Registered number: 02474338

EURO ALLOYS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

4/7/22

ODB

EURO ALLOYS LIMITED

COMPANY INFORMATION

Directors	D C Hogan A L Riviere Rodriguez (resigned 8 April 2021) C Russell-Jones Straoit Consult AG (appointed 1 February 2021) T Tumoscheit (resigned 1 February 2021) Ferrotrade Consulting AG (appointed 8 April 2021) S Gami (appointed 19 April 2022) F T Demontfort (appointed 6 October 2021)
Company secretary	S R Brothers (resigned 5 October 2021)
Registered number	02474338
Registered office	Suite 3 Elm Court Cowbridge Road Bridgend Wales CF31 3SR
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 6th Floor 3 Callaghan Square Cardiff CF10 5BT
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors	Stuart Brothers Solicitors St Mellons Business Park Quest House Fortran Road Cardiff CF3 0EY

EURO ALLOYS LIMITED

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STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Introduction

The directors of Euro Alloys Limited ("The Company") present the Strategic Report for the year ended 30 September 2021.

Business review

The Company's turnover decreased from $179m to $91m during the financial year. The tonnage traded *decreased from 81,000mt to 33,000mt.*

The base metals markets were volatile during 2020/2021. The Company made a loss after taxation of $1,473,000 for the year *(2020: $2,779,000)*. The Company continues to grow and diversify the product range traded by the Company.

Principal risks and uncertainties

The Company regards the monitoring and controlling of risks as a fundamental part of the management process and therefore monitors the risk daily, within strictly defined guidelines. The evaluation of these risks is carried out by the Board of Directors.

Market Risk

Associated performance and price risk continue to be managed through sophisticated hedging programs which include the use of forward contracts both on the London Metal Exchange and in foreign exchange markets.

The Company does not engage in speculative foreign exchange trading. The following table summarises the third party trade debtors and creditors which are denominated in non US dollar currency. All of these balances have been hedged using forward contracts.

Trade debtors in Local Currency:	**2021**	*2020*
	$000	*$000*
EUR	**1,432**	*18,656*
GBP	**5**	*7*
CAD	**-**	-
CHF	**-**	-

Trade creditors in Local Currency:	**2021**	*2020*
	$000	*$000*
EUR	**239**	*647*
GBP	**39**	*132*
SEK	**-**	-
CAD	**-**	*6*
CHF	**77**	*96*

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. As with market risk, the Company has adopted policies governing the management of credit risk. The company assesses the credit worthiness of each counterparty prior to entering into business, and maintains comprehensive credit insurance cover on its buyers, as a means of mitigating the risk of financial loss from any defaults.

Trade debtors consists of a large number of customers, however credit exposure is controlled by counterparty limits that are regularly reviewed.

As at year end, the following trade debtor amounts were outside of the allocated credit terms:

Credit Term:	**2021**	*2020*
	$000	*$000*
Between 1 and 30 days	**296**	*1,176*
Between 31 and 60 days	**139**	*1,942*
Between 61 and 90 days	**-**	*540*
Between 91 and 120 days	**181**	*85*
More than 120 days	**177**	*996*

Liquidity Risk

Liquidity risk refers to the risk that the Company is unable to meet its obligations as they fall due owing to insufficient financial resources. The Company manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows.

Charitable contributions

During the year the Company made charitable contributions of $Nil (2020: *$1,282)*.

This report was approved by the board and signed on its behalf.

Chris Russell-Jones

C Russell-Jones
Director

Date: 26 April 2022

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report and the financial statements for the year ended 30 September 2021.

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the company during the year was trading in aluminium and copper products.

Results and dividends

The loss for the year, after taxation, amounted to $1,473,000 (2020 - loss $2,779,000).

Directors

The directors who served during the year were:

D C Hogan
A L Riviere Rodriguez (resigned 8 April 2021)
C Russell-Jones
Straoit Consult AG (appointed 1 February 2021)
T Tumoscheit (resigned 1 February 2021)
Ferrotrade Consulting AG (appointed 8 April 2021)

Future developments

The Company is responding to the changes in bank financing availability, specifically the withdrawal of global bank commodity finance lines. This will impact on how the Company structures its trades. The Company continues to trade in aluminium wire rod, other aluminium products, and other metals including copper and other base metals. In addition, the Company holds strategic investments in subsidiaries and in a copper development project. The Company plans to continue its search for strategic investments.

COVID-19

The impact of COVID-19 on the financial position of the Company has not been significant other than as discussed above. However, it is difficult to ascertain the continued economic effect COVID-19 will have on the financial results of the Company. The Company will continue to monitor the potential impact COVID-19 may have on the Company, and will make necessary adjustments to its financial statements should this happen.

Going concern

The uncertainty as to the future impact on the Company of the COVID-19 outbreak in particular has been considered as a part of the Company's adoption of the going concern basis. In light of the current COVID-19 pandemic the Board has revisited its forecasts for the period ending 30 April 2023 and has concluded that the Company has sufficient cash during this period to conclude that the business remains a going concern.

