26,705,061	24,462,976
Warrant reserve	**19**	116,065	116,065	116,065	116,065
Foreign exchange reserve		(2,440,732)	(2,157,579)	-	-
Deferred Equity Consideration		3,443,489		3,443,489	
Retained losses		(344,188)	(8,109,518)	(5,498,013)	(5,316,129)
Equity attributable to owners of the Company		**30,153,864**	**16,848,140**	**27,440,771**	**21,799,107**
TOTAL EQUITY		**30,153,864**	**16,848,140**	**27,440,771**	**21,799,107**

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the company statement of comprehensive income.

The loss for the company for the year was £ 181,883 (2023: £1,032,736).

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

Unaudited Consolidated Statement of Changes in Equity

For the half-year ended 30 September 2023

	Attributable to the owners of the company						
	Share capital	**Share premium**	**Foreign exchange reserve**	**Share warrants reserve**	**Deferred Equity consideration**	**Retained Losses**	**TOTAL EQUITY**
	£	**£**	**£**	**£**	**£**	**£**	**£**
Balance at 1 April 2022	**21,73,497**	**1,99,75,356**	**(776,208)**	**1,30,557**	**-**	**(5,756,006)**	**(15,747,196)**
Loss for the period	-	-	-	-	-	(1,484,538)	(1,484,538)

Other Comprehensive Income: Exchange translation loss on foreign operations	-	-	2,21,713	-	-	-	2,21,713
Total comprehensive income for the year:	**-**	**-**	**2,21,713**	**-**	**-**	**(1,484,538)**	**(1,262,825)**
Transactions with owners							
Shares issued							
Balance at 30 September 2022	2,173,497	19,975,356	(554,495)	1,30,557	-	(7,240,544)	14,484,371
Balance at 1 April 2023	**2,536,195**	**24,462,976**	**(2,157,579)**	**116,065**	**-**	**(8,109,518)**	**16,848,140**
Loss for the year	**-**	**-**	**-**	**-**	**-**	7,765,330	7,765,330
Other Comprehensive Income: Exchange translation loss on foreign operations	-	-	(283,153)	-	-	-	(283,153)
Total comprehensive income for the year:	**-**	**-**	**(283,153)**	**-**	**-**	**(1,887,077)**	**7,482,177**
Transactions with owners							
Shares issued	137,974	2,242,084	-	-	-	-	2,380,058
Other Transactions	**-**	**-**	**-**	**-**	**3,443,489**	**-**	**3,443,489**
Balance at 30 September 2023	**2,674,169**	**26,705,061**	**(2,440,732)**	**1,16,065**	**3,443,489**	**(344,188)**	**30,153,864**

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

Share capital - Represents the nominal value of the issued share capital.

Share premium account - Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Retained losses - Represents accumulated comprehensive income for the year and prior years excluding translation.

Foreign exchange reserve - Represents exchange differences arising from the translation of the financial statements of foreign subsidiaries and the retranslation of monetary items forming part of the net investment in those subsidiaries.

Share warrant reserve - Represents reserve for equity component of warrants issued as per IFRS 2 share-based payments.

Unaudited Company Statement of Changes in Equity

For the half-year ended 30 September 2023

	Attributable to equity shareholders					
	Share capital	**Share premium**	**Retained Losses**	**Deferred Equity consideration**	**Warrant Reserve**	**TOTAL EQUITY**
	£	**£**	**£**	**£**	**£**	**£**
Balance at 1 April 2022	**2,173,497**	**19,975,356**	**(4,297,866)**	**-**	**130,557**	**17,981,543**
Loss for the period	-	-	(530,029)	-	-	(530,029)
Total comprehensive income:	-	-	-	-	-	-
Transactions with owners						

Shares issued	-	-	-	-	-	-
Balance at 30 September 2022	**2,173,497**	**19,975,356**	**(4,827,895)**	**-**	**130,557**	**17,451,514**
Balance at 1 April 2023	**2,536,195**	**24,462,976**	**(5,316,129)**	**-**	**116,065**	**21,799,107**
Loss for the year	-	-	(181,883)	-	-	(181,883)
Total comprehensive income:						
Transactions with owners						
Shares issued	137,974	2,242,084	-	-	-	2,380,058
Other Transactions	**-**	**-**	**-**	**3,443,489**	**-**	**3,443,489**
Balance at 30 September 2023	**2,674,169**	**26,705,061**	**(5,498,013)**	**3,443,489**	**116,065**	**27,440,771**

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

Share capital - Represents the nominal value of the issued share capital.

Share premium account - Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Retained losses – Represents accumulated comprehensive income for the year and prior years.

Share warrant reserve - Represents reserve for equity component of warrants issued as per IFRS 2 share-based payments.

Unaudited Consolidated Statement of Cash Flows

For the half-year ended 30 September 2023

		2023	2022
		£	**£**
Cash used in operating activities			
Loss for the year		**7,765,330**	**(1,484,538)**
Adjustment for:			
Gain on bargain purchase		(9,652,407)	-
Depreciation		758,862	793,173
Finance costs		169,012	58,474
Working capital changes:			
Increase/(decrease) in inventories		71,760	(455,682)
Increase/(decrease) in receivables		(1,560,247)	1,713,412
Increase/(decrease) in payables		1,663,070	500,879
Increase/(decrease) in DTA & Other assets		632	(10,858)
Taxes paid		-	-
Net cash from/(used in) operating activities		**(783,988)**	**1,114,860**
Cash flows from investing activities:			
Purchase of tangible assets		(14,673,244)	(3,626,178)
Acquisition of Suni Resources		9,641,771	-
Advance for Capital Assets		**-**	2,906
Net cash (used in) investing activities		**(5,031,473)**	**(3,623,272)**

Cash flows from financing activities*			
Proceeds from Shares issued (net of costs)		2,380,058	-
Proceeds from issue of Convertible loan notes (net of costs)			1,862,500
Deferred equity		3,443,489	-
Lease Liability		(2,976)	1,799
Finance cost		(169,012)	(58,474)
Net cash from financing activities		**5,651,560**	**1,805,825**
Net (decrease)/increase in cash and cash equivalents		(163,901)	(702,587)
Cash and cash equivalents at beginning of period		**289,338**	**1,534,023**
Cash and cash equivalents at end of period		**125,437**	**831,436**

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

*For reconciliation of cash and non-cash items from financing activities refer Note No. 19 (Convertible loan notes) & note 20 (share capital).

