RNS Number : 0175R
Tirupati Graphite PLC
15 July 2025

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Tirupati Graphite plc
('Tirupati' or the 'Company')

Annual Report & Accounts for the year ended 31 March 2024

Tirupati Graphite plc (TGR.L), the specialist flake graphite company and supplier of the critical mineral for the global energy transition, announces its audited annual results and filing of the Annual Report & Financial Statements for the year ended 31 March 2024 (the "2024 Annual Report"). The 2024 Annual Report will shortly be available at https://tirupatigraphite.co.uk/ and is being filed with Companies House today.

Publication of the 2024 Annual Report has been delayed from last year, originally due to the uncertain financial position and severe liquidity challenges faced by the Group in 2024, including not being in a position during 2024 to fund completion of the audit, and uncertainty around the ability of the Group to continue as a going concern. Fund raising in 2025 has significantly improved the financial outlook. Following changes in the Board in late 2024 and early 2025, the former CEO was removed from his position. The former CEO had previously provided the Company's accounting systems and financial reporting on an outsourced basis from a private company in India controlled by him and his daughter (also a former director of the Company). That entity has denied the Company access to its IT systems and its underlying accounting records (even though owned by and held on systems licensed to Tirupati Graphite plc) following the Board changes in January 2025. This has required the Company to implement new systems and reconstruct its accounting records, now substantially completed, but which led to the further delay, as in the last month has the unavailability of the reviewing audit partner for unforeseen reasons.

Key points for the year ended 30 March 2024:

- Total production was 7,096 metric tonnes ("MT") of flake graphite from the Group's two projects in Madagascar: Vatomina and Sahamamy;
- Vatomina had intermittent production, due to operational and funding problems;
- The Sahamamy project was placed in care and maintenance in March 2024;
- Operating loss: £5.1 million (FY23: £2.1 million);
- Completed acquisition of Suni Resources SA ("Suni Resources") as announced in April 2023, adding two mining concessions in Mozambique. Business combination accounting for the acquisition resulted in recognition of a gain of £6.1 million in the income statement;
- Profit before tax: £64 thousand (FY23: £2.4 million loss);
- Loss after tax: £13 thousand (FY23: £2.4 million);
- Subsequent to 31 March 2024, operational and liquidity challenges, and failure to raise new funds, led to the pausing of production operations and to further development of the mines. Trading of the Company's shares though its listing on the LSE was suspended in August 2024.

A fuller description of the challenges which the Company faced in 2024 and the actions since taken to overcome them are presented under Events Subsequent to 31 March 2024 described below and the Chairman's Statement from the Annual Report, which is also re-produced below.

Mark Rollins, Executive Chairman of Tirupati Graphite, commented:
"We are pleased to publish the delayed 2024 annual report and accounts. While the annual report covers a very difficult period for the Company and all its stakeholders, and the Company was at that time on a path to failing, the turnaround initiatives in 2025 have now placed it on a much firmer basis to realise the underlying potential of its assets.

This is a key step in returning to compliance with our listing obligations."

For further information, please visit https://tirupatigraphite.co.uk/ or contact:

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Summary of the Operating Results for the year ended 31 March 2024.

	Units	FY 2023-24	FY 2022-23	YoY Change
Total Production	**MT**	**7,096**	**4,770**	**+49%**
Total Costs of Production for units sold (Excl. Depreciation)	**£**	**4,389,010**	**1,531,349**	**+189%**
Cost per MT of Production	**£**	**619**	**321**	**+95%**
Total Sales Volume	MT	7,434	3,982	+87%
Total Revenues	**£**	**4,903,856**	**2,890,010**	**+70%**
Average Selling price per MT of Production	**US / £ per MT**	**828 / 660**	**875 / 726**	**-9%**

Production during the year ended 31 March 2024 increased by 49% and sales volume increased by 87% over the previous year, although operations became increasingly intermittent from mid 2024. The realised average selling price per MT of graphite decreased by 9% in GBP terms and 5% in dollar terms, reflecting weaker market dynamics. Operating margins decreased significantly, principally because of:

- lower ore head grade feed into both Vatomina and Sahamamy plants, due in part to sub-optimal mine development;
- poor performance of plant and equipment due to breakdowns and interruptions, and lack of spare part availability during the period;
- breakdown of vehicles and inability to operate vehicles at certain points reduced efficiency of operation and plants; and
- plant capacity being underutilised and not energy efficient, while fixed costs increased.

See below for corrective actions taken since the changes in Company leadership.

Summary of the Financial Results for the year ended 31 March 2024

The Group reported a small loss after tax for the year ended 31 March 2024 (FY2024) of £0.01 million, but a pre tax operating loss of £5.1 million.

The operating loss for FY 2024 (2023: £2.1 million loss) resulted from a combination of the Madagascar mines producing only a small gross margin of £0.5 million, which was insufficient to cover a depreciation expense for the assets of £1.5 million, and high administration expenses in the period. The low margin reflected high unit operating costs as described above. Administration expenses of £4.1 million at the group level reflected an unusually high level of legal and professional fees (£0.5 million) partly associated with the Board representation issues but also the level of salaries paid to the previous leadership of the Company. They also include the Madagascar local office and all local labour tax and social security costs, as well as £0.7 million of Mozambique expenses. The Mozambique costs are currently all being expensed until full project development commences, and include site security and subsistence costs.

In terms of non-GAAP KPIs, EBITDA for the year to 31 March 2024 was a loss of £3.6 million (2023: £0.8 million) as a result of the above factors.

An impairment charge of £0.8 million was taken against the Sahamamy asset in recognition of production being placed on hold and certain areas of the mine being unlikely to be developed further. The central facilities at Sahamamy are, however, expected to be of value for a re-development at Sahamamy focused on new mine areas where improved ore qualities are expected.

The operating loss was more than offset by a bargain purchase gain recorded on the acquisition of Suni Resources in Mozambique, which completed on 1 April 2023, of £6.1 million. The Suni acquisition has been accounted for as a business combination, and the gain (negative goodwill) represents the surplus of the assessed fair valuation for the net assets acquired over the fair value of the consideration. The Group re-evaluated the fair valuation of both the net assets and consideration since the interim results announced in December 2023 under the Company's previous leadership, resulting in a lower bargain purchase gain than previously indicated.

Interest expense was £0.4 million (2023: £0.25 million); increased finance costs reflected a full year of interest expense on the loan notes issued in 2022.

The result before tax was at just above breakeven, while a previous deferred tax asset of £0.1 million was expensed, resulting in a non cash tax charge.

As a result, loss after tax was £13 thousand (2023: £2.4 million loss) and loss per ordinary share was £0.01 (2023: £2.59 loss per share).

Liquidity and Capital Resources

The principal financial challenge faced by the Group in FY2024 and in the subsequent period through to 31 December 2024 and the launch of the corporate re-structuring and re-financing was a lack of funding for working capital and investment. This was partly due to poor operating performance but also unsuccessful financing initiatives. As a result, significant arrears of creditors were built up, while the business was funded significantly through advance payments for graphite sales which could then not be delivered on schedule. The resulting liquidity crisis almost led to insolvency, but this was averted in early 2025 with the successful re-financing and resumption of production.

During the year to 31 March 2024, the Company had raised gross proceeds of £1,045,000 by way of a placing in January 2024 of 9,500,000 new ordinary shares at a placing price of £0.11 per share. The Company also issued 12.1 million new shares as part consideration for the acquisition of Suni Resources to create a business in Mozambique, along with cash of £1.5 million.

As at 31 March 2024 the Group had cash and cash equivalents of £0.2 million.

Group net assets as at 31 March 2024 were £22.9 million, with net debt at £2.8 million, but the Group also had creditors for prepaid graphite deliveries included within trade payables of £2.8 million. Group receivables of £5.4 million at 31 March 2024 include VAT recoverable of £2.8 million and bank deposits securing guarantees of licence obligations of £1.8 million, both of which are not available in the near term to support operations, though some VAT recoveries have since been achieved.

The auditor's report on the 2024 financial statements is unqualified but includes reference to material uncertainty around the ability of the Group to continue as a going concern if it is unable to satisfy the conditions to convert the 2019 and 2025 Convertible Loan Note to equity, as planned.

Events Subsequent to 31 March 2024

Since 31 December 2024 the Group has been through a re-structuring and re-financing led by a new Board and management team, including:

1. The resumption of production following earlier suspension: production in Madagascar was restarted in February 2025 with operations focused on ramping up production to profitable levels over the course of 2025.
2. Board Changes: as more fully explained in the Chairman's Statement and Directors' Report, a shareholder group sought changes to the composition of the Company Board, which were agreed in late 2024. This initiative was undertaken due to the high risk of financial failure of the Group and poor governance, in the view of the shareholders. Following the Board changes, the contract of the former CEO was terminated in February 2025 and new management installed.
3. Re- financing: in early 2025, the Company has launched a number of restructuring and financing measures, including raising £4.5 million of new convertible loan notes ("2025 CLNs"). The 2025 CLNs are convertible at the option of the holder, and by the Company when the conversion shares can be admitted to trading. Conversion will be at a share price of 3.75 pence per ordinary share and can be

admitted to trading. Conversion will be at a share price of 3.75 pence per ordinary share and can be elected once: (i) the Company has received approval from shareholders in a general meeting for the issue of the conversion shares; (ii) listing of the Company's ordinary shares on the LSE is resumed and the present suspension is lifted; and (iii) approval is received for the required prospectus for issue of the new conversion shares. Further steps including re-negotiation of the terms of existing CLNs have been separately announced.