The Company has remained fully operational throughout the COVID-19 crisis. We maintain tight financial control and we continue to pay creditors in an unchanged manner. In respect of our supply chain, we have suffered no material issues.

We have performed a number of downside scenarios to consider the potential impact of COVID-19 on the Company's results. Even under the worst-case downside scenario, we are confident that we can take sufficient mitigating action to ensure that our facilities remain sufficient over the forecast period. Based on this the directors are of the opinion that the Company will have sufficient liquid resources to continue its operations for the foreseeable future being not less than 12 months from the approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 April 2022 and signed on its behalf.

Chris Russell-Jones

C Russell-Jones
Director

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EURO ALLOYS LIMITED

Opinion

We have audited the financial statements of EURO ALLOYS LIMITED (the 'Company') for the year ended 30 September 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

GrantThornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EURO ALLOYS LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EURO ALLOYS LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of how the Company is complying with significant legal and regulatory frameworks through inquiries of management;

The Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified Financial Reporting Standard 102 and the Companies Act 2006, along with legislation relating to employment, health & safety, data protection and environmental issues, as those most likely to have a material effect if non-compliance were to occur;

We communicated relevant laws and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit;

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunity and incentives for management to perpetrate fraud, and the potential impact on the financial statements;

In assessing the potential risks of material misstatement, we obtained an understanding of:
- the Company's operations, including the nature of its revenue sources, products, and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
- the Company's control environment;
- the Company's relevant controls over areas of significant risks; and
- the Company's business processes in respect of classes of transactions that are significant to the financial statements.

Audit procedures performed by the engagement team included:
- identifying the significant risk of fraud within revenue recognition and undertaking substantive testing to obtain sufficient and appropriate audit evidence;
- testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and
- identifying and testing related party transactions.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EURO ALLOYS LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

Assessment of the appropriateness of the collective competence and capabilities of the engagement team included:

- consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity;
- appropriate training, knowledge of the industry in which the Company operates; and
- understanding of the legal and regulatory requirements specific to the Company.

We did not identify any material matters relating to non-compliance with laws and regulations or relating to fraud.

Use of our report

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

Grant Thornton UK LLP

Rhian Owen BSc FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cardiff

26 April 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 $000	*2020 $000*
Turnover	4	**90,764**	*178,768*
Cost of sales		**(88,257)**	*(173,678)*
Gross profit		**2,507**	*5,090*
Administrative expenses		**(4,319)**	*(5,897)*
Operating loss	5	**(1,812)**	*(807)*
Interest receivable and similar income	9	**23**	*8*
Interest payable and similar expenses	10	**(387)**	*(2,298)*
Loss before tax		**(2,176)**	*(3,097)*
Tax on loss	11	**703**	*318*
Loss for the financial year		**(1,473)**	*(2,779)*

There were no recognised gains and losses for 2021 or 2020 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2021 (*2020: $Nil*).

The notes on pages 16 to 34 form part of these financial statements.

EURO ALLOYS LIMITED
REGISTERED NUMBER:02474338

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note		2021 $000		2020 $000
Fixed assets					
Intangible assets	12		155		84
Tangible assets	13		76		279
Investments	14		3,180		3,321
			3,411		3,684
Current assets					
Stocks	15	13,054		18,393	
Debtors: amounts falling due within one year	16	6,677		29,866	
Cash at bank and in hand	17	1,499		4,762	
		21,230		53,021	
Creditors: amounts falling due within one year	18	(10,952)		(41,533)	
Net current assets			10,278		11,488
Total assets less current liabilities			13,689		15,172
Provisions for liabilities					
Deferred tax	20	-		(10)	
			-		(10)
Net assets			13,689		15,162
Capital and reserves					
Called up share capital	21		6,561		6,561
Profit and loss account	22		7,128		8,601
			13,689		15,162

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Chris Russell-Jones

C Russell-Jones
Director

Date: 26 April 2022

The notes on pages 16 to 34 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital	Profit and loss account	Total equity
	$000	$000	$000
At 1 October 2019	6,561	11,380	17,941
Loss for the year	-	(2,779)	(2,779)
At 1 October 2020	6,561	8,601	15,162
Loss for the year	-	(1,473)	(1,473)
At 30 September 2021	6,561	7,128	13,689

The notes on pages 16 to 34 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 $000	2020 $000
Cash flows from operating activities		
Loss for the financial year	**(1,473)**	*(2,779)*
Adjustments for:		
Amortisation of intangible assets	**14**	*1*
Depreciation of tangible assets	**205**	*76*
Interest paid	**387**	*2,298*
Interest received	**(23)**	*(8)*
Taxation credit	**(703)**	*(318)*
Decrease in stocks	**5,339**	*20,368*
Decrease in debtors	**23,577**	*29,229*
Increase/(decrease) in creditors	**2,900**	*(10,412)*
Corporation tax received/(paid)	**315**	*(302)*
Net cash generated from operating activities	**30,538**	*38,153*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(85)**	*(85)*
Purchase of tangible fixed assets	**(2)**	*(5)*
Purchase of investments	**-**	*(2,916)*
Net cash used in investing activities	**(87)**	*(3,006)*
Cash flows from financing activities		
Interest paid	**(387)**	*(2,298)*
Interest received	**23**	*8*
Net cash used in financing activities	**(364)**	*(2,290)*
Net increase in cash and cash equivalents	**30,087**	*32,857*

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 $000	*2020 $000*
Cash and cash equivalents at beginning of year	(28,588)	*(61,445)*
Cash and cash equivalents at the end of year	**1,499**	*(28,588)*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,499	*4,762*
Bank overdrafts	-	*(33,350)*
	1,499	*(28,588)*

The notes on pages 16 to 34 form part of these financial statements.