Notes to the Financial Statements

1. General Information

Tirupati Graphite plc (the "Company") is incorporated in England and Wales, under the Companies Act 2006. The registered office address is given on Company Information page.

The Company is a public company, limited by shares. On 14 December 2020 the ordinary shares of the Company were admitted on the official list of the FCA and to trading on the main market of the London stock exchange through standard listing.

The principal activities of the Company and its subsidiaries (the "Group") and the nature of the Group's operations are set out in Condensed Management Report.

These consolidated financial statements are presented in pounds sterling since that is the currency of the primary economic environment in which the Group and Company operates.

2. Adoption of new and revised UK adopted IAS

New Standards

The Group and Company have adopted all recognition, measurement, and disclosure requirements of IFRS, including any new and revised standards and Interpretations of IFRS, in effect for annual periods commencing on or after 1 April 2022. The following IFRS or IFRIC interpretations were effective for the first time for the financial year beginning 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in this financial information save and except the reporting related to business combination from acquisition of Suni Resources SA:

Standards/interpretations	**Description**	**Effective from**
IFRS 3 amendments	Business Combinations	1 January 2022
IAS 16 amendments	Property, Plant and Equipment	1 January 2022
IAS 37 amendments	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
IFRS 9 amendments	Annual Improvements to IFRS Standards 2018-2020 (fees in the 10 percent test for derecognition of financial liabilities).	1 January 2022

	of financial liabilities).	

Standards which are in issue but not yet effective:

At the date of authorisation of these financial statements, the following Standards and Interpretation, which have not yet been applied in these financial statements, were in issue but not yet effective.

Standard or interpretation	**Description**	**Effective date**
IAS 1	Amendments - Classification of Liabilities as Current or Non-current	1 January 2023
IAS 8	Amendments - Definition of Accounting estimate	1 January 2023
IAS 12	Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 1 amendments and IFRS practice statement 2	Disclosure of accounting policies	1 January 2023

The Group and Company have not early adopted any of the above standards and intends to adopt them when they become effective.

3. Significant Accounting Policies

Basis of Preparation

These consolidated financial statements have been prepared in accordance with UK adopted international accounting standard (UK- adopted IAS) in conformity with the requirements of the Companies Act 2006 and in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at the fair values at the end of the reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with UK-adopted IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

The principal accounting policies adopted are set out on the following pages.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Condensed Management Report. The financial position of the Group and the Company, their cash flows and liquidity positions are contained in the financial statements. The expected evolution of the business and significant post year end events is also described in Condensed Management Report. In addition, the Annual Report for the Financial Year April 2022 to March 2023 discloses the Group's objectives, policies and processes for managing its business and capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risk.

Since its Initial Public Offering and admission for trading on the standard segment of the London Stock Exchange, the company has executed development to reach a capacity of 30,000 tons flake graphite production by end of the reporting period and is engaged in ramping up production while selling its produce globally. In the period the Company continued to produce and sell from the created facilities and its annual revenues continue to grow. The Company further reported positive operating gross cash margins throughout the period and addressed challenges that came on its way successfully finding solutions as has been reported by the Company on a continued basis.

For the period under reporting, the Company achieved 170% growth in revenues and 106% increase in operating gross profits and is engaged in ramping up production so as to reach a level of breakeven monthly production and sale that is estimated to be about 1000 to 1200 tons per month as against current levels of 700-800 tons per month and is engaged in raising funds for meeting its working capital needs as also for further developments.

The Company has an established track record for raising funds for its development, though it is not guaranteed that the Company will be able to raise funds successfully in the future. In the meantime, the Company's current established capacities and operations provide reasonable basis to assume that the Company can continue to meet its costs and cash requirements at the consolidated level with its revenues.

While the Company has been in a stringent cash position during the period under reporting, the Company continues to produce, sell and realise sale proceeds within its available resources. The Company is engaged to explore possible routes to ease its liquidity position including realising VAT refunds, banking facilities at subsidiary level and, in the meantime, it continues to manage its business within the available resources.

Taking in to account the comments above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, given its current resources, installed capacities and operations, and growing sales and revenues which are expected to add positive operating cash flows, ability to raise finance for which the Company can use and leverage for its future growth.

Were the Company unable to meet its cash flow needs from its current revenue resources, the Company shall not hesitate from raising any gap funding and the Board believes and has demonstrated that it has the ability to do so. Therefore, the Company continues to adopt the going concern basis of accounting in preparing the financial statements and is of the view that with the development of the business and creation of capacities over the past few years, it has attained the status that it shall remain a going concern for the foreseeable future.

The Company notes that even though the Company has historically successfully raised capital to meet its capital needs, there is no certainty that the Company shall be able to raise funds over the next 12 months to meet its obligations and/or needs if the situation so requires. Thus the Company may consider other options at its disposal given extensive base of Assets in its Balance Sheet.

Basis of Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group consists of Tirupati Graphite plc and its wholly owned subsidiaries Tirupati Madagascar Ventures and Etablissements Rostaing.

In the company financial statements, investments in subsidiaries are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Tirupati Graphite plc and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between Group companies are eliminated by accounting resulting foreign exchange difference into Other Comprehensive Income and foreign exchange reserve on consolidation.

Segment Reporting

The Group's chief operating decision makers are considered to be the Board and senior management who have determined that as the Group has only Graphite mining extraction activities in one region, Madagascar as all the activities are closely linked and monitored as one operating and geographical segment. Thus its Corporate Office in London, UK and the Company is not seen as a separate reporting segment. Therefore results, assets and liabilities of the operating segment are the same as presented in the Group's primary statements.

Previously Company reported segment information, relating to assets and liabilities of the group's subsidiaries which the management has reassessed, leading to the conclusion that such segment reporting is not relevant and hence removed from the current report.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods or services supplied in course of ordinary business, stated net of discounts, returns and value added taxes. The Group recognises revenue in accordance with IFRS 15 at either a point in time or over time, depending on the nature of the goods or services and existence of acceptance clauses.