Below are extracts from the Chairman's Statement In the Annual Report and Financial Statement for the year ended 31 March 2024

I am pleased to present our Annual Report to shareholders for the year ended 31 March 2024. I am able to present a much improved outlook for your Company following difficult steps taken in the last 12 months to resolve major challenges which had become increasingly clear to investors during the last few years.

Major shortcomings in management performance and poor governance practices resulted in material destruction of shareholder value. Due to an increasingly precarious liquidity position and in order to reverse the Company's negative trajectory, shareholders initiated action to change the composition of the Board in 2024. This action was eventually successful in December 2024. This led to the appointment of three experienced new directors, the retirement of one of the existing directors, and subsequently my appointment as Chairman. An earlier effort by a group of shareholders to restructure the Board in June 2024 had been unsuccessful. The December 2024 changes led to the replacement of the founder and CEO, and removal of previous conflicts of interest, through termination of supply and service arrangements with parties connected to him.

As a reconstituted Board and management we rapidly arranged a strategic re-financing of the business in order to implement a much-needed turnaround strategy. This strategy aimed to position the Group onto a more stable footing to capitalise on the strong market trends in the sector.

The year ended 31 March 2024 had been a challenging year. In Madagascar, the Group operated its Vatomina graphite project and also its Sahamamy graphite project for part of the year. It also completed the acquisition of two graphite projects at the pre-development stage, but of globally significant scale, in Mozambique. However, challenges were encountered in the form of large synthetic graphite production capacity increases in China, which negatively impacted natural graphite prices. The Company was also unable to adequately meet its working capital requirements during much of the year and subsequently, to support production growth.

While the operational team in Madagascar succeeded in achieving the highest annual graphite production from the Madagascar projects to date of 7,096 MTs in the year under report, lack of funds and inefficient planning across the projects hindered the Group from realising the potential of its assets. Efforts to bridge the funding and operational needs of the projects sufficiently were impeded by poor corporate governance and conflicts of interest posed by the composition of the former Board and its leadership. This prevented the Company from accessing the funding necessary to maintain any momentum or progress through 2023 and 2024.

Subsequent to the 31 March 2024 year end, the Group's projects had to be shut in due to lack of funding and poor results, and the Group was in severe financial distress. The Company's listing on the London Stock Exchange was suspended in August 2024, with the share price then at 6.25 pence per share. The Company was unable to prepare its consolidated financial statements and annual report for March 2024 by the filing deadline. Only once the new team had taken over the audit process, raised additional financing, and re-constructed the accounting system was it possible to finish this report and for the auditors to complete their work.

Since the end of the reporting period, the new executive team has successfully re-started production at the Vatomina project, with sustainable and increasing volumes. Customer demand has been robust across all product grades, leading to strong sales and an increasingly diversified customer base. Indeed, production reached a record level in April 2025 and is on track to exceed breakeven levels and reach our reported target of 1000 MT per month by the end of July.

Graphite markets have stabilised and have shown signs of a turnaround. Despite turbulent geopolitical and socio-economic events, industrial markets have been resilient and global sales of electric vehicles have continued to grow year on year, with battery and energy storage demand for graphite continuing to grow. Global policy developments affecting critical minerals has meant that new regions are developing hubs for consumption of battery raw materials, including graphite, outside of China as end-users seek to diversify their supply sources. This presents significant opportunities for the likes of Tirupati Graphite with its projects across East Africa, to establish itself as a preferred supplier.

We have received an updated Mineral Resources at the Madagascar mines and have commissioned a full, updated Competent Persons' Report which will be available later this year. While the inferred resource numbers, especially at Vatomina, have reduced since the last numbers reported, in 2020, this is largely attributable to poor data records and lack of updates to models for several years under the previous management. With better discipline and mining practices we would expect to see an improvement in future.

I am pleased to report that the fund-raising initiatives have been successful, with £4.5 million subscribed for new convertible loan notes which we expect to be able to convert to equity this year. And we have reached agreement with holders of existing convertible loan notes for a restructuring of those liabilities. The £0.9 million of the 2019 Series, which had a final maturity in December 2024 are being converted to equity, and the £1.9 million of the 2022 Series which are due to mature in July and August 2025, have been extended by one year. While these steps will result in a substantial number of new shares being issued including, potentially, from attached warrants, and dilution for previous shareholders, the alternative for equity and existing note holders was likely a much greater loss. The Board is grateful for the backing of many shareholders and the loan note holders for their support of the re-structuring and the new funds which many have invested. We have also welcomed some new investors who see great potential for our Company going forward.

This has been a very difficult time for the Group's employees and suppliers. Employees at our operations have been remarkably resilient and have been instrumental in our successful turnaround efforts over the past months. Also, we are well aware that many of our suppliers were not treated well during the past few years. Early in its tenure the new Board has taken steps to redress past issues and put these critical relationships back onto a positive footing. The Board is grateful for the patience and loyalty of all concerned.

As regards the Board itself - I am committed to ongoing review of its composition and strengths as our Company grows. We will continue to reinforce the processes and procedures that underpin our decision making and governance in line with the development of our business and the expectations of our stakeholders. We understand that effective governance is essential to good stewardship of all aspects of our Company and the support of many key constituencies - not least our shareholders.

Strong governance is also needed to ensure high standards in respect to the way we interact with the communities in which we operate and our attitude to environmental and health and safety matters. As a Board we will seek to promote continuous improvement in these areas across our operations in Madagascar and Mozambique, and across our industry as a whole.

The Board would like to bring to your attention the annual general meeting of shareholders which will be asked to approve a number of resolutions which we consider vitally important for the realisation of our turnaround plan. A necessary Prospectus for new shares is in progress and will be issued in the coming weeks. This will permit conversion of the 2019 and 2025 CLN issues to equity and a significant strengthening of the equity base of the Company. We urge all shareholders to vote in favour of the resolutions as recommended by the Board.

The new Board is committed to transparency and clear communications with all of its stakeholders as it continues seeking to transition the Group towards becoming a globally significant graphite producer, capitalising on positive market trends for natural flake graphite and our existing asset base in order to realise exceptional value for our shareholders.

We firmly believe that the strong foundation that we have been building over the past months will enable us to meet these goals.

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2024

	Notes	2024 £	2023 £
Continuing operations			
Revenue	6	4,903,856	2,890,010
Cost of sales	7	(4,389,010)	(1,531,349)
Depreciation of operating assets		(1,496,616)	(1,024,564)
Gross profit		**(981,770)**	**334,097**
Administrative expenses	9	(4,093,256)	(2,440,366)
Operating loss		**(5,075,026)**	**(2,106,269)**
Impairment charge	16	(798,871)	-
Gain on bargain purchase	5	6,135,915	-
Finance income - interest	8	204,525	-
Finance costs	11	(402,585)	(251,641)
Profit/(loss) before income tax		**63,958**	**(2,357,910)**
Income tax expense	12	(77,171)	(9,775)
Loss for the year attributable to owners of the Company		**(13,213)**	**(2,367,685)**
Other comprehensive income: Items that may be reclassified to profit or loss:			
Exchange gain (loss) on translation of foreign operations		1,133,833	(1,381,371)
Total comprehensive income (loss) for the year attributable to the Group		**1,120,619**	**(3,749,056)**
Loss per share attributable to owners of the Company		Pence per share	Pence per share
From continuing operations:			
Basic and Diluted (pence)	13	**(0.01)**	**(2.59)**

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

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 £3,903,990 (2023: £1,032,736).