1. General information

Euro Alloys Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Suite 3, Elm Court, Cowbridge Road, Bridgend, Wales, CF31 3SR.

The company was principally engaged in the trading of aluminium and copper products during the current and prior period.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The directors have presented the financial statements in United States Dollars (USD$). The company trades EC Grade aluminium rod and other aluminium products which are primarily USD$ denominated and hedges non USD$ transactions by reference to the USD$.

The USD$ is therefore the functional currency of the primary economic environment in which Euro Alloys Limited trades. The directors consider that presentation of the results in the prime underlying currency of trading provides a more appropriate picture of the company's results and state of affairs.

Balance sheet items have been translated at $1.35 to £1 (2020: $1.29 to £1).

Monetary amounts in these financial statements are rounded to the nearest USD$000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The uncertainty as to the future impact on the Company of the COVID-19 outbreak in particular has been considered as a part of the Company's adoption of the going concern basis. In light of the current COVID-19 pandemic the Board has revisited its forecasts for the period ending 30 April 2023 and has concluded that the Company has sufficient cash during this period to conclude that the business remains a going concern.

The Company has remained fully operational throughout the COVID-19 crisis. We maintain tight financial control and we continue to pay creditors in an unchanged manner. In respect of our supply chain, we have suffered no material issues.

We have performed a number of downside scenarios to consider the potential impact of COVID-19 on the Company's results. Even under the worst-case downside scenario, we are confident that we can take sufficient mitigating action to ensure that our facilities remain sufficient over the forecast period. Based on this the directors are of the opinion that the Company will have sufficient liquid resources to continue its operations for the foreseeable future being not less than 12 months from the approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2. Accounting policies (continued)

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

These financial statements therefore present information about the company as an individual undertaking and not about its Group.

The parent undertaking of the smallest and largest Group of which the company is a member and for which consolidated accounts are prepared is Euro Alloys SA, a company incorporated in Luxembourg. These accounts are available from the registered address of this company, Boulevard Royal 26, L-2449 Luxembourg.

2.4 Revenue

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue in respect of the sale of product is recognised when the company has performed its obligations in exchange for the right to consideration. This is ordinarily deemed to be at the point of despatch to the customer from warehouse inventory although the company does enter into some sales arrangements where product is sold directly to the customer from the company's point of purchase.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software	-	10 years straight line

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short term Leasehold Property	- over the period of the lease
Motor vehicles	- 25% straight line
Fixtures & fittings	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Valuation of investments

Investments in subsidiaries are held at cost less any provision for impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.8 Stocks

Stock is valued at market prices prevailing at the period end, after making due allowances for obsolete and slow moving items, less any specific provisions against damaged material. This policy reflects hedging via allocation of stock against forward physical and LME contracts which are in turn valued at prevailing market prices.

Profits and losses arising from this valuation are taken to the Statement of Comprehensive Income. The effect on the accounts of the above policy is to increase the profit before taxation by $2,721,000 *(2020: $1,461,000)*. Note 15 shows stock at valuation.

2.9 Debtors

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

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2. Accounting policies (continued)

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, *initially and subsequently, at the undiscounted amount of the cash or other consideration expected* to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2. Accounting policies (continued)

2.11 Financial instruments (continued)

Forward physical and London Metal Exchange (LME) future contracts for the purchase and sale of metal are valued at market prices prevailing at the year end. Forward foreign exchange contracts are valued against the relevant foreign currency market rates ruling at close of business at the year end.

Profits and losses on valuation of forward contracts are recognised in the profit and loss account. In common with other traders in LME metals and established market practice, the company marks to market all physical positions and forward contracts. Accordingly the accounting treatment described above is deemed not to represent a departure from the historical cost convention for the purposes of FRS 102.

2.12 Creditors

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

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD ($).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.14 Finance costs

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

2. Accounting policies (continued)

2.15 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.16 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.17 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.18 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Basis of preparation of the financial statements
As per accounting policy 2.2 above management is of the opinion that based on current forecasts and available facilities the preparation of the financial statements on a going concern basis is reasonable.

Depreciation
The company exercises judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated useful lives. Management considers that the carrying value of tangible fixed assets is reasonable and therefore that no impairment charge is required in the current year.

Amortisation
The company exercises judgement to determine useful lives and residual values of intangible fixed assets. The assets are amortised down to their residual values over their estimated useful lives. Management considers that the carrying value of intangible fixed assets is reasonable and therefore that no impairment charge is required in the current year.