The Incoterms at which the Company conducts its sale of goods are Free on Board (FOB) or Cost Insurance Freight (CIF) basis. Under these incoterms as per Uniform Customs and Practices the point of transfer of risk and rewards for the goods sold to the buyer is the port from which the goods are shipped. Thus, the point of revenue recognised by the Company is the entry of goods duly stuffed in containers and sealed at which point the charge of goods are transferred to the prearranged shipping line who issue the relevant shipping document as the goods are loaded on the ship.

Gain on "Bargain Purchase"

The Company had completed the acquisition of Suni Resources on 1st April 2023, for which on consolidation company has recorded the excess difference between Net assets and purchase consideration as Gain on "Bargain Purchase" per the standard of IFRS 3 - "Business Combinations". The detailed working of the same is given below:

	Particulars		Amount GBP
1	Purchase consideration:		
	Cash paid		1,662,426
	Equity issued		2,380,058
	Deferred Equity consideration		3,443,489
		(A)	**7,485,974**
2	Net assets of Suni:		
	Net Equity		5,642,261
	Inter-company loans		11,496,120
		(B)	**17,138,381**
	Gain on Bargain Purchase	**(B-A)**	**9,652,407**

The net assets that the Company has acquired against the net equity and inter company liabilities are as below:

Deployment of Funds:	**Amount GBP**
Property Plant & Equipment	14,556,013
Trade & Other Receivables	3,481,695
Cash & Cash Equivalents	79,086
Trade & Other Payables	(978,413)*
Net Assets	17,138,381

*includes amount owed to the Company paid prior to completion for creating fixed deposit against bank guarantee

The Company believes that there is no significant impairment in the assets held by Suni Resources and has provisionally accounted for the gain on bargain purchase for the unaudited financial results subject to further verification and valuations.

Foreign Currencies

For each entity, the Group determines the functional currency, and items included in the consolidated financial statements of each entity are measured using that functional currency. The Group's financial statements are prepared and presented in in Pounds sterling, which is its functional currency.

Foreign Currency Transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognised in profit or loss. The subsidiaries are accounted into Madagascar local currency i.e., Malagasy Ariary. For the purpose of consolidation, the year-end assets and liabilities are converted at closing rate and all income statement items are converted using average rate for the year. The difference arising on such is passed through Other Comprehensive Income and Foreign Exchange Reserves.

Taxation

Income tax represents the sum of current tax and deferred tax.

Current tax

Current tax is based on taxable profit or loss for the year. Taxable profit or loss differs from net profit or loss 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 Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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 the initial recognition of intangible asset or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Assets Under Construction

All expenditure on the construction, installation or completion of infrastructure facilities is capitalised as construction in progress within "Assets Under Construction". Once production starts at a project that was under construction, all assets included in "Assets Under Construction" are transferred into "Property, Plant and Equipment". It is at this point that depreciation/amortisation commences over its useful economic life.

Property, Plant and Equipment

Property, Plant and Equipment in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Costs includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Plant and machinery	10%-25% per annum
Infrastructure and fixtures*	10%-25% per annum

*It includes mine developments assets, furniture & fixtures land lease assets, engineering centre and similar assets that are not included in Plant and Machinery.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Mining Exploration and Evaluation

The Company carries out exploration and evaluation activities whenever required with the help of company's consultant and in house geologists to determine if the exploration results returned during the period warrant further exploration expenditure and have the potential to result in an economic discovery. The amount of expenses incurred are towards pumping and manpower which are small in amounts and company's charges the same to income statement and does not recognise separate asset under IFRS 6, since company finds it immaterial to show it as recoverable asset.

Intangible assets recorded at fair-value on business combination

The Company acquired two entities located in Madagascar which are its current operating assets. These assets are acquired as part of a business combination. When a business combination results in the acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is treated in the form of intangible exploration asset. The Company sees no reason for any impairment in the value of such intangible exploration asset and thus carry's the same as an asset in its financials at present. The Company will continue to assess this in its future financial statements and if and when prudent, may consider reclassifying it to mine development asset.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Investments

Investments in subsidiaries are held at cost less any impairment.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

The Group applies IFRS 9 "Financial Instruments" and elected the simplified approach method.

The Group classifies its financial assets in the following categories: loans and receivables and fair value through profit and loss. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and this designation at every reporting date.

Trade and Other Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The principal financial assets of the Company are loans and receivables, which arise principally through the provision of goods and services to customers (e.g., trade receivables) but also incorporate other types of contractual monetary assets. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets.

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

Financial assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss ("FVTPL") in respect of which transaction costs are recorded in profit or loss. Other financial assets are classified into the following specified categories: financial assets as "at fair value through profit and loss" and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The financial assets are subsequently measured at amortized cost except for assets recognized at FVTPL.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the consolidated cash flow statement.

Financial assets - impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its instruments carried at amortized cost and FVTPL"). The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Non-financial assets - impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Provision is made for any impairment and immediately expensed in the period.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial liabilities and equity instruments issued by the Group

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issued costs.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised costs, using the effective interest rate method.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by based on the rate at it which has secured borrowing and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Borrowings

These financial liabilities are all interest bearing and are initially recognised at amortised costs and include the transaction costs directly related to the issuance. The transaction costs are amortised using the effective interest rate method over the life of the liability.

Convertible Loan Notes are recorded at their issue price. Any interest due on these CLNs is recorded on accrual basis. On conversion/redemption the face value of converted CLNs is reduced from the total carried value. Interest at 12% p.a. is paid semi-annually. The Company has issued Convertible Loan note during the year and in past. In reference to the Company's specific circumstances and financial position, the convertibility offering within the CLN's document is not assessable as a component in exchange of a lesser coupon. The Company's policy on the conversion option provided to the CLN subscribers was in exchange of not getting to the direct equity placement, with conversion defined at a premium to the price of the Company's shares at the time of issue of CLN's thus reducing possible dilution for its existing shareholders. Thus, the equity component of CLN's is not accounted for as it is not considered to be material to the financial statements.

Financial liabilities at Fair Value Through Profit or Loss ("FVTPL")

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, as set out above, with interest expense recognised on an effective yield basis. The Company's Lease Liability is recorded.

Share based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and condition of equity settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

4. Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with UK adopted IAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of sales and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or action, actual results ultimately may differ from those estimates.