Consolidated and Company Statement of Financial Position
As at 31 March 2024

	Notes	Group		Company	
		2024	**2023**	**2024**	**2023**
		£	**£**	**£**	**£**
Non-current assets					
Investments in subsidiaries	15	-	-	23,904,078	3,921,348
Property, plant and equipment	16	18,982,921	11,198,437	-	-
Deferred tax	26	-	74,046	-	-
Deposits		30,487	32,455	-	-
Intangible assets	14	3,568,618	3,599,065	-	40,970
Total non-current assets		**22,582,026**	**14,904,003**	**23,904,078**	**3,962,318**
Current assets					
Inventory	18	1,209,925	1,386,558	-	-
Trade and other receivables	17	5,380,805	4,755,629	3,636,893	21,213,389
Cash at bank		185,968	289,338	101,589	130,340
Total current assets		**6,776,698**	**6,431,525**	**3,738,482**	**21,343,729**
Current liabilities					
Trade and other payables	19	2,757,704	1,684,808	1,345,176	735,440
Borrowings	21	1,112,830	909,000	909,000	909,000
Equity subscription advance received, allotment due		703,000	-	703,000	-
Total current liabilities		**4,573,534**	**2,593,808**	**2,957,176**	**1,644,440**
Net current assets		**2,203,164**	**3,837,717**	**15,326,306**	**19,699,289**
Non-current liabilities					
Borrowings	21	1,862,500	1,862,500	1,862,500	1,862,500
Lease liability	19	26,166	31,080	-	-

Total non-current liabilities		**1,888,666**	**1,893,580**	**1,862,500**	**1,862,500**
NET ASSETS		**22,896,525**	**16,848,140**	**22,822,884**	**21,799,107**

Equity					
Share capital	22	3,107,482	2,536,195	3,107,482	2,536,195
Share premium account		28,819,456	24,462,976	28,819,456	24,462,976
Warrant reserve	23	116,065	116,065	116,065	116,065
Foreign exchange reserve		(1,023,746)	(2,157,579)	-	-
Retained losses		(8,122,731)	(8,109,518)	(9,220,120)	(5,316,129)
Equity attributable to owners of the Company		**22,896,525**	**16,848,140**	**22,822,884**	**21,799,107**
TOTAL EQUITY		**22,896,525**	**16,848,140**	**22,822,884**	**21,799,107**

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

The financial statements were approved by the Board of Directors on 11th July, 2025 and signed on its behalf by:

Mark Rollins
Executive Chairman

Company registration number: 10742540

Consolidated Statement of Changes in Equity
For the year ended 31 March 2024

	Attributable to the owners of the company					
	Share capital	**Share premium**	**Foreign exchange reserve**	**Share warrants reserve**	**Retained losses**	**TOTAL EQUITY**
	£	**£**	**£**	**£**	**£**	**£**
Balance at 1 April 2022	2,173,497	19,975,356	(776,208)	130,557	(5,756,006)	15,747,196
Loss for the period					(2,367,685)	(2,367,685)
Other Comprehensive Income: exchange translation loss on foreign operations	-	-	(1,381,371)	-	-	(1,381,371)
Total comprehensive loss for the year:	**-**	**-**	**(1,381,371)**	**-**	**(2,367,685)**	**(3,749,056)**
Transactions with owners:						
Shares issued	362,698	4,487,302				4,850,000
Adjustment to Warrant reserve	-	319	-	(14,492)	14,173	-
Balance at 31 March 2023	**2,536,195**	**24,462,977**	**(2,157,579)**	**116,065**	**(8,109,518)**	**16,848,140**
Loss for the year	**-**	**-**	**-**	**-**	(13,213)	**(13,214)**
Other Comprehensive Income: Exchange translation gain on foreign operations	**-**	**-**	1,133,833	-	-	**1,133,833**
Total comprehensive income (loss) for the year:	**-**	**-**	**1,133,833**	**-**	**(13,213)**	**1,120,619**
Transactions with owners:						
Shares issued	571,286	4,356,480	-	-	-	**4,927,766**
Balance at 31 March 2024	**3,107,482**	**28,819,456**	**(1,023,746)**	**116,065**	**(8,122,731)**	**22,896,524**

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

Company Statement of Changes in Equity
For the year ended 31 March 2024

	Attributable to equity shareholders				
	Share capital	**Share premium**	**Share warrants reserve**	**Retained losses**	**TOTAL EQUITY**
	£	**£**	**£**	**£**	**£**
Balance at 1 April 2022	**2,173,497**	**19,975,356**	**130,557**	**(4,297,566)**	**17,981,843**
Loss for the period	-	-	-	(1,032,736)	**(1,032,736)**
Total comprehensive income (loss)	**-**	**-**	**-**	**(1,032,736)**	**(1,032,736)**
Transactions with owners:					
Shares issued	362,698	4,487,302	-	-	4,850,000
Adjustment to warrant reserve	-	319	(14,492)	14,173	-
Balance at 31 March 2023	**2,536,195**	**24,462,976**	**116,065**	**(5,316,129)**	**21,799,107**
Loss for the year	-	-	-	(3,903,990)	**(3,903,990)**
Total comprehensive loss	**-**	**-**	**-**	**(3,903,990)**	**(3,903,990)**
Transactions with owners:					
Shares issued	571,286	4,356,480	-	-	**4,927,766**
Balance at 31 March 2024	**3,107,482**	**28,819,456**	**116,065**	**(9,220,120)**	**22,822,884**

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

Consolidated Statement of Cash Flows
For the year ended 31 March 2024

	Notes	2024	2023
		£	**£**
Cash used in operating activities			
Loss for the year		**(13,213)**	**(2,367,685)**
Adjustment for:			
Depreciation	16	1,522,873	1,267,227
Impairment	16	798,871	-
Finance income	8	(204,525)	
Gain on bargain purchase	5	(6,135,915)	-
Convertible loan note issue costs		-	93,125
Lease interest		-	3,334
Finance costs	11	402,585	251,641
Unrealised forex loss / (gain)		-	(41,054)
Working capital changes:			
(Increase)/decrease in inventories		176,633	(654,284)
(Increase)/decrease in receivables		1,761,650	(1,566,964)
Increase/(decrease) in payables		242,665	861,019
Increase/(decrease) in deferred tax & other assets		79,139	(15,874)
Net cash from (used in) operating activities		**(1,369,237)**	**(2,169,515)**
Cash flows from investing activities:			
Purchase of tangible assets		(648,839)	(2,797,818)
Acquisition of subsidiary	5	(1,453,995)	-
Advance for subsidiary acquisition	17	-	(2,632,525)
Recovery of advance to seller		1,450,065	-
Net cash from investing activities		**(652,769)**	**(5,430,343)**
Cash flows from financing activities:			
Proceeds from shares issued (net of costs)	22	1,187,460	4,750,000
Proceeds from issue of convertible loan notes (net of costs) (see below note)	21	-	1,769,375
Share application money received pending allotment		703,000	-
Finance Income		204,525	-
Short term borrowings raised		203,830	-
Lease repayments		(4,914)	(10,087)
Finance cost paid		(402,585)	(168,496)
Net cash from financing activities		**1,891,316**	**6,340,792**
Net (decrease) in cash and cash equivalents		**(130,690)**	**(1,259,066)**
Effects of exchange rates on cash and cash equivalents		27,320	14,382
Cash and cash equivalents at beginning of period		289,338	1,534,023
Cash and cash equivalents at end of period		**185,968**	**289,339**

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

Note: Reconciliation of Convertible Loan Notes:

	2024	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 (non-cash item)	-	(100,000)
Closing Balance as on 31st March	**2,771,500**	**2,771,500**

	2024	2023
	£	£
Amount Received from issue	-	1,862,500
Issue cost offset against consideration	-	(93,125)
Net Amount received from issue	-	1,769,375

Company Statement of Cash Flows
For the year ended 31 March 2024

		2024	2023
		£	£
Loss for the year		**(3,903,990)**	**(1,032,736)**
Adjustment for:			
Provisions, including advances to subsidiaries		3,129,426	-
Unrealized forex loss / (gain)		-	20,675
CLN issuance cost		-	93,125
Finance costs		402,585	251,641
Working capital changes:			
Increase/(decrease) in receivables		(1,584,771)	(87,712)
Increase/(decrease) in payables		608,736	319,244
Net cash from (used in) operating activities		**(1,348,014)**	**(435,763)**
Cash flows from investing activities:			
Advance towards asset purchase**		1,529,150	(2,632,525)
Loans to Subsidiaries		(164,494)	(4,634,505)
Investment in subsidiaries		(1,533,155)	(20,325)
Net cash (used in) investing activities		**(168,499)**	**(7,287,355)**
Cash flows from financing activities*			
Shares issued	**22**	1,187,460	4,750,000
Proceeds from issue of convertible loan notes	**21**	-	1,769,375
Finance costs		(402,585)	(168,496)
Share application money received pending allotment		703,000	-
Net cash from financing activities		**1,487,875**	**6,350,879**
Net (decrease) in cash and cash equivalents		**(28,638)**	**(1,372,239)**
Effects of exchange rates on cash and cash equivalents		(113)	(2,831)
Cash and cash equivalents brought forward		**130,340**	**1,505,410**
Cash and cash equivalents carried forward		**101,589**	**130,340**

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 21 (borrowings) and note 22 (share capital).

**Advance towards asset purchase is for advance paid towards Suni Resources prior to its acquisition completing.

*Note: Reconciliation of Convertible Loan Notes: a*s per Group Note above

Notes to the Financial Statements

1. General Information

Tirupati Graphite plc (the "Company") is incorporated in England and Wales, under the Companies Act 2006 and domiciled in the UK. The registered office address and principal place of business is Eastcastle House 27/28, Eastcastle Street, London, W1W 8DH, UK.

The Company is a public company, limited by shares. The ordinary shares of the Company are admitted on the official list of the FCA and to trading on the main market of the London Stock Exchange through a standard listing.

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The principal activities of the Company are as a holding and management company for its subsidiaries (together, the "Group") which undertake graphite mining and related activities and it also undertakes marketing, trading and support activities for the Group. The Company is the parent entity of the Group.

These consolidated financial statements are presented in pounds sterling which is considered the currency of the primary economic environment in which the Company operates, since the Group's activities are predominantly at the development stage and sterling is the main currency of the Group's financing.