Provisions
Provision has been made for trade debtors. This provision is an estimate of the actual costs and the timing of future cash flows is dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

Carrying value of investments
Based on an assessment of future performance management believes that the carrying value of investments is reasonable and therefore that no impairment charge is required in the current year.

Carrying value of intra-group debtors
Based on an assessment of future performance management believes that the carrying value of intra-group debtors is reasonable and therefore that no provision is required in the current year.

Stock valuation
Stock is valued at market prices and premiums prevailing at the period end, after making due allowances for obsolete and slow moving items. This policy reflects hedging via allocation of stock against forward physical and LME contracts which are in turn valued at prevailing market prices. Profits and losses arising from this valuation are taken to the Statement of Comprehensive Income.

Recoverability of balance due from Techno Metals Limited
Trade debtors includes $1.49m due from Techno Metals Limited. Management is of the opinion that this amount is recoverable in full and therefore that no provision is required at year end.

4. Turnover

The analysis of turnover by geographical market has not been given as in the opinion of the directors the disclosure of this information would be seriously prejudicial to the interests of the company.

5. Operating loss

The operating loss is stated after charging:

	2021 $000	*2020* *$000*
Other operating lease rentals	**211**	*135*
Amortisation of intangible fixed assets	**14**	*1*
Depreciation of tangible fixed assets	**205**	*76*

6. Auditor's remuneration

	2021 $000	*2020* *$000*
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**45**	*41*

Fees payable to the Company's auditor and its associates in respect of:

Taxation consultancy services	**13**	*12*

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 $000	*2020* *$000*
Wages and salaries	**1,213**	*1,652*
Social security costs	**113**	*259*
Cost of defined contribution scheme	**56**	*69*
	1,382	*1,980*

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	*2020* *No.*
Administrative staff	**16**	*20*

8. Directors' remuneration

	2021 $000	*2020* *$000*
Directors' emoluments	978	*1,080*
Company contributions to defined contribution pension schemes	61	*8*
	1,039	*1,088*

During the year retirement benefits were accruing to 1 director *(2020 - 1)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of $363,000 *(2020 - $393,000)*.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to $NIL *(2020 - $NIL)*.

During the year the Company paid $709,000 (*2020: $235,000*) to third party companies in relation to director services.

9. Interest receivable

	2021 $000	*2020* *$000*
Bank interest receivable	23	*8*

10. Interest payable and similar expenses

	2021 $000	*2020* *$000*
On bank loans and overdrafts	387	*2,298*

11. Taxation

	2021 $000	*2020* *$000*
Corporation tax		
Adjustments in respect of previous periods	(693)	*(412)*
Total current tax	**(693)**	*(412)*
Deferred tax		
Origination and reversal of timing differences	(374)	*10*
Adjustments in respect of previous periods	364	*84*
Total deferred tax	**(10)**	*94*
Taxation on loss on ordinary activities	**(703)**	*(318)*

Factors affecting tax credit for the year

The tax assessed for the year is lower than *(2020 - higher than)* the standard rate of corporation tax in the UK of 19.00% *(2020 - 19.00%)*. The differences are explained below:

	2021 $000	*2020* *$000*
Loss on ordinary activities before tax	(2,176)	*(3,097)*
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(413)	*(588)*
Effects of:		
Expenses not deductible for tax purposes	15	*12*
Fixed asset differences	2	*8*
Adjustments to tax charge in respect of prior periods	(329)	*(328)*
Losses carried back	23	*304*
Deferred tax not recognised	43	*274*
Income not taxable for tax purposes	(3)	*-*
Additional deduction for R&D	(41)	*-*
Total tax credit for the year	**(703)**	*(318)*

12. Intangible assets

	Software $000
Cost	
At 1 October 2020	**85**
Additions	**85**
At 30 September 2021	**170**
Amortisation	
At 1 October 2020	**1**
Charge for the year on owned assets	**14**
At 30 September 2021	**15**
Net book value	
At 30 September 2021	**155**
At 30 September 2020	*84*

13. Tangible fixed assets

	Short Term Leasehold Property $000	Motor vehicles $000	Fixtures & fittings $000	Total $000
Cost or valuation				
At 1 October 2020	403	63	211	677
Additions	-	-	2	2
At 30 September 2021	403	63	213	679
Depreciation				
At 1 October 2020	157	63	178	398
Charge for the year on owned assets	192	-	13	205
At 30 September 2021	349	63	191	603
Net book value				
At 30 September 2021	54	-	22	76
At 30 September 2020	*246*	*-*	*33*	*279*

14. Fixed asset investments

	Listed investments $000	Investments in subsidiaries $000	Total $000
Cost or valuation			
At 1 October 2020	**455**	**2,866**	**3,321**
Revaluations	**(141)**	**-**	**(141)**
At 30 September 2021	**314**	**2,866**	**3,180**
Net book value			
At 30 September 2021	**314**	**2,866**	**3,180**
At 30 September 2020	*455*	*2,866*	*3,321*

Detail in relation to investments in subsidiaries is included in note 28.