Estimates and judgements 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.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

a) Impairment of assets

The Company is required to test, on an annual basis, whether its non-current assets have suffered any impairment. Determining whether these assets are impaired requires an estimation of the value in use of the cash-generating units to which the assets have been allocated. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate to calculate the present value. Subsequent changes to the cash generating unit allocation or to the timing of cash flows could impact on the carrying value of the respective assets. The Company uses factors like estimated quantity of production and sales, basket price, variable cost per ton, fixed costs, discounting rate and working capital changes to judge the impairment of assets. The company has done impairment testing taking in consideration for 10 years and not 5 years as suggested by standard, because company believes it is in project development stage and it will eventually take that sufficient time to explore mine resources and get out economic benefit of it.

Production assets

In accordance with the accounting principles and standards followed by the Company under the relevant standards, we have conducted an assessment of our capital assets to determine if there are any indicators of impairment in the carrying value of capital assets as at 30 September 2023. We are pleased to report that as of 30 September 2023, there are no indications of impairment for our capital assets.

Components of capital assets of the Company including exploration assets, drilling and mining equipment, processing plant and equipment, Infrastructure and project development etc and form a significant component of our balance sheet. These play a vital role in generating current and future economic benefits for the company. These assets have been valued appropriately, considering their expected useful lives.

We regularly monitor various factors that could potentially affect the value of our capital assets, such as

We regularly monitor various factors that could potentially affect the value of our capital assets, such as changes in market conditions, technological advancements, legal or regulatory changes, and physical damage. An assessment of impairment of production assets has been carried out by the Company considering whether the net losses of the Company have impaired its production assets and whether the net present value of the production assets is lower than its book value and has come to the conclusion that there is no impairment in the value of its production assets.

Impairment of intangible assets

The intangible exploration assets of the Company relate to the excess of consideration paid over the book value as acquired at the time of acquisition of the assets the Company holds in Madagascar, which stood at £3,609,701 as at 30 September 2023 (31st March 2023: £3,599,065). Such assets have an indefinite useful life as the Group has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 3. The company holds c.33 square kilometres of flake graphite mining permits for forty years. Currently the Company has reported mineral resource estimates for only about 30% of identified mineral bearing zones. The Company sees no indictors of impairment under IFRS6 as the licences remain valid and further exploration is planned. The Companies net present value assessments in relation assets show significant higher potential as compared to the Book Value of the assets. Hence, the Company finds no justification for impairment to be charged.

Useful economic lives of property, plant and equipment

The annual depreciation charge for different asset classes under property, plant and equipment are charged considering the relevant factors to that asset class. For all asset classes depreciation is accounted for on the basis of norms set under the local regulations which is in the range of 10 to 25% depending on the asset type signifying useful life of 10 years or below. The Company has no reasons to believe that the useful life of the assets is below these. Thus, at the year end, Company assessed that there is no requirement of changing the useful economic life of its assets.

In regard to Mine Development assets which is also a part of property plant and equipment, this contains expenses relating to costs incurred for determination of availability of graphite deposits, ore resources and expenses related to developments of mining for the purpose of providing raw material to the processing plants that have been set up by the Company at its projects. The Company adapted an unconventional path for its development the gist of which is as below:

a. Alongside continuation of exploration, it evolved a development path utilising its internal expertise. This path envisaged modular development of production capacities alongside continuation of graphite resources estimations made under JORC 2012 standards.
b. In 2019, SRK consulting assessed the first set of activities performed by the company for the purpose of resource determination and the CPR defined resources in the projects under Inferred and Indicated categories.
c. According to conventional approach for development of mining activities, this CPR was not enough for setting up mining and processing facilities, but the Company preferred to commence development of the projects on the back of its own expertise.
d. The development is also staged, and the capacities installed by the Company to date are more of less 35% of the total that it intends to install at these projects.
e. Given that the Company initiated production activities it prudently preferred to account for amortisation of mine development assets.
f. Since no ore reserves are established by the CPR and ongoing investments continue in Mine Development arena it is not in accordance with usual practices that the Company could consider quantitative amortisation of the costs incurred under the head.
g. The Company therefore preferred to assess what will be the minimum worst-case life of mine on its operations and this was assumed as 10 years for worst case scenario.
h. The Company therefore adopted a flat 10% annual rate of Amortisation for the Mine Development Assets for the past years.
i. It is important to note that costs under this head will continue to be incurred till such time that the Company continues its exploration activities and will ultimately culminate into an updated Competent Person Report engaged by the Company.
j. At this stage the Company may prudently consider to change its method of amortisation of the Mine Development assets based on quantitative considerations if it is so prudent to do.

Intragroup receivables

The Company assessed the recoverability of intragroup receivables, and it does not require any impairment adjustment in current financial year. This on the basis that the subsidiaries have remained in investment mode until end of this year and it is only now that the opportunity to produce at a annual rate that leads to profitability of the subsidiaries have been achieved. The Company shall review this status further at the end of FY24 to assess further on Intragroup receivables.

b) Provision for restoration costs

b) Provision for restoration costs

The Company makes good any provision for the cost of rehabilitating the end-of-life production sites and related production facilities at the same time as production. The rehabilitation costs are charged to the Income statement as incurred. As is privy to the Group's environment and sustainability initiatives management take note of the Environment Commitment Book which underlines in-county regulations set out by the Malagasy Government, and the environmental conditions within the mining permit, which covers the Group's obligations towards restauration and rehabilitation. The group has adopted a principle of ongoing rehabilitation activities. The directors do not believe any further provision Is required because the project areas in Madagascar are located within a moderately undulating area and the Company's mine planning takes this into consideration the topographic advantage. In addition, the nature of the deposit and pit design is such that rehabilitation and restoration of mining areas is an ongoing and concurrent activity undertaken by the Group. In line with the requirements of the licence, they have already incurred costs relating to the construction of anti-erosion infrastructures, dam cleaning, wall making, soil restoration and some reforestation of areas.