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 2023. The following IFRS or IFRIC interpretations were effective for the first time for the financial year beginning 1 April 2023. Their adoption has not had a material impact on the disclosures or on the amounts reported in this financial information:

Standards/interpretations	Description
IAS 1 amendments and IFRS practice statement 2 - (Making Materiality Judgements)	Disclosure of accounting policies
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Amendments - Definition of Accounting estimates
IAS 12 Deferred Taxation	Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

New standards and amendments which are in issue but not yet effective:

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue and will be effective for the first time in the period beginning 1 April 2024. The Group and Company will adopt these amendments in its next financial statements. These are not expected to have a material impact on the Group.

Standard or interpretation	Description
IAS 1 Presentation of Financial Statements	Amendments - Classification of Liabilities as Current or Non-Current
IAS 1 Presentation of Financial Statements	Amendment- Non-Current liability with covenants
IFRS 16 Leases	Amendments- Liability in a sale and leaseback transaction
IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosure	Amendments- Supplier finance arrangements

The Group and Company have not early-adopted any of the above standards and intend 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 standards (UK-adopted IAS) and in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at amortised cost 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 financial statements are prepared on a going concern basis of accounting, which the Board considers reasonable taking account of key factors and uncertainties described in this Note.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Group and the Company, their cash flows and liquidity positions are disclosed in the financial statements. The expected evolution of the business and significant post year end events are also described in the Strategic Report. In addition, the Annual Report 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 liquidity risk.

Since the reporting date, the Group experienced an extended period of financial distress during which production and therefore revenues were intermittent and the Group was late in settling various creditors. From January 2025, a new Board was in place and new financing has been raised, with amendments agreed to the maturity and terms of existing financing and payment plans agreed with several larger creditors.

Following the steps implemented in the first five months of 2025, the remaining material uncertainty to continuing as a going concern is now considered to be the conversion of the 2019 and 2025 CLNs before their final maturity dates. These instruments have a final maturity date (as amended) of 31 December 2025. The Company can elect to convert these CLNs to ordinary shares of the Company, provided that the shares will be able to be admitted to trading. This is conditional on shareholder resolutions providing authority for the issue of the conversion shares, the Company's ordinary shares resuming trading on the LSE, which will require the Company to be become compliant again with its obligations for filing of accounts, and the approval by the FCA of a prospectus for the issue of the new shares.

At the date of approval of these financial statements, the Directors consider that it is reasonable to assume satisfactory outcomes to each of the above milestones. Were the Company unable to require conversion to equity of the 2019 and 2025 convertible loan notes prior to their 31 December 2025 final maturity dates, and unable to alternatively meet its cash flow needs from its current revenue resources, the Company would need to seek further financing. While the Company has been successful in raising finance in 2025, which provides confidence in the ability to access capital markets when required, there is no guarantee that future financing initiatives would be successful.

The Company notes that even though the above assumptions are considered reasonable, there can be no certainty that the Company would definitely achieve the milestones described above and not all are within the full control of the Directors, and the auditors refer to that uncertainty in their audit report.

Overall, taking into account the comments above, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

Basis of Consolidation

Subsidiaries are all entities over which the Group has effective 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. Acquisitions are accounted for as a business combination under IFRS 3 when they meet the criteria for recognition as a business, with inputs and processes capable of creating outputs on a standalone basis. In a business combination, the acquired assets and liabilities are initially recorded at fair values based on an assessment of value in use or market value. Any excess of fair value of the consideration at the acquisition date over the aggregate fair value of the net assets acquired represents goodwill, while a negative difference represents a bargain purchase gain, which is recognised immediately in the income statement.

The Group currently consists of Tirupati Graphite plc and its wholly owned subsidiaries Tirupati Madagascar Ventures SARL, Establissement Rostaing SARL, Suni Resources SA, which was acquired on 1 April 2024, and Suni Balam Central SA which was incorporated on 1 September 2023.

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

All financial statements are made up to 31 March 2024. 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 for resulting foreign exchange difference in 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 the Group has only one operating segment, graphite mining extraction activities, and one geographical segment, Madagascar and Mozambique, as all the activities are closely linked and monitored as a single segment. Its corporate office in London, UK which supports these activities 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.

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 the course of ordinary business, stated net of discounts, returns and value added taxes.
The Group conducts its sale of goods either on a Free on Board (FOB) or Cost Insurance Freight (CIF) basis, under industry-standard Incoterms. Under these Incoterms as per Uniform Customs and Practices, the point of transfer of control and risk for the goods sold to the buyer is when the goods are loaded on the ship and a bill of lading supplied. Thus, the point of revenue recognised by the Group is when goods have been duly sealed in containers for transportation and charge of the containers is transferred to the shipping line who issue the relevant shipping document as the goods are loaded on the ship. In respect of sales on a CIF basis, as the obligations to pay for transportation and insurance are satisfied at the point of loading, attributable elements of revenue are also recognised on receipt of shipping documents.

Foreign Currencies

For each entity, the Group determines the functional currency, and items included in the consolidated financial statements of each entity are recorded using that functional currency. The Group's financial statements are presented in Pounds sterling, which is also the Company's functional currency. The functional currency of the subsidiaries in Madagascar or Mozambique are the respective local currencies.
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. For the purpose of consolidation, the year-end assets and liabilities are converted at closing rate. All income statement items are converted using average rates for the year. The difference arising on such is passed through Other Comprehensive Income and Foreign Exchange Reserves.
Translation differences arising on inter-company loans which form part of the net investment in a subsidiary are also recorded 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 professionals within the Company supported 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.
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 reporting date.

Property, Plant and Equipment

Property, Plant and Equipment (PP&E) is recognised at cost less accumulated depreciation and any recognised impairment loss. Cost includes borrowing costs capitalised for major assets under construction.
Depreciation of these assets commences when the assets are ready for their intended use and is recognised so as to write off the cost 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:

Processing and power equipment	10% per annum
IT equipment	20-25% per annum
Furniture and fittings	10-20% per annum
Vehicles and spares	10-30% per annum

Mine developments assets, including infrastructure development are recognised as a separate category. Depreciation of mine development costs will be on a unit of production basis once the mines are more fully developed, based on the proportion that current period production bears to reserves. However, pending full development and categorisation of reserves, mine development costs including Infrastructure costs are being depreciated on a straight-line basis at 10% per annum, which is expected to be a conservative basis for the time being.
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.
All expenditure on the construction, installation or completion of 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.
An item of PP&E 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.

Impairment of PP&E

At each balance sheet date, the Group reviews the carrying amounts of its capitalised PP&E and mine development assets, to determine whether there is any indication that these assets have suffered an impairment. 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. Assets are assessed for impairment within Cash-Generating Units which typically comprise individual concession or licence areas.
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.

Mining Exploration and Evaluation

The Company carries out exploration and evaluation activities to determine if resources are present and warrant further evaluation expenditure with the potential to result in an economic development. The amount of expenses incurred are currently not material in amount and Group currently charges such costs to the income statement and does not recognise separate assets under IFRS 6.

Intangible assets

If the Group acquires new concessions and/or rights to explore (other than in a business combination) any excess of the consideration over the capitalised assets is treated as intangible exploration asset or mine development asset, depending on the stage of activity, representing rights under the applicable concession or licence. Impairment in the value of intangible exploration assets is assessed at least annually by reference to the resource volumes evaluated and plans to progress further exploration, evaluation or development studies. When an applicable exploration and evaluation-stage asset enters the development stage, the costs are reclassified to mine development asset and subsequently assessed for impairment along with PP&E, as above.
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 in respect of finished product and mined ore, and on a FIFO basis in respect of materials and supplies. 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
Initial recognition and measurement
The Group applies IFRS 9 "Financial Instruments" and has elected to apply 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. Financial assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition of the financial assets. The financial assets are subsequently measured at amortised cost.

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

Financial liabilities are recognised at amortised cost 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 (CLNs) are recorded at their issue price. Any interest due on these CLNs is recorded on an accruals basis. On conversion/redemption the face value of converted CLNs is reduced from the total carried value. For CLN issues to date, the convertibility offering within the instrument is not assessed as a separate derivative component in exchange of a lesser coupon as it has not been considered to be material to the financial statement.

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.

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 conditions 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 judgements. These 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.

Estimates

Estimates and assumptions may 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. Key estimates include the useful economic lives of plant and equipment; the recoverable amount of assets, including intangible assets in respect of exploration and exploitation rights; resource volumes and cost to extract resource used in assessments of impairment and recoverability; and fair values of assets and liabilities used in business combination accounting.

Estimates and assumptions concern the future; the resulting accounting estimates will, by definition, therefore seldom equal the 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 described below.

Depreciation and Amortisation

Depreciation and amortisation rates for mine development costs normally depend on estimates of reserves to be produced. At present, the Group recognises only Resources and no Reserves at its Madagascar mines. The Group has therefore adopted a flat 10% annual rate of amortisation for the Mine Development Assets to date and until Reserves are established as a basis for depreciation.