15. Stocks

	2021 $000	*2020 $000*
Finished goods and goods for resale	**13,054**	*18,393*

Included within the stock total value is the market value adjustment of $2,721,000 gain *(2020: $1,461,000 gain)* to revalue closing stock at the prevailing spot valuation by reference to closing LME prices.

16. Debtors

	2021 $000	2020 $000
Trade debtors	4,303	27,343
Amounts owed by group undertakings	554	1,468
Forward profits recognised	-	100
Other debtors	899	415
Prepayments and accrued income	233	240
Corporation tax recoverable	688	300
	6,677	29,866

17. Cash and cash equivalents

	2021 $000	2020 $000
Cash at bank and in hand	1,499	4,762
Less: bank overdrafts	-	(33,350)
	1,499	(28,588)

18. Creditors: Amounts falling due within one year

	2021 $000	2020 $000
Bank overdrafts	-	33,350
Repurchase agreements	3,052	-
Trade creditors	4,167	3,308
Amounts owed to group undertakings	-	3,072
Other taxation and social security	66	315
Forward losses recognised	1,247	-
Other creditors and accruals	2,420	1,488
	10,952	41,533

19. Financial instruments

	2021 $000	2020 $000
Financial assets		
Financial assets measured at fair value through profit or loss	**7,082**	*34,088*
Financial liabilities		
Financial liabilities measured at amortised cost	**10,886**	*41,218*

Financial assets measured at fair value through profit or loss comprise cash, trade and other debtors, forward profits recognised, and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, amounts owed to group undertakings, repurchase agreements, forward losses recognised, trade creditors, and accruals.

20. Deferred taxation

	2021 $000	2020 $000
At beginning of year	**(10)**	*83*
Movement during year	**10**	*(93)*
At end of year	**-**	*(10)*

The provision for deferred taxation is made up as follows:

	2021 $000	2020 $000
Fixed asset timing differences	**44**	*(55)*
Short term timing differences	**(44)**	*45*
	-	*(10)*

21. *Share capital*

	2021 $000	*2020* *$000*
Authorised		
5,000,000 *(2020 - 5,000,000)* Ordinary shares of £1 each	**8,707**	*8,707*
Allotted, called up and fully paid		
3,767,615 *(2020 - 3,767,615)* Ordinary shares of £1 each	**6,561**	*6,561*

22. Reserves

Profit & loss account

Includes all current and prior period retained profits and losses.

23. Pension commitments

The Company operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are administered by trustees in a fund independent from those of the Company. The total cost to the Company of pension contributions was $55,968 *(2020: $68,803)*. As at year end contributions payable within creditors amount to $11,074 *(2020: $10,722)*.

24. Commitments under operating leases

At 30 September 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 $000	*2020* *$000*
Not later than 1 year	**64**	*88*
Later than 1 year and not later than 5 years	**32**	*52*
	96	*140*

25. Related party transactions

The Company buys metals from Ferrotrade Consulting AG.

Euro Alloys Limited made payments to Ferrotrade Consulting AG, a related party, in respect of management charges.

During the year $276,000 (2020: $Nil) was advanced to the Company by a close family member of a director. The amount advanced is repayable on 16 October 2021 and interest is in line with current market rates. At the year end the balance owed to the individual was $276,000 (2020: $Nil). This balance is included within other creditors and accruals in note 18 above.

Details of the related party transactions entered into in the year are summarised in the table below:

	2021	*2020*
	$000	*$000*
Balance due from/(to) Ferrotrade Consulting AG	**500**	*(18)*
Purchases from Ferrotrade Consulting AG	**163**	*1,239*
Balance due from Euro Alloys SA	**54**	-
Balance due to BR Jones	**(276)**	-
Balance due from T Tumosheit	**126**	-
Management charges paid to Ferrotrade Consulting AG	**667**	-

26. Controlling party

The directors consider that the ultimate holding party is Alfredo Luis Riviere Rodriguez.

The parent undertaking of the smallest and largest Group of which the Company is a member and for which consolidated accounts are prepared is Euro Alloys SA, a company incorporated in Luxembourg. The registered address of this company is Boulevard Royal 26, L-2449 Luxembourg.

27. Post balance sheet events

There have been no significant events affecting the Company since the year end.

28. Subsidiary undertakings

The Company owns 100% of the issued share capital of Altro Metals Ltd, a company incorporated in the United Kingdom. Altro Metals Ltd is dormant.

The Company owns 100% of the issued share capital of Ferrotrade Consulting AG, a Company incorporated in Switzerland. The principal activity of Ferrotrade Consulting AG is the trading of metals.

The Company owns 100% of the issued share capital of Ferrotrade (Middle East) Ltd, a company incorporated in The Bahamas. The principal activity of Ferrotrade (Middle East) Ltd is the trading of metals.

The Company owns 100% of the issued share capital of Ferrotrade Maroc SARLAU, a company incorporated in Morocco. The principal activity of Ferrotrade Maroc SARLAU is the trading of metals.