Following limited and small-scale production to date, the Group's operations after the year end will significantly increase and management will therefore undertake another detailed analysis of their environmental and restoration obligations following increased activity in line with its second Sustainability Report which shall be formulated against the Global Reporting Initiative (GRI) Index, one of leading industry benchmarks which has been adopted by the Company. The Sustainability Report will provide deeper insights on the various mechanisms and steps taken by the Company to meet their legal obligations and improve the lives of people in some of the most deprived regions and its workplaces, reduce environmental impacts and to have environment friendly operations across the various legs of its business. The Sustainability Report will also highlight the goals and targets set by the Company for the longer-term and the green technologies developed by the Company. Once this exercise is completed, management will review the findings and assess whether any activities are to be performed in this regard.

c) Recoverability of VAT

The Company has been regularly receiving VAT refunds generally in 3-6 months of time and believes that the balance standing of GBP 1,496,733 in Trade and other receivables will be recovered in due course. Hence there is no requirement of writing off such assets.

d) Going Concern

The financial statements have been prepared on the basis that the Company remains a going concern. The management's judgement are based on the Company's current stage of development and estimated future cash flows from operation and the ability of the Company to raise funds if the need so be. The auditors have preferred to include a material uncertainty in relation to going concern in their audit opinion.

e) Capitalisation of Costs for development

The Company does not employ any Engineering and Construction contractors for development of its projects and conducts mine and infrastructure development activities also using its in house resources including mining equipment fleet and human resources. During the year the Company executed extensive development activities across its projects along with operations of the facilities that were completed. Adopting conservative principles for capitalisation, the management uses its judgement for capitalisation of reasonable part of those resources that are used in development activities.

5. Revenue from Contracts with Customers

The Group & the company derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

Half year ended 30 Sep 2023	**USA**	**Europe**	**Asia**	**Total**
Revenue from external customers	608,893	432,142	2,105,592	3,146,627
Timing of recognition:				
At a point in time	608,893	432,142	2,105,592	3,146,627

Half year ended 30 Sep 2022	Europe	Asia	Total
Revenue from external customers	398,120	767,075	1,165,195
Timing of recognition:			
At a point in time	398,120	767,075	1,165,195

Following customers constituted more than 10% of the revenue, their respective share of revenue is mentioned below:

	Half year ended 30 Sep 2023 £	Half year ended 30 Sep 2022 £
Customer A	821,651	292,414
Customer B	492,231	291,275
Customer C	404,838	279,629

Revenues of approximately £ 1,718,719 (2022: £863,319) are derived from 3 customers who each account for greater than 10% of the group's & company's total revenues.

6. Cost of Sales

	Half year ended 30 Sep 2023 £	Half year ended 30 Sep 2022 £
Mining & Processing costs	**1,747,311**	626,902
Human Resources costs	**355,964**	290,280
Logistics utilities & plant admin costs	**231,399**	173,419
(Increase) / Decrease in inventory of inputs	**31,625**	(303,289)
Total	**2,366,299**	787,312

7. Expenses by Nature

	Half year ended 30 Sep 2023 £	Half year ended 30 Sep 2022 £
The following items have been included in arriving at operating loss		
Depreciation on non-operating assets	**14,264**	14,971
Net foreign exchange gain	**26,389**	35,798
PR/IR Expenses	**37,600**	55,777
Professional Fees	**280,272**	71,911
Insurance	**15,620**	-
Director Emoluments	**243,108**	177,242

Management Salary	**265,606**	233,083
Other Admin Expenses:		
Corporate Level	**217,770**	311,352
Subsidiary Level (includes Suni Resources SA)	**745,514**	125,611

8. Finance Cost

	Half year ended	Half year ended
	30 Sep 2023	30 Sep 2022
	£	£
Interest Expense	**169,012**	58,474

9. Earnings Per Share

Basic and diluted

Earnings per share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of Ordinary shares in issue during the period.

	Half year ended	Half year ended
	30 Sep 2023	30 Sep 2022
Continuing operations:		
Gain / (Loss) attributable to equity holders of the Company (£)	**7,765,330**	(1,484,538)
Weighted average number of ordinary shares in issue	**106,966,712**	86,939,832
Loss per share (pence)	**7.26**	(1.71)

The Dilutive instruments like warrants & CLNs issued by the company are resulting in anti-dilutive effect on EPS. Hence diluted EPS is shown as equal to basic EPS following IFRS requirements.

10. Intangible Assets

Group		
Cost		**£**
At 1 April 2023		3,599,065
Impairment		-
Forex Change		10,636
At 30 September 2023		**3,609,701**

Accumulated amortisation		
At 1 April 2023		-

Charge for the year		-
At 30 September 2023		**-**
Net book value		
At 1 April 2023		3,599,065
At 30 September 2023		**3,609,701**

Intangible assets comprise of excess of purchase consideration paid in the acquisition of subsidiaries.

The projects in Madagascar have a current JORC compliant mineral ore resource of 25.1 million tonnes which contains c.4% average grade of graphite content. Further exploration across the two projects is ongoing. The company has drilling resources to be explored and believes that an economic target will be achieved in future years hence impairment is not recognised. The Directors undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted for;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment, the Directors concluded that no impairment charge was required at 30 September 2023.

11. Investments

Company	**Shares in group undertaking**
Cost	**£**
At 1 April 2023	**3,921,348**
Addition	8,456,073
At 30 September 2023	**12,377,420**
Net book value	
At 1 April 2022	3,921,348
At 30 September 2023	**12,377,420**

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Tirupati Madagascar Ventures	
Registered: Lot II N 95 SB BIS E, Ambatobe, Antananarivo 103, Madagascar	
Nature of business: Graphite mining extraction	
	%
Class of share	Holding

Ordinary shares	98*

*Tirupati Resources Mauritius was liquidated on 28 th May 2021 and the shares have been transferred to Tirupati Graphite Plc. Balance 1% each is held by Mr. Shishir & Mr. Hemant respectively and are beneficial holdings.