Estimates in impairment models

Impairment testing 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 estimates of the future cash flows expected to arise from the cash-generating unit and a suitable discount rate to calculate the present value. The cash flow models incorporate estimates of future production, graphite prices and costs. Estimates of future production are informed by graphite resources estimates made under JORC 2012 standards, internally and using external experts. Future graphite prices are management estimates and depend on produced qualities, demand and supply, innovation and development of the energy transition globally and geopolitical factors affecting trade and tariffs, among other factors. Future costs levels may vary according to the market factors, ore qualities and yields as well as inflation. Subsequent changes to the quantum or to the timing of cash flows could impact on the carrying value of the respective assets.

Intangible exploration assets relate to consideration for the licence or concession on acquisition of the assets. Such assets currently have an indefinite useful life as the Group has a right to renew exploration licences. Management tests for impairment annually whether exploration projects have future economic value in accordance with this accounting policy.

Fair valuations in respect of business combinations

In a business combination, the Group is required to value the consideration provided and the fair valuation of the assets and liabilities acquired. Asset valuations will depend on similar estimates and models of future cash generating potential as described under Recoverability of assets above. In addition, the Group has had to estimate the likely timing and percentage recovery of VAT receivables as part of the Suni Resources acquisition.

Judgements

As well as relying on estimates and assumptions, the Directors make judgements to define appropriate accounting policies and to apply to certain transactions and evaluations, including when the effective IFRS standards and interpretations do not specifically deal with the related accounting issues. Key areas of judgements are described in more detail below.

Business combinations

The determination of whether an acquisition of new licences, assets and related attributes represents a business combination under IFRS 3 (required to be accounted for at the fair value of the assets and liabilities acquired) or a series of asset purchases to be accounted for at the allocated cost of acquisition of the separable assets plus the liabilities assumed, is a judgement as to whether the component parts represent an inter-related set of processes forming a business, or not. The Directors concluded that the acquisition of Suni Resources SA in April 2023, to create a presence across two new concession areas in Mozambique, represented a business combination under IFRS 3. At the time of acquisition, definitive feasibility studies had been completed by the vendor for the Montepuez project as a basis for the development consents already obtained, the required processes and facilities needed for the project and as support for potential project financing. These will now require updating, but provide a significant contribution towards a project investment decision.

Impairment of assets

As well as the use of estimates, the process of determining whether there is an indication of impairment or calculating any impairment requires critical judgement, including the Group's intention to proceed with future work programmes, the likelihood of licence or concession renewal or extensions , whether sufficient data exists to indicate that the carrying amount of an asset is unlikely to be recovered in full and the success or otherwise of future mine development strategies.

Resources

Estimates of reserves and resources under JORC criteria requires the exercise of technical judgements, including ore volumes, recovery factors, plant efficiency, all of which may affect estimates of future cash flows.

Receivables

The recoverability of receivables, including VAT recoverable balances and in the Company accounts, intragroup receivables, has to be assessed at each reporting date. The recoverability of VAT requires judgement on the extent of any potential disallowances and or non payment by the relevant authorities when claims are reviewed, though the Group's experience is that while delay in payment is common, disallowances are ultimately not material and accordingly no impairment of the receivables has been recognised.

Provision for restoration costs

The Group undertakes certain work for rehabilitating end-of-life production sites and related production facilities at the same time as production. To date, restoration and rehabilitation costs have been charged to income as incurred. The Group takes note of the regulations set out by the Malagasy Government and the environmental conditions within the mining permit, which covers the Group's obligations towards restoration and rehabilitation. The Directors do not currently consider that any material further asset retirement provision Is presently required because the project areas in Madagascar are unlikely to incur a material cost for restoration work for activities to date. In addition, rehabilitation and restoration of mining areas is an ongoing activity. In line with the requirements of the licence, the Group has already incurred costs relating to the construction of anti-erosion infrastructures, dam cleaning, soil restoration and some reforestation of areas. Following limited production to date, the Group's operations are expected to significantly increase in future years and the Group will therefore undertake annually a more detailed analysis of environmental and restoration obligations, likely costs and the need for a provision for restoration costs.

5. Business Combination

On 1 April 2023 the Company completed the acquisition from Battery Minerals Limited ("BAT") of the entire equity capital of Suni Resources SA ("Suni") a private company incorporated in Mozambique. The acquisition has been accounted for as a business combination, as it was considered to qualify as a standalone business under the criteria set out in IFRS 3.

Suni owns two graphite projects with approval for development and production being the Montepuez Project with a mining licence over an area of 3,667 hectares and the Balama Central Project, which has a mining licence over 1,543 hectares. Both projects have licences permitting build out, to an annual production of 100,000 tonnes (in 2 stages of 50,000 tonnes each) and 58,000 tonnes of flake graphite, per annum, respectively. At the date of acquisition and to the date of this Report, both concessions are in force majeure due to security issues in that part of the country.

Under the terms of the SPA and IP Assignment as amended, the total aggregate consideration for the acquisition was satisfied as follows:

- The issue of 12,065,500 ordinary shares of the Company in two tranches as follows:
  - 5,518,944 ordinary shares issued at Completion; and
  - 6,546,556 ordinary shares issued on the eight month anniversary of Completion;
- The payment of AUD500,000 (c.£0.27 million) in cash paid by the Company to BAT on 25 January 2023 pursuant to the IP Assignment.
- Payment of a sum of AUD 2,375,000 (c.£1,260,150) to facilitate the payment of Capital Gains Tax by BAT in connection with the disposal of Suni;
- Payment of AUD5,428 (£2,932) in cash.

The acquisition included shareholder debt advanced by BAT to Suni Resources S.A., certain IP in relation to development studies and resource estimates, as well as the assets of Suni including:

- All infrastructure and assets on the ground at the Montepuez Project including (i) a 100 person base camp facility, (ii) the developed construction site for setting up the proposed processing facilities (iii) the well-constructed tailing dam, and (iv) a mobile crusher unit with capacity sufficient for the first 50,000 tons.
- Long term VAT receivable balances; and
- Bank deposits pledged for the issue of guarantees in connection with the projects and obligation of Suni to enter the production phase within a certain time period.

The purchase consideration, including the shares of the Company valued at the share price on the acquisition date (i.e. 31 pence per share), and the evaluated fair valuations of assets and liabilities acquired, are as in the table below. These amounts reflect certain revisions to provisional estimates made by the Company.

	Particulars	**Amount GBP**

1	Purchase consideration:	
	Cash paid	1,533,081
	Equity issued	3,740,305
	(A)	**5,273,386**
2	Net assets of Suni:	
	Fair value of concessions and related property plant & equipment	9,498,602
	Bank Deposits	1,809,278
	VAT receivable (fair value)	858,328
	Other receivables	142,420
	Cash & Bank	79,086
	Payables	(978,413)
	(B)	**11,409,301**
	Bargain purchase gain (B-A)	**6,135,915**

The bargain purchase gain has been recognised in net income in the period.

Net cash Outflow on Suni acquisition:

Particulars	**Amount GBP**
Cash paid	1,533,081
Less: cash acquired	(79,086)
Net outflow	1,453,995

6. Revenue from Contracts with Customers

The Group and the Company derive revenue from customers in the following geographical regions:

2024	**USA**	**Europe**	**Asia**	**Total**
Revenue from external customers	1,042,251	606,880	3,254,725	**4,903,856**
At a point in time	1,042,251	606,880	3,254,725	**4,903,856**

2023	**USA**	**Europe**	**Asia**	**Total**
Revenue from external customers	40,289	717,786	2,131,935	2,890,010
Timing of recognition: At a point in time	40,289	717,786	2,131,935	2,890,010

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

	2024	2023
	£	£
Customer A	1,477,622	895,809
Customer B	791,583	471,867
Customer C	580,494	408,780
Customer D	369,405	339,710
Customer E	329,826	292,414

Revenues of approximately £3,548,930 (2023: £2,408,580) are derived from 5 customers who each account for greater than 10% of the Group's and Company's total revenues.

7. Cost of Sales

Cost of sales comprises:

	2024	2023
	£	£
Expenses included in Cost of Sales:		
Mining & Processing Costs	3,027,349	1,512,563
Human Resource Costs	340,227	326,783
Logistics, Utilities & Plant Admin Costs	1,009,880	368,061

Decrease / (Increase) in Inventory of Inputs	11,554	(676,058)
	4,389,010	1,531,349

8. Finance Income

Finance income comprises interest earned on bank deposits (classified within receivables) which secure certain guarantees of licence obligations in Mozambique.