The Company owns 96% of the issued share capital of Ferrotrade Turkey - Alasimlar Ticaret Ltd Sirketl, a company incorporated in Turkey. The principal activity of Ferrotrade Turkey - Alasimlar Ticaret Ltd Sirketl is the trading of metals.

29. Analysis of net debt

	At 1 October 2020 $000	Cash flows $000	At 30 September 2021 $000
Cash at bank and in hand	4,762	(3,263)	1,499
Bank overdrafts	(33,350)	33,350	-
Other loans due within 1 year	-	(276)	(276)
	(28,588)	29,811	1,223

Registre de Commerce et des Sociétés
Numéro RCS : B244633
Référence de dépôt : L210061125

EURO ALLOYS S.A.

Société Anonyme

Consolidated annual accounts
for the year ended 30 September 2021

Boulevard Royal 26,
L-2449 Luxembourg
R.C.S. Luxembourg B 244633

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Registre de Commerce et des Sociétés
Numéro RCS : B244633
Référence de dépôt : L210061125

EURO ALLOYS S.A. RCSL: B244633

Consolidated Management report of the Board of Directors: period ended 30 September 2021

The directors present our Group Management report and the Group consolidated annual accounts for the period ended 30 September 2021.

Results and dividends
The result for the period after taxation amounted to a loss of US$1.951m (Sept 2020: loss $2.441) resulting from higher-than-expected trading losses and administration costs.

Directors' Responsibilities Statement
The directors acknowledge their responsibility to maintain proper accounting records and to prepare statutory annual accounts which give a true and fair view of the state of affairs of the Group and its results for the financial period under review.

The directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review of operations
The principal activity of the Group during the period was trading in aluminium and copper products. The Group's turnover was $98.573m, loss after tax of $1,951m, and net assets of $13.468m as at period ended 30 September 2021.

The Group has not acquired any of its share capital nor has the Group carried out any research and development activity in the period ended 30 September 2021.

Principal risks and uncertainties
The Group regards the monitoring and controlling of risks as a fundamental part of the management process and therefore monitors the risk daily, within strictly defined guidelines. The evaluation of these risks is carried out by the Board of Directors.

Market Risk
Associated performance and price risk continue to be managed through sophisticated hedging programs which include the use of forward contracts both on the London Metal Exchange and in foreign exchange markets. The Group does not engage in speculative foreign exchange trading.

Credit Risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As with market risk, the Group has adopted policies governing the management of credit risk. The Group assesses the credit worthiness of each counterparty prior to entering into business, and maintains comprehensive credit insurance cover on its buyers, as a means of mitigating the risk of financial loss from any defaults. Trade debtors consists of a large number of customers; however, credit exposure is controlled by counterparty limits that are regularly reviewed.

Liquidity Risk

Liquidity risk refers to the risk that the Group is unable to meet its obligations as they fall due owing to insufficient financial resources. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

Future developments

The Group in recent months has successfully sourced private financing following the market changes in 2020 which saw the withdrawal of global bank commodity finance lines for its main trading subsidiary. The Group continues to trade in aluminium wire rod, other aluminium products, and other metals including copper and other base metals. In addition, the Group holds strategic investments in subsidiaries and in a copper development project and is entering into the concentrates market. The Group plans to continue its search for strategic investments.

Going concern

The Group's principal activity is metal trading, and the Board has concluded that the Group has sufficient resources to remain a going concern. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Post year end events

There have been no significant events affecting the Group since the period end.

Date: 29 June 2022

Signed: The Board of Directors

Thomas Tumoscheit

Grant Thornton

To the Shareholders of
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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Euro Alloys S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 30 September 2021, and the consolidated profit and loss account for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view of the consolidated financial position of the Group as at 30 September 2021, and of the consolidated results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the Consolidated Financial Statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the *"Commission de Surveillance du Secteur Financier"* (the "CSSF"). Our responsibilities under the Law of 23 July 2016 and the ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the *"Réviseur d'Entreprises Agréé"* for the Audit of the Consolidated Financial Statements » section of our report. We are also independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

The Board of Directors is responsible for the Other information. The Other information comprises the information stated in the Consolidated Management Report but does not include the Consolidated Financial Statements and our report of the *"Réviseur d'Entreprises Agréé"* thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the Consolidated Financial Statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the *"Réviseur d'Entreprises Agréé"* for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *"Réviseur d'Entreprises Agréé"* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *"Réviseur d'Entreprises Agréé"* to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *"Réviseur d'Entreprises Agréé"*. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Consolidated Management Report is consistent with the Consolidated Financial Statements and has been prepared in accordance with applicable legal requirements.