Establissements Rostaing

Registered: Lot II N 95 SB BIS E, Ambatobe, Antananarivo 103, Madagascar

Nature of business: Graphite mining extraction

	%
Class of share	Holding
Ordinary shares	100

Suni Resources

Registered: AV JULIUS NYERERE 4000 ED. SOLAR, Mozambique

Nature of business: Graphite mining extraction

	%
Class of share	Holding
Ordinary shares	100

12. Property, Plant and Equipment

Group	Plant and Machinery	Infrastructure & Fixtures*	Assets under construction	Total
	£	£	£	£
Cost				
At 1 April 2023	8,536,528	4,727,205	226,634	13,490,367
Additions	32,805	-	144,183	176,988
Assets acquired on Suni acquisition	-	1,307,637	13,423,442	14,731,079
Restatements	-	(137,915)	-	(137,915)
Reclassification	305,138	65,679	(370,817)	-
At 30 September 2023	**8,874,471**	**5,962,606**	**13,423,442**	**28,260,519**
At 1 April 2023	1,874,020	417,910	-	2,291,930
Assets acquired on acquisition	-	175,083	-	175,083
Depreciation	472,729	207,958	-	680,687
At 30 September 2023	**2,346,749**	**800,951**	**-**	**3,147,700**
Carrying amount				
As at 1 April 2023	6,662,508	4,309,295	226,634	11,198,437
As at 30 September 2023	**6,527,722**	**5,161,655**	**13,423,442**	**25,112,819**

Note: Infrastructure & fixtures includes mine development assets Sep 2023: £1,448,776 (31 Mar 2023: £1,492,474) and right of use assets Sep 2023: £ 56,883 (Mar 2023: £58,599)

13. Trade and Other Receivables

	Group		Company	
	30 September 2023	31 March 2023	**30 September 2023**	31 March 2023
	£	£	**£**	£
Trade receivables	**746,635**	710,600	**746,635**	710,600
Advance for Capex	**287,039**	287,039	**287,039**	287,039
VAT Refunds	**3,083,972**	1,058,832	**32,824**	7,451
Fixed Deposits	**1,876,969**			
Other debtors	**38,108**	50,209	**32,083**	-
Prepayments	**-**	16,424	**-**	16,424
Amounts owed by group undertakings	**-**	-	**18,909,881**	17,559,350
Advance for Acquisitions*	**-**	2,632,525	**-**	2,632,525
	6,032,722	**4,755,629**	**19,721,443**	21,213,389

*Note: Amounts advanced to Battery Minerals Limited in terms of agreements entered into for securing placement of bank guarantee and payment of capital gains tax so as to facilitate the approval for completing the acquisition.

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30-60 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. All sales of the company are in USD.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due.

At 30 September 2023	Current	More than 30 days	More than 60 Days	More than 90 days	Total
	£	£	£	£	£
Expected loss rate	0%	0%	0%	80%	0%
Gross trade receivables	746,635	-	-	-	-
Loss allowance	-	-	-	-	-

At 31 March 2023	Current	More than 30 days	More than 60 Days	More than 90 days	Total
	£	£	£	£	£
Expected loss rate	0%	0%	0%	80%	0%
Gross trade receivables	710,600	-	-	-	-
Loss allowance	-	-	-	-	-

Trade receivables are provided for when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. There are no significant known risks, and therefore no provision is made as at 30 September 2023 & 31 March 2023.

14. Inventories

	Group	
	30 September 2023	31 March 2023
Cost and net book value	**£**	**£**
Raw materials and consumables	1,120,958	457,997
Finished and semi-finished goods	193,840	928,561
	1,314,798	**1,386,558**

15. Trade and Other Payables

Current:

	Group		Company	
	30 September 2023	31 March 2023	**30 September 2023**	31 March 2023
	£	£	**£**	£
Trade payables	**1,693,879**	1,084,991	**357,645**	243,500
Social security and other taxes	**14,658**	48,913	**3,797**	-
Advance from customers	**628,196**	-	**628,196**	-
Accruals	**1,064,102**	550,994	**970,996**	491,940
	3,347,878	730,869	**1,960,635**	315,207

In the Directors' opinion, the carrying amount of payable is considered a reasonable approximation of fair value.

Non-current:

	Group		Company	
	30 September 2023	31 March 2023	**30 September 2023**	31 March 2023
	£	£	**£**	£
Lease liability	**28,104**	31,080	**-**	**-**
	28,104	31,080	-	-

The Company has taken land on lease for Vatomina project for 18 years hence, there is no current maturity.

Lease liability is recognized in accordance with requirements of IFRS 16. It requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

16. Provisions and Commitments

No provisions have existed within the financial year or persist at year end. As regard the Company's capital commitments, the ongoing development at its projects are substantially completed and further developments will be made post further funding arrangements. The acquisition of Suni Resources are commitments to be satisfied in equity consideration.

17. Borrowings

The Company has issued two series 2019CLN's and 2022CLN's both carrying coupon of 12% payable half yearly and convertible at the holders' option at issue price as defined in the underlying instrument, key terms thereof being as below:

Term	CLN2019	CLN2022
Coupon	12% payable half yearly	12% payable half yearly
Maturity	3 years from issue date (verbally agreed to extend the maturity date to 31st December 2024 post yearend)	3 years from date of issue
Conversion	At the holders' option	At the holders' option
Conversion Price	£0.45 per ordinary share being the IPO fund raise price per ordinary share	£0.60 for year 1 £0.75 for year 2 £0.90 for year 3

	30 September 2023	31 March 2023
Within one year	-	909,000
Between 2 and 5 years	2,771,500	1,862,500
	2,771,500	**2,771,500**

Following table denotes changes in borrowings:

	30 September 2023	31 March 2023
Opening Balance as on 1st April	**2,771,500**	1,009,000
Issued during the year	-	1,862,500
Redeemed/Converted during the year	-	(100,000)
Closing Balance as on 31st March	**2,771,500**	2,771,500

The loan notes shall be redeemed by the Company, at any time after the first anniversary of an Initial Public Offering up to the Maturity Date or by the Noteholder or the Company, on the Maturity Date being 3 years from date of issue.

Conversion can be made 15 Business Days after the date of completion of a successful Initial Public Offering to convert all of the Notes outstanding into fully paid Ordinary Shares at a price equal to the price per Share paid by investors participating in the Initial Public Offering.