9. Expenses

	2024	2023
	£	£
The following items have been included in arriving at operating loss:		
Depreciation on other assets	**26,257**	242,663
Net foreign exchange loss /(gain)	**271,568**	(256,927)
PR/IR Expenses	**54,192**	118,865
Professional Fees	**590,965**	223,460
Insurance	**45,022**	127,617
Director Emoluments	**476,066**	362,042
Management Salaries	**940,581**	405,793
Brokerage	**-**	93,125
R&D Exploration Expenses	**32,764**	82,807
Other Admin Expenses	**1,655,842**	958,421
Auditor's remuneration has been included in arriving at operating loss as follows:		
Fees payable to the Company's auditor and their associates for the audit of the Company and consolidated financial statements	**146,400**	82,500

10. Employee Information

The average monthly number of employees (including Executive Directors) was:

	2024	2023
Number of employees for the year:	**523**	474
	£	£
Wages & salaries (for the above employees)	**1,165,356**	1,088,599
Social security costs	**115,453**	90,123
	1,280,809	1,178,722

Directors' remuneration and transactions

	2024	2023
	£	£
Directors' remuneration		
Emoluments, fees and payment in lieu of pension contributions	**473,395**	482,042
	£	£
Remuneration of the highest paid director (gross of capitalisation):		
Emoluments and fees	**320,000**	320,000
Payment in lieu of retirement benefits	**30,000**	30,000

Refer to Directors Remuneration Report for further information in respect of Directors' remuneration.

11. Finance Cost

	2024	2023
	£	£
Interest Expense	**402,585**	251,641

12. Income Tax

	2024	2023
	£	£
Profit (loss) on ordinary activities before tax	**63,957**	**(2,357,910)**
At the standard small companies rate of UK corporation tax of 19% (2023: weighted average rate of 19.5%)	12,152	(459,792)
Minimum tax in Madagascar	-	9,775
Expenses not deductible for tax purposes	27,425	47,812
Tax losses carried forward (deferred tax not recognised)	1,084,748	411,980
Unrealised profit eliminated on consolidation	41,499	
Book profit on acquisition, not taxable	(1,165,824)	
Short term timing differences	77,171	-
Net tax (credit)/ charge	**77,171**	**9,775**
Analysed as:		
Deferred tax (credit)/charge	77,171	-
Current tax charge	-	9,775

The Group has tax losses available to be carried forward and used against profits arising in future periods of £12.1 million (2022: £6.4 million). The Company has tax losses of £5.7 million (2023: £4.8 million) to carry forward against future profits. The Directors have not recognised a deferred tax asset on the losses to date due to the uncertainty of recovery.

Factors that may affect future tax charges:

The UK corporation tax at the standard rate for the year is 19.0% (2023: 19.0%)

On 1 April 2023, the corporation tax rate increased to 25% for companies with profits of over £250,000. A small profits rate was introduced for companies with profits of £50,000 or less, who will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief, providing a gradual increase in the effective corporation tax rate.

13. 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.

	2024	2023
Continuing operations:		
Loss attributable to equity holders of the Company (£)	**(13,213)**	(2,367,685)
Weighted average number of ordinary shares in issue	**110,912,194**	91,466,033
Loss per share (pence)	**(0.01)**	(2.59)

The dilutive instruments like warrants and convertible loan notes 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.

14. Intangible Assets

Group	
Cost	**£**
At 1 April 2022	3,571,196
Forex Change	27,869
At 1 April 2023	3,599,065
Forex Change	(30,447)
At 31 March 2024	3,568,618

Accumulated amortisation	**£**
At 1 April 2021	-
Charge for the year	-
At 1 April 2022	-
Charge for the year	-
At 31 March 2023	-
Net book value	**£**
At 1 April 2022	3,571,196
At 1 April 2023	3,599,065
At 31 March 2024	3,568,618

Intangible assets comprise allocations of purchase consideration to rights under mining concessions and licences, including rights to explore.

- Intangible assets were assessed for impairment as at 31 March 2024, including consideration of potential impairment indicators such as:

- Risk to the Group's right to explore and/or risk of the expiry in the near future without renewal;
- Absence of planned and budgeted further exploration or evaluation;
- Whether any decision has been taken to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; and
- Whether sufficient data now 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 31 March 2024.

15. Investments

Company	Shares in group undertaking
Cost and net book value	**£**
At 1 April 2022	3,901,023
Addition	20,325
At 1 April 2023	3,921,348
Addition (see Note 5)	5,437,731
Reclassification of loans	14,545,000
At 31 March 2024	**23,904,078**

The Company's investments at the reporting date in the share capital of other 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*

*Balance 1% each is held by Mr. S. Poddar & Mr. H. Poddar respectively on behalf of the Company.

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	95*

* Balance 5% is held by Mr. S. Podar on behalf of the Company.

Suni Resources SA	
Registered: Moçambique, Cidade de Maputo, distrito de Kamavota, bairro de Bairro Sommershield, Av. Julius Nyrere, n.º 4000, Edifício Solar das Acácias, n.º 5 e 6, Cidade de Maputo	
Nature of business: Graphite mining extraction	
	%
Class of share	Holding
Ordinary shares	99.9997

Balance 0.0003% is held by Mr. S. Poddar on behalf of the Company.

16. Property, Plant and Equipment

Group	Plant and machinery	Mine development assets	Assets under construction	Total
	£	£	£	£
Cost				
At 1 April 2022	5,778,410	2,004,824	632,029	8,415,263
Additions	2,758,118	422,381	1,894,605	5,075,104
Reclassification	-	2,300,000	(2,300,000)	-
At 1 April 2023	8,536,528	4,727,205	226,634	13,490,367
Additions	-	648,839	-	648,839

Acquisition of Suni Resources	-	1,721,546	7,777,055	9,498,602
Foreign Currency Retranslations	(147,298)	(81,568)	-	(228,866)
Reclassification	753,804	(527,170)	(226,634)	-
At 31 March 2024	9,143,034	6,488,852	7,777,055	23,408,941
Depreciation				
At 1 April 2022	883,895	175,247	-	1,059,142
Depreciation expense	990,125	242,663	-	1,232,788
At 1 April 2023	1,874,020	417,910	-	2,291,930
Foreign Currency Retranslations	(180,729)	(6,925)	-	(187,654)
Depreciation expense	1,175,399	347,474	-	1,522,873
Impairment	798,871	-	-	798,871
At 31 March 2024	3,667,561	758,459	-	4,426,020
Carrying amount				
As at 1 April 2023	6,662,508	4,309,295	226,634	11,198,437
As at 31 March 2024	**5,475,473**	**5,703,393**	**7,777,055**	**18,982,921**

Impairment tests were conducted as at the balance sheet date for each cash generating unit. The recoverability of each CGU was assessed in relation to value in use based on discounted cash flow models and the Board's assessment of future use of component assets. The impairment tests were conducted using a post tax discount rate of 12% p.a., current market graphite prices and with future production based on volumes of indicated resource and a part of inferred resource. For the concessions in Madagascar: (i) the assessment for Vatomina shows a substantial headroom even under significantly higher discount rate sensitivity; and (ii) for Sahamamy, at 31 March 2024, a provision of £798,871 was recognised for impairment of the Sahamamy asset as a result of mining operations being placed on a care and maintenance basis as at that date, pending further evaluation of the mine development strategy which is likely to involve different areas of the concession. Accordingly, certain assets in respect of the development of the existing mining area were considered impaired although value is recognised in other existing facilities. In respect of Mozambique concessions, an NPV based model would show significantly higher value than the fair values recognised at acquisition in April 2023, and the Directors concluded that those initial assessments of value of the pre-development assets were not impaired as a result of any subsequent events.

17. Trade and Other Receivables

	Group		**Company**	
	2024	**2023**	**2024**	**2023**
	£	**£**	**£**	**£**
Trade receivables	335,132	710,600	292,676	710,600
Advance for Capex	-	287,039	-	287,039
VAT Receivable	2,557,251	1,058,832	8,885	7,451
Other debtors	2,487,059	50,209	-	-
Prepayments	1,362	16,424	-	16,424
Amounts owed by group undertakings	-	-	3,335,332	17,559,350
Advance for acquisition - to vendor*	-	1,529,150	-	1,529,150
Advance to Suni Resources pre acquisition*	-	1,103,375	-	1,103,375
	5,380,805	4,755,629	**3,636,893**	21,213,389

*Note: Amount advanced to Battery Minerals Limited in terms of agreements entered into for payment of capital gains tax by the vendor so as to facilitate the completion of the acquisition. The amount advanced to Suni was to secure placement of a bank guarantee.

VAT receivables include £1,698,923 in respect of recoverable Madagascar VAT and £858,328 in respect of recoverable Mozambique VAT (the latter measured at fair value at acquisition; face value £ 1,529,997). The full recovery of these balances may take more than one year, but there is no track record of material disallowances.

Amount owed by Group Companies for FY 2024 is net of an impairment provision of £2,801,426 against inter-company receivable from ER, based on an assessment of the recoverable amount of the loan balances owed by the subsidiary concerned within a reasonable timeframe.

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 ompany 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 31 March 2024	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	292,676	-	-	-	-
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. As explained in Note 22, a related party receivable balance due from Haritmay Ventures LLP was fully provided against in 2024. Aside from that balance, there are no significant known risks, and therefore no provision is made as at 31 March 2024 and 31 March 2023.