Luxembourg, 29 June 2022

Monika TASI
Réviseur d'Entreprises Agréé
Grant Thornton Audit & Assurance

Consolidated balance sheet as at 30 September 2021
(expressed in thousands USD)

ASSETS	**30/09/2021**	**30/09/2020**
C. Fixed Assets	**1,470**	**1,853**
I. Intangible assets (note 4)	1,056	1,070
2. Concessions, patents, licences, trademarks and similar rights and assets, if they were:		84
a) acquired for valuable consideration and need not to be shown under C.I.3	175	84
3. Goodwill, to the extent that it was acquired for valuable consideration	881	986
II. Tangible assets (note 5)	100	328
1. Leasehold property	55	246
2. Motor vehicles	0	0
3. Other fixtures and fittings, tools and equipment	44	82
III. Financial fixed assets (note 6)	314	455
5. Investments held as fixed assets	314	455
D. Currents Assets	**23,983**	**56,527**
I. Stocks (note 7)	13,138	18,550
3. Finished goods and goods for resale	13,138	18,550
II. Debtors (note 8)	8,199	31,446
1. Trade debtors	5,899	28,201
a) becoming due and payable within one year	5.899	28,201
4. Other debtors	2,.300	3,245
a) becoming due and payable within one year	2,300	3,245
IV. Cash at bank and in hand	2,646	6,531
TOTAL ASSETS	**25,453**	**58,380**

The accompanying notes form an integral part of these consolidated annual accounts.

Consolidated balance sheet as at 30 September 2021
(expressed in thousands USD)

LIABILITIES	30/09/2021	30/09/2020
A. Capital and reserves (note 9)	**13,468**	**15,468**
I. Subscribed Capital	17,900	17,900
V. Consolidated reserves	(2,495)	9
VI. Profit or loss for the financial year	(1,938)	(2,443)
Total capital and reserves - shares of the group	**13,467**	**15,466**
Abis. Minority interests	1	**2**
C. Creditors (note 10)	**11.985**	**42,912**
2. Amounts owed to credit institutions	546	34,264
a) becoming due and payable within one year	46	33,350
b) becoming due and payable after more than one year	500	914
4. Trade creditors	4,579	3,748
a) becoming due and payable within one year	4,579	3,748
8. Other creditors	6,860	4,900
c) Other creditors	6,860	4,900
i) becoming due and payable within one year	6,860	4,890
ii) becoming due and payable after more than one year	0	10
TOTAL CAPITAL, RESERVES AND LIABILITIES	**25,453**	**58,380**

The accompanying notes form an integral part of these consolidated annual accounts.

Consolidated Profit and Loss Account
For the year ended 30 September 2021
(expressed in thousands USD)

	30/09/2021	From 28/05/2020 to 30/09/2020
1. Net turnover	98,573	52,406
5. Raw materials and consumables and other external expenses	**(97,122)**	**(53,203)**
a) Raw materials and consumables	(94,358)	(52,066)
b) Other external expenses (note 12)	(2,764)	(1,137)
6. Staff costs	**(2,808)**	**(1,063)**
a) Wages and salaries	(2,595)	(887)
b) Social security costs	(213)	(176)
7. Value adjustments	**(325)**	**(71)**
a) in respect of formation expenses and on tangible and intangible fixed assets	(325)	(71)
8. Other operating expenses	**(473)**	**(372)**
11. Other interest receivable and similar income	**35**	**71**
a) interest receivable	35	71
14. Interest payable and similar expenses	**(527)**	**(365)**
a) value adjustment on participations	(140)	-
b) other interest and similar income	(387)	(365)
15. Tax on profit or loss (note 16)	696	156
16. Profit or loss after taxation	**(1,951)**	**(2,441)**
18. Profit or loss for the financial year	**(1,951)**	**(2,441)**
- Group Share	**(1,938)**	**(2,443)**
- Minority share	**(13)**	**2**

The accompanying notes form an integral part of these consolidated annual accounts.

Notes to the consolidated annual accounts

Note 1 - General

EURO ALLOYS S.A. (the "Company") was incorporated on 28 May 2020 under the laws of Luxembourg by notary deed under the legal form of a Société Anonyme. Its registered office is located in Boulevard Royal 26, L-2449 Luxembourg and the Company has been registered in Luxembourg under section B, number 244633.

The purpose of the Company is the holding of participating interests in other companies and the management, control and development of such participating interest.

The consolidated annual accounts include the Company and its directly and indirectly owned subsidiaries (together referred to as the "Group").

The main activity of the Group is trading of aluminium and copper products.

The Group's financial year starts on October 1 and ends on September 30 of each year, except for the first year, the Company's financial year started on 28 May 2020 (date of the incorporation) and ended on 30 September 2020.

These are the second consolidated annual accounts of the Group covering the period from 1 October 2020 to 30 September 2021. The comparative information is for the period from 28 May 2020 to 30 September 2020.

Note 2 - Basis of preparation and consolidation principles

2.1 Basis of preparation

The consolidated accounts of the Group were prepared in accordance with current Luxembourg legal and regulatory requirements regarding the preparation of the consolidated annual accounts. Accounting policies and valuation rules are the ones laid down by the law of 10 August 1915, as amended on 18 December 2015, determined and applied by the Board of Directors.

The preparation of consolidated accounts requires the use of certain critical accounting estimates. It also requires Board of Directors to exercise their judgements in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated accounts in the year in which the assumptions changed. The Board of Directors believe that the underlying assumptions are appropriate and that the consolidated accounts therefore present the financial position and results fairly.