18. Share Capital

	30 September 2023	30 September 2023	31 March 2023	31 March 2023
	Number	**£**	Number	£
Allotted, called up and fully paid				
Ordinary shares of 2.5p each	**1,069,66,712**	**2,674,169**	1,01,447,768	2,536,195

Shares were issued during the year as follows:

	Cost of issue (£)	Number of shares issued
Shares issued on acquisition of Suni Resources 01 April 2023	-	5,518,944
	-	**5,518,944**

19. Share based Payments & Warrant Reserve

During the first two years after incorporation of the Company on 20 April 2017, with the consent of its Board and senior management team, the Company adopted a minimal approach to incentives and provided no bonuses to the executive management team or the Board. However, to show the appreciation of the Company, the Board was provided with an annual incentive package in the form of warrants to subscribe for equity shares of the Company at a premium to the prices at which Ordinary Shares have been subscribed when the Company raised equity in the relevant period. The Company has also provided broker warrants to Optiva, on a success basis, for the fundraising activities executed by it prior to Admission. These represent the current outstanding Warrants in issue.

All warrants are equity-settled, in accordance with IFRS 2, by award of warrants to acquire ordinary shares or award of ordinary shares. The fair value of these awards has been calculated at the date of grant of the award. The fair value of the warrants granted was calculated using a Black-Scholes model. Changes in the assumptions can affect the fair value estimate of a Black-Scholes model.

Following are the key assumptions used to estimate the fair value of the warrants issued:

a) Expected Volatility: 20%
b) Contractual Life of the warrant: 3 years
c) Risk free interest rate: 0.38% p.a.

Following warrants over ordinary shares have been granted by the Company and are outstanding as on 30 September 2023:

Grant Date	Expiry Date	Exercise Price (£)	Number of warrants exercisable and outstanding
31 December 2017	31 December 2025	0.300	1,000,000
31 December 2018	31 December 2025	0.400	1,520,000
31 March 2019	31 March 2025	0.400	320,000

31 December 2019	31 December 2025	0.400	1,620,000
31 March 2020	31 March 2025	0.400	480,000
14 December 2020	14 December 2023	0.450	170,329
14 December 2020	14 December 2023	0.675	113,553
20 April 2021	20 April 2024	1.350	222,222
		Total	**5,44,6104**

Optiva Securities Limited is eligible for issue of following share warrants during the year, but these have not yet issued:

Eligibility Date	Expiry Date	Exercise Price (£)	Eligible number of warrants
05 December 2022	05 December 2025	0.350	714,285
08 August 2022	08 August 2025	0.900	103,472
		Total	**817,757**

The Company has not accounted for the warrants granted as they have not been formally issued and the cost of such warrant is not material.

Following table denotes changes warrants outstanding:

	30 September 2023	31 March 2023
Opening Balance as on 1st April	**5,913,348**	6,630,491
Issued during the year	-	-
Exercised during the year	-	-
Expired during the year	(467,244)	(717,143)
Closing Balance as on 30 September 2023	**5,446,104**	5,913,348

In half-year ended 2024, 444,444 warrants issued to CLN investors and 22,800 to brokers have expired.

20. Financial Instruments

Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Capital risk management
- Market risk
- Credit risk
- Liquidity risk
- Currency risk

This note presents information about the Group's exposure to each of the above risks, the Group's management of capital, and the Group's objectives, policies and procedures for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders as well as sustaining the future development of the business. In order to maintain or adjust the capital structure, the Group may adjust dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt, which includes loans, cash and cash equivalents, and equity attributable to equity holders of the company, comprising issued capital and retained earnings.

Fair value of financial assets and liabilities for the group

	Valuation, Methodology and hierarchy	**Book value 30 September 2023 £**	**Fair value 30 September 2023 £**	Book value 31 March 2023 £	Fair value 31 March 2023 £
Financial assets					
Cash and cash equivalents	(a)	**125,437**	**125,437**	289,338	289,338
Loans and receivables, net of impairment	(a)	**6,032,723**	**6,032,723**	4,755,629	4,755,629
Total at amortised cost		**6,158,160**	**6,158,160**	5,044,967	5,044,967
Financial liabilities					
Trade and other payables	(a)	**3,347,878**	**3,347,878**	1,684,808	1,684,808
Borrowings and provisions	(a)	**2,771,500**	**2,771,500**	2,771,500	2,771,500
Lease Liabilities	(a)	**28,104**	**28,104**	31,080	31,080
Total at amortised cost		**6,147,482**	**6,147,482**	4,487,388	4,487,388

Fair value of financial assets and liabilities for the company

	Valuation, Methodology and hierarchy	**Book value 30 September 2023 £**	**Fair value 30 September 2023 £**	Book value 31 March 2023 £	Fair value 31 March 2023 £
Financial assets					
Cash and cash equivalents	(a)	**33,093**	**33,093**	130,340	130,340
Loans and receivables, net of impairment	(a)	**19,721,423**	**19,721,423**	21,213,389	21,213,389
Total at amortised cost		**19,754,516**	**19,754,516**	21,343,729	21,343,729
Financial liabilities					

Trade and other payables	(a)	**1,960,635**	**1,960,635**	735,440	735,440
Borrowings and provisions	(a)	**2,771,500**	**2,771,500**	2,771,500	2,771,500
Total at amortised cost		**4,732,135**	**4,732,135**	3,506,940	3,506,940

Valuation, methodology and hierarchy

(a) The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and deferred income, and Borrowings are all stated at book value. All have the same fair value due to their short-term nature.

Market risk

Market price risk arises from uncertainty about the future valuations of financial instruments held in accordance with the Group's investment objectives. These future valuations are determined by many factors but include the operational and financial performance of the underlying investee companies, as well as market perceptions of the future of the economy and its impact upon the economic environment in which these companies operate.

Credit risk

Credit risk is the risk that counterparties to financial instruments do not perform their obligations according to the terms of the contract or instrument. The Group is exposed to counterparty credit risk when dealing with its customers and certain financing activities.

The immediate credit exposure of financial instruments is represented by those financial instruments that have a net positive fair value by counterparty at 30 September 2023.

The Group considers its maximum exposure to be:

	30 September 2023 £	31 March 2023 £
Financial assets		
Cash and cash equivalents	**125,437**	289,338
Loans and receivables, net of impairment	**6,032,723**	4,755,629
	6,158,160	5,044,967

The company considers its maximum exposure to be:

	30 September 2023 £	31 March 2023 £
Financial assets		
Cash and cash equivalents	**33,093**	130,340
Loans and receivables, net of impairment	**19,721,423**	21,213,389
	19,754,516	21,343,729

All cash balances are held with an investment grade bank who is our principal banker. Although the Group has seen no direct evidence of changes to the credit risk of its counterparties, the current focus on financial liquidity in all markets has introduced increased financial volatility. The Group continues to monitor the changes to its counterparties' credit risk.