18. Inventories

	Group	
	2024	2023
Cost	**£**	£
Raw materials and consumables	824,659	457,997
Finished and semi-finished goods	385,266	928,561
	1,209,925	1,386,558

19. Trade and Other Payables

Current:

	Group		**Company**	
	2024	2023	**2024**	2024
	£	£	**£**	£
Trade payables	**2,098,538**	1,084,991	**852,735**	243,500
Social security and other taxes	**19,392**	48,913	**3,365**	-
Accruals	**639,773**	550,904	**488,776**	491,940
	2,757,703	1,684,808	**1,345,176**	735,440

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

Non-current:

	Group		**Company**	
	2024	2023	**2024**	2023
	£	£	**£**	£
Lease liability	26,166	31,080	-	-

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

20. Provisions

No provisions were recognised as at 31 March 2024 or 2023.

21. Borrowings

The Company has issued two series of convertible loan notes, the 2019 CLNs and 2022 CLNs 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 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	31 December 2024, as amended from original 3 years from issue date per agreement. Since amended again - see Note 28	3 years from date of issue See Note 26 regarding amendments agreed subsequent to the year end
Conversion	At the holders' option - see Note 28	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

See Note 26 regarding amendments agreed to the terms and maturities of the CLNs since 31 March 2024.

Maturities as at 31 March 2023 (See also Note 26)	2024	2023
Within one year	909,000	909,000
Between 2 and 5 years	1,862,500	1,862,500
	2,771,500	**2,771,500**

The loan notes may be redeemed by the Company at any time up to their maturity.

The following table shows changes in borrowings. During FY23 the Company received a conversion notice for £100,000 of 2019 CLNs which were converted into equity. The Company raised gross proceeds of £1,862,500 under the 2022 CLN in the year ended 31 March 2023 with transaction costs incurred of £93,125.

	2024	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 may be redeemed by the Company at any time up to the Maturity.

FY24 consolidated borrowings also include £203,830 of short-term working capital advance from local banks in Madagascar.

22. Share Capital

	2024	**2024**	2023	2023
	Number	**£**	Number	£
Allotted, called up and fully paid				
Ordinary shares of 2.5p each	124,299,220	3,107,482	101,447,768	2,536,195

Table showing allotments during FY 24:

Particulars	Date of Issue	Number of Shares	Price per share £	Amount £
Suni Acquisition Consideration - 1	19th Apr 2023	2,018,944	0.31	625,873
Suni Acquisition Consideration - 2	19th Apr 2023	3,500,000	0.31	1,085,000
Shares issued in lieu of CLN Interest	01st Dec 2023	1,285,952	0.175	225,042
Suni Acquisition Consideration - 3	18th Dec 2023	6,546,556	0.31	2,029,432
Issue of Shares	17th Jan 2024	9,500,000	0.11	1,045,000
Total		**22,851,452**		**5,010,347**

Net proceeds of shares issues were reduced by £82,580 of issue expenses.

23. Options / Warrants over Ordinary Shares

The tables below detail of options or warrants giving the right to subscribe for new ordinary shares of the Company which have been issued principally to directors as part of their remuneration package and to brokers, on a success fee basis, for the fundraising activities. No warrants or options were issued in the year ended 31 March 2024.

All warrants / options are equity-settled. 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.

The following were the key assumptions used to estimate the fair value of the options issued in previous years:

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

The following options over ordinary shares are outstanding at 31 March 2024:

Grant Date	Expiry Date	Exercise Price (£)	Number of warrants exercisable and outstanding
31 December 2017	31 December 2025	0.30	1,000,000
31 December 2018	31 December 2025	0.40	1,520,000
31 March 2019	31 March 2025	0.40	320,000
31 December 2019	31 December 2025	0.40	1,620,000
31 March 2020	31 March 2025	0.40	480,000
20 April 2021	20 April 2024	1.35	222,222

Optiva Securities Limited was eligible for issue of following share warrants during FY2023, but these have not yet issued. The Company had not accounted for these options granted in 2023 as they had not been formally issued and the cost of such warrant is not material.

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 following table details changes in the aggregate of options outstanding:

	2024	2023
Opening Balance as on 1st April	5,913,348	6,630,491
Expired during the year	-	(717,143)
Closing Balance as on 31st March	5,913,348	5,913,348

In FY23, 640,000 warrants issued to management executives and 77,143 to brokers expired.

24. 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.

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 2024**	**Fair value 2024**	Book value 2023	Fair value 2023
		£	**£**	£	£
Financial assets					
Cash and cash equivalents	(a)	**185,968**	**185,968**	289,338	289,338
Loans and receivables, net of impairment	(a)	**5,380,805**	**4,725,960**	4,755,629	4,542,402
Total at amortised cost		**5,566,773**	**4,911,928**	5,044,967	4,831,740
Financial liabilities					
Trade and other payables	(a)	**2,757,703**	**2,757,703**	1,684,808	1,684,808
Borrowings	(a)	**2,975,330**	**2,975,330**	2,771,500	2,771,500
Lease Liabilities	(a)	**26,166**	**26,166**	31,080	31,080
Total at amortised cost		**5,759,199**	**5,759,199**	4,487,388	4,487,388

Fair value of financial assets and liabilities for the Company

		Book value	**Fair value**	Book value	Fair value
		2024	**2024**	2023	2023
Valuation, Methodology and hierarchy		**£**	**£**	£	£
Financial assets					
Cash and cash equivalents	(a)	101,589	101,589	130,340	130,340
Loans and receivables, net of impairment	(a)	18,181,893	18,181,893	21,213,389	21,213,389
Total at amortised cost		**18,283,481**	**18,283,481**	21,343,729	21,343,729
Financial liabilities					
Trade and other payables	(a)	**1,345,176**	**1,345,176**	735,440	735,440
Borrowings	(a)	2,771,500	2,771,500	2,771,500	2,771,500
Total at amortised cost		**4,116,676**	**4,116,676**	3,506,940	3,506,940

Valuation, methodology and hierarchy

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, and Borrowings are all stated at book value. All have the same fair value due to their short-term nature except VAT receivables have been discounted at 12% p.a. for 2 years.

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 31 March 2024.

The Group considers its maximum exposure to be:

	2024	2023
	£	£
Financial assets		
Cash and cash equivalents	185,968	289,338
Loans and receivables, net of impairment	5,380,805	4,755,629
	5,566,773	5,044,967

The Company considers its maximum exposure to be:

	2024	2023
	£	£
Financial assets		
Cash and cash equivalents	101,589	**130,340**
Loans and receivables, net of impairment	18,181,893	**21,213,389**
	18,283,481	**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 is responsible for monitoring and managing liquidity and ensures that the Group has sufficient liquid resources to meet unforeseen and abnormal requirements.

Available liquid resources and cash requirements are monitored using detailed cash flow forecasts. The Directors decision to prepare these accounts on a going concern basis is based on assumptions which are discussed in the Note 3 above. Where the Group becomes aware of a situation in which it would exceed its current available liquid resources, it would apply mitigating actions potentially involving new financing, working capital management and reduction of its cost base.

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

	Carrying Amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 Years
31 March 2024	£	£	£	£	£	£
Non-derivative financial liabilities						
Trade and other payables	2,757,703		2,757,703			
Borrowings	2,771,500	3,151,888		991,184		2,160,704
Lease Liability	26,166			26,166		
31 March 2023						
Non-derivative financial liabilities						
Trade and other payables	1,684,808		1,684,808			
Borrowings	2,771,500	3,485,379		1,100,562		2,384,816
Lease Liability	31,080					

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

	Carrying Amount	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 Years	2 to 5 Years
31 March 2024	£	£	£	£	£	£
Non-derivative financial liabilities						
Trade and other payables	1,345,176	1,345,176				
Borrowings	2,771,500	3,151,888		991,184		2,160,704
31 March 2023						
Non-derivative financial liabilities						
Trade and other payables	735,440	735,440				
Borrowings	2,771,500	3,485,379		1,100,562		2,384,816

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 (MGA) and Mozambican Meticals (MZN) due to its operating subsidiaries in those countries as some costs are based in local currency. FX rates as per Xe.com as on 31 March 2024 were as follows:

MGA to GBP: 5514.13 to 1

MZN to GBP: 80.6399 to 1

USD to GBP: 1.2623 to 1

The Group currently does not hedge 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 2024	USD 2023
Cash and cash equivalents	69,330	66,652
Trade & other receivables	301,561	997,639
Trade & other payables	(504,913)	(243,500)
Net Exposure in GBP equivalent	(134,022)	820,791

Group	MGA 2024	MGA 2023
Cash and cash equivalents	65,379	158,386
Trade & other receivables	1,738,605	1,101,590
Trade & other payables	(1,335,614)	(949,368)
Net Exposure in GBP equivalent	468,370	310,608

Group	MZN 2024	MZN 2023
Cash and cash equivalents	19,000	-
Trade & other receivables	3,340,639	-
Trade & other payables	(76,913)	-
Net Exposure in GBP equivalent	3,282,726	-

Company	**USD 2024**	USD 2023
Cash and cash equivalents	69,330	66,040
Loans to subsidiaries	19,559,920	15,153,109
Trade & other receivables	1,262,775	6,060,281
Trade & other payables	(852,736)	(578,315)
Net Exposure in GBP equivalent	20,039,289	20,701,115

Sensitivity Analysis

As shown in the table above, the Group is primarily exposed to changes in the GBP:USD & GBP:MGA exchange rates. The table below shows the impact in GBP on pre-tax profit and loss of a 10% increase/ decrease in the GBP to USD exchange rate, holding all other variables constant. Also shown is the impact of a 10% increase/decrease in the GBP to MGA exchange rate, being the other primary currency exposure.