The Board of Directors make estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Consolidation principles

(i) Principles

The consolidated accounts of the Group include its stand-alone annual accounts as well as those of its entities directly or indirectly controlled that are deemed to be material after recognition of minority interest.

All material companies, which are more than 50% controlled, either directly or indirectly, are fully consolidated. Control is presumed to exist where more than half of a subsidiary's voting rights are controlled by the parent company, or where the parent company has the right to remove or appoint a majority of a subsidiary's board of directors or has entered into an agreement with the other shareholders or partners of a subsidiary. Minority interest is shown under the appropriate heading in the consolidated balance sheet and profit and loss account.

Participations held by consolidated group companies that are controlled jointly by one or more companies excluded from the consolidation are consolidated by the proportional integration method.

The proportional integration method takes into account the assets, liabilities, income and expenses of the companies concerned, after eliminating intra-group transactions and results, in proportion to the share capital held by the consolidated company.

Associates are those entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are initially recognized at an amount corresponding to the proportion of associated undertaking' shareholder's equity and subsequently accounted for in accordance with the equity method, whereby, the Group's share of its associates post-acquisition profits or losses is recognized in the consolidated profit and loss account under a specific caption and its share of post-acquisition movements in reserves is recognized in the consolidation reserve. The cumulative post-acquisition movements are adjusted against the carrying value of the investment.

Where appropriate, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

(ii) Consolidation scope

As at September 30, 2021 and as at 30 September 2020, the consolidated accounts include the Company and the following directly and indirectly owned subsidiaries:

			2021			2020		
	Company	Location	Consolidation method	Percentage of interest	Percentage of control	Consolidation method	Percentage of interest	Percentage of control
1	Euro Alloys S.A.	Luxembourg	Full consolidation	NA - parent company	NA - parent company	Full consolidation	NA - parent company	NA - parent company
2	Euro Alloys Limited	UK	Full consolidation	100%	100%	Full consolidation	100%	100%
3	Ferrotrade (Middle East) Limited	The Bahamas	Full consolidation	100%	100%	Full consolidation	100%	100%
4	Ferrotrade Consulting AG	Switzerland	Full consolidation	100%	100%	Full consolidation	100%	100%
5	Altro Metals Limited (formerly Sural Metals Limited)	UK	Full consolidation	100%	100%	Full consolidation	100%	100%
6	Ferrotrade Maroc Sarl	Maroc	Full consolidation	100%	100%	Full consolidation	100%	100%
7	Ferrotrade. Turkey - Alasimlarl Ticaret Ltd Sirketl	Turkey	Full consolidation	96%	96%	Full consolidation	96%	96%

During the period there is no change in the consolidation scope.

(iii) Inter-company transactions and balances

All inter-company transactions, balances and gains and losses on transactions between Group companies have been eliminated.

(iv) Goodwill or negative goodwill

Goodwill represents the excess of the cost of an investment in a subsidiary over the underlying share of net assets at fair value of the acquired subsidiary at the date of acquisition. Negative goodwill arising on an acquisition is recognised immediately in retained earnings.

Goodwill is amortized on a straight-line basis over its useful life.

The unamortized balance is reviewed periodically in the light of events which have occurred since the date at which it was originally recorded and, where necessary, an impairment loss is recorded in addition to the annual amortisation charge to reflect the decline in the recoverable value of the asset.

(v) Minority interest

The share of the minority shareholders in the net equity and in the net profit for the period of the subsidiaries is shown separately in the consolidated balance sheet and consolidated profit and loss account.

(vi) Translation of foreign subsidiaries

The Group's consolidated annual accounts are prepared in USD.

The results and financial position of all the Group entities that have a currency different from USD are translated into USD as follows:
- assets and liabilities, except for capital and reserves, for each balance sheet items presented are translated at the rate prevailing at balance sheet date;
- capital and reserves are converted at the historical rate of exchange;
- income and expenses for each consolidated profit and loss account are translated at average exchange rates; and
- all resulting exchange differences are recognized as a separate component of equity under the caption "Currency translation reserve".

(vii) Consolidated profit or loss accounts

The figures in the profit and loss account of the acquired companies are reflected on a pro-rata basis from their acquisition date which corresponds to the incorporation date of the Company, in order to incorporate only the result since the acquisition date.

Note 3 – Summary of significant accounting policies

3.1 Intangible fixed assets

The intangible fixed assets are valued at their acquisition cost including the incidental costs of acquisition or at their production cost, reduced by accumulated amortisation and value adjustments. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

The rates and methods of amortisation applied are as follows:

	Amortisation rate	Amortisation method
- Software licences	10 %	Straight Line
- Goodwill	10 %	Straight Line

3.2 Tangible fixed assets

The tangible fixed assets are valued at their acquisition cost including the incidental costs of acquisition or at their production cost, reduced by accumulated value adjustments. The tangible fixed assets are depreciated over their estimated useful economic lives.

The rates and methods of depreciation applied are as follows:

	Depreciation rate	Depreciation method
- Short term leasehold property	Over the period of the lease	Straight Line
- Motor vehicles	25%	Straight Line
- Other fixtures and fittings, tools and equipment	25%	Straight