Liquidity risk

Liquidity risk is the risk the Group will encounter difficulty in meeting its obligations associated with financial liabilities as they fall due. The Board are jointly responsible for monitoring and managing liquidity and ensures that the Group has sufficient liquid resources to meet unforeseen and abnormal requirements. The current forecast suggests that the Group has sufficient liquid resources.

Available liquid resources and cash requirements are monitored using detailed cash flow and profit forecasts these are reviewed at least quarterly, or more often as required. The Directors decision to prepare these accounts on a going concern basis is based on assumptions which are discussed in the going concern note above.

The following are the contractual maturities of financial liabilities for the group:

30 September 2023	Carrying amount £	Contractual cash flows £	6 months or less £	6 to 12 months £	1 to 2 years £	2 to 5 years £
Non-derivative financial liabilities						
Trade and other payables	3,347,878	-	3,347,878			
Borrowings	2,771,500	-	-	-	2,771,500	-
Lease Liability	28,104	-	-	-	-	-
31 March 2023						
Non-derivative financial liabilities						
Trade and other payables	1,684,808	-	1,684,808			
Borrowings	2,771,500	-	-	-	2,771,500	-
Lease Liability	31,080	-	-	-	-	-

The following are the contractual maturities of financial liabilities for the company:

30 September 2023	Carrying amount £	Contractual cash flows £	6 months or less £	6 to 12 months £	1 to 2 years £	2 to 5 Years £
Non-derivative financial liabilities						
Trade and other payables	1,960,635	-	1,960,635			
Borrowings	2,771,500	-	-	-	2,771,500	-
31 March 2023						
Non-derivative financial liabilities						
Trade and other payables	735,440	-	735,440			
Borrowings	2,771,500	-	-	-	2,771,500	-

Cash flow management

The Group produces an annual budget which it updates quarterly with actual results and forecasts for future periods for profit and loss, financial position and cash flows. The Group uses these forecasts to report against and monitor its cash position. If the Group becomes aware of a situation in which it would exceed its current available liquid resources, it would apply mitigating actions involving reduction of its cost base. The Group would also employ working capital management techniques to manage the cash flow in periods of peak usage.

Currency risk

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity. The Group's primary currency exposure is to US Dollar, which is the currency of all intra-group transactions as well as denomination of selling price of the products. The group also has some exposure to Malagasy ariary due to its operating subsidiaries in Madagascar.

Considering the natural hedge available the Group currently doesn't hedge the currency risk. The Group's and Company's exposure to foreign currency risk at the end of the reporting period is summarised below. All amounts are presented in GBP equivalent.

Group	**USD 30 September 2023 £**	**MZN 30 September 2023 £**	**MGA 30 September 2023 £**	USD 31 March 2023 £	MZN 31 March 2023 £	MGA 31 March 2023 £
Cash and cash equivalents	**35,938**	**23,100**	**64,263**	66,652	-	158,386
Trade & other receivables	**1,065,756**	**3,492,247**	**1,485,377**	997,639	-	1,101,590
Trade & other payables	**(985,842)**	**16171**	**(1,403,414)**	(243,500)	-	(949,368)
Net Exposure	**115,852**	**3,531,518**	**146,226**	820,791	-	310,608

Company	**USD 30 September 2023 £**	USD 31 March 2023 £
Cash and cash equivalents	**30,957**	66,040
Loans to subsidiaries	**15,585,294**	15,153,109
Trade & other receivables	**7,927,859**	6,060,281
Trade & other payables	**(906,590)**	(578,315)
Net Exposure	**22,637,520**	20,701,115

21. Related Party Transactions

PranaGraf Materials and Technologies Private Limited ("PG") (Formerly known as Tirupati Speciality Graphite Private Limited) is an entity incorporated in India. The Company is connected to it in that both Shishir Poddar and Hemant Poddar were directors and shareholders of PG during the period.

- Revenue earned during the period amounted to £821,651 (Sep 2022 - £ 291,275) and;
- The Company purchased consumables of £349,973 (Sep 2022: £742,757); and
- incurred service fees of £127,392 (Sep 2022: £ 138,204) towards back office services received

- incurred reimbursement of expenses of £32,015 (Sep 2022: £98,009) towards travel and other expenses for the executives of the Company during the period.

At period end, a net amount £180,044 (Sep 2022 - £151,377) was receivable from PG with none overdue.

Haritmay Ventures LLP (HV) is an entity incorporated in India and engaged in manufacturing proprietary tailor-made flake graphite processing machinery and equipment which the Company uses in its projects. The Company is connected to HV in that Shishir Poddar is partner and shareholder of HV during the period. At period end, an amount of £287,039 (Sep 2022: £Nil) was receivable from HV being advance paid for long lead machinery purchase. During the period the Company purchased proprietary graphite processing machinery and spares of £Nil (Sep 2022: £861,368) from HV.

22. Deferred Tax Assets

	30 September 2023	**31 March 2023**
Brought forward DTA	**74,076**	75,242
Created/(reversed) during the year	-	-
Forex	(1,548)	(1,196)
Carried forward DTA	**72,528**	74,076

23. Events after the Reporting Period

- In October the Company held an online presentation for current and prospective investors on the Investor Meets Company platform, and held its AGM in London, UK at which, all resolutions were passed.
- In October, China announced the introduction of export restrictions on Graphite products from 1 December 2023.
- The Company appointed Mr Murat Erden as a new Non-executive Director to the Board in October.
- The Company appointed Shard Capital as its joint broker in November.
- The Company issued the Tranche 2 Consideration shares to Battery Minerals Limited under the terms of its acquisition agreement.
- The Company continued discussions with various potential lenders and it has structured an instrument for raising convertible debt of up to £6,000,000 for meeting its working capital and investment needs for ramping up production and sales at its Madagascar projects.
- The Company continued its work to optimise the studies for the development of the first 50,000tpa stage of its recently acquired fully permitted and construction-ready Montepuez project in Mozambique, and is targeting a further update early in the next quarter.

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