2024	**Group**	**Company**
	£	**£**
GBP:USD exchange rate increases by 10%	386,693	33,315
GBP:USD exchange rate decreases by 10%	(386,693)	(33,315)
GBP:MGA exchange rate increases by 10%	319,467	-
GBP:MGA exchange rate decreases by 10%	(353,617)	-

2023	Group	Company
	£	£
GBP:USD exchange rate increases by 10%	82,079	2,070,112
GBP:USD exchange rate decreases by 10%	(82,079)	(2,070,112)
GBP:MGA exchange rate increases by 10%	31,068	-
GBP:MGA exchange rate decreases by 10%	(31,068)	-

25. Related Party Transactions

PranaGraf Materials and Technologies Private Limited ("Pranagraf", formerly known as Tirupati Speciality Graphite Private Limited) is an entity incorporated in India. Pranagraf was previously connected to the Company in that both Shishir Poddar and Hemant Poddar were directors and shareholders of Pranagraf during the periods covered by this Report and Mr S Poddar was formerly the Group's CEO. Pranagraf was formerly used by Mr S Poddar as a channel for provision of services and materials to the Group. Mr S Poddar has denied access to the Group to its previous accounting systems and data which were controlled by Praragraf. At 31 March 2024, the Company owed certain amounts to Pranagraf (included within creditors) in respect of purchased capital goods and consumables and fees for services supposedly provided by Pranagraf. The precise amounts owing as at 31 March 2024 but more particularly in respect of subsequent periods are disputed, and/or require further investigation as to the validity of charges invoiced, including further assessment of whether certain services were actually performed or were provided at inflated prices. Of the amounts claimed by Pranagraf, approximately £0.1 million was a balance (which is provided for) as at 31 March 2024. Pranagraf notes that the total of invoices and claims in respect of the year ended 31 March 2024 was approximately £0.8 million and total payments to Pranagraf in the year were approximately £0.8 million.

Haritmay Ventures LLP (HV) is an entity incorporated in India and engaged in manufacturing graphite processing machinery and equipment which the Group has used in its projects. The Company was formerly connected to HV in that Shishir Poddar is a shareholder of HV. At 31 March 2024, a net amount of £287,039 (2023: £287,039) was receivable from HV. In view of the uncertainty around recovery of that amount, the receivable balance has been fully provided against.

Optiva Securities Limited is a United Kingdom stock brokerage firm that has provided broking services to the Company. Optiva is connected to the Company as Mr Christian St.John-Dennis was one of the directors of the Company for part of the year and also holds a position with Optiva Securities Limited. For the year ended 31 March 2024, Optiva were paid £100,430 in respect of retainers, fees for renegotiation of CLN terms and equity placing commissions.

26. Deferred Tax Assets

	2024	2023
Brought forward DTA	**74,076**	75,242
Transferred to profit & loss during the year	(74,076)	-
Forex	-	(1,196)
Carried forward DTA	-	74,076

27. Capital Commitments

There were no significant capital commitments as at 31 March 2024 or 2023.

28. Events after the Reporting Period

Since 31 March 2024 the Group has experienced a period of financial distress and a re-structuring and re-financing including the following actions and events:

1. Suspension & resumption of production: during calendar year 2024 production from the Group's mines in Madagascar was intermittent due to lack of funding for operating costs and operational issues. Production was resumed in February 2025 following the change in leadership of the Company.
2. Suspension of Listing: the Company's shares were suspended from trading on the London Stock Exchange in August 2024. It is anticipated that the listing will be restored and share trading will resume once the Company is in compliance with its continuing obligations for disclosure, which is principally conditional on bringing up to date the filing of financial statements, which have been delayed for reasons explained elsewhere in this Report.
3. Board Changes: as more fully explained in the Chairman's Statement and Directors' Report, a shareholder group requisitioned a general meeting and successfully petitioned for changes to the composition of the Company Board in late 2024. This initiative was undertaken due to the high risk of financial failure of the Group and poor governance, in the view of the shareholders. Following the Board changes, the contract of the former CEO was terminated in February 2025 and new management installed.
4. Accounting systems: the Group lost access to its accounting and most data systems in early 2025 following the termination of the CEO, as he withheld administrative rights to the systems and support from previous outsourced service provider companies in India controlled by him. The Company has had to implement a new accounting system in early 2025, which is now largely completed. The Company initiated legal actions to force the handover of the administrative rights to its systems, and while the Company has reserved its rights, any such action would likely take time to yield results, if pursued.
5. Late filing of accounts: as a result of the financial distress of the Company in 2024 and then the loss of access to accounting systems in early 2025, the Company has been late in filing its financial statements for the year ended 31 March 2024 with the relevant regulator, Companies House.
6. Equity issues: in May 2024, 5,209,090 ordinary shares of the Company with nominal value of £0.025 each were issued to various directors and executives in lieu of salary. In January 2025, 9,053,110 ordinary shares of the Company of nominal value of £0.025 each were issued to certain directors in lieu of salary.

7. The Company received, on 27 May 2025, notice of application for pre litigation mediation filed at the behest of Pranagraf Material & Technologies Pvt. Ltd seeking resolution of payment of certain invoices and claims for services and reimbursements - see Note 25, Related Parties. The Company has responded noting that the application is not in accordance with the governing law and jurisdiction requirements of the service agreement concerned.
8. Re-financing: in 2025, the Company has launched a number of restructuring and financing measures:
    1. The Company has received subscriptions for £4.5 million of new convertible loan notes ("2025 CLNs"). The 2025 CLNs are convertible at the option of the holder and by the Company, when the conversion shares can be admitted to trading. Conversion will be at a share price of 3.75 pence per ordinary share and can be elected once: (i) the Company has received approval from shareholders in a general meeting for the issue of the conversion shares; (ii) listing of the Company's ordinary shares on the LSE is resumed and the present suspension is lifted, which requires filing of the 31 March 2024 annual report and audited financial statements, as well as the 30 September 2024 half year accounts; and (iii) approval is received for the required prospectus for issue of the new conversion shares. The 2025 CLNs carry no coupon unless the prospectus is not approved by 31 July 2025, in which case interest of 12% per annum from the issue date would apply, which the Company may elect to pay in the form of additional shares. The 2025 Notes have a final maturity date of 31 December 2025 in the event that conversion has not occurred. On conversion, noteholders will receive one warrant to subscribe for an ordinary share in the Company at 3.75 pence per share for each conversion share received. In the event that the Company's share price exceeds a threshold of 11.25 pence per share for a defined period in 2025, warrant holders who elect to exercise their warrants within a 30 day period will receive a further warrant, on a 1 for 2 basis, to subscribe for ordinary shares at 15 pence per share.
    2. The Company has received approval from the required majority of the holders of its 2019 issue of CLNs to amend the terms to require conversion of those Notes to ordinary shares, at a conversion price of 3.75 pence per ordinary share, subject to similar conditions as for the conversion of the 2025 CLNs. The final maturity date of the 2019 CLNs was amended to 31 December 2025 and interest increased to 16% per annum, which the Company may elect to pay in the form of ordinary shares.
    3. The Company has received approval from the required majority of the holders of its 2022 issue of CLNs to amend the terms to extend the final maturity date of the 2022 CLNs to 26 July 2026 and interest increased to 16% per annum for the period to 26 July 2025, which the Company may elect to pay in the form of ordinary shares, and to 15% per annum (in cash) thereafter.
    4. The Company reached agreement with certain creditors to settle amounts owing according to various individual payment plans. Not all such creditors have formal payment plans agreed with the Group, and in respect of certain creditors payments are continuing to be made to spread settlements over an extended period without any such formal agreement in place.

ENDS

About Tirupati Graphite Plc

Tirupati Graphite is a specialist graphite producer and a supplier of the critical mineral for a decarbonised economy and the energy transition, with leading low development capital and operating costs. The Company places a special emphasis on green applications including renewable energy, e-mobility, energy storage and thermal management, and is committed to ensuring its operations are sustainable.

The Group's operations include primary mining and processing in Madagascar where the Group operates two key projects, Sahamamy and Vatomina with a combined installed final production nameplate capacity of 30,000tpa, subject to minor capex additions. The Madagascar operations produce high-quality flake graphite concentrate with up to 97% purity and selling to customers globally.

The Group also holds two advanced stage, world class, natural graphite projects in Mozambique. Work has already commenced to optimise the economics for development of the Montepuez graphite project, which is permitted for 100,000tpa production. A table of the Group's projects is provided below:

Country	Project	Stage
Madagascar	Sahamamy	Production paused: 18,000 tpa final production plant nameplate capacity
Madagascar	Vatomina	In current production ramp-up to 18,000 tpa capacity by

		December 2025.
Mozambique	Montepuez	100,000 tpa permitted, construction-initiated
Mozambique	Balama Central	58,000 tpa permitted, [PT@ partyially permitted? Apparently still needs environmental consnet etc]

END

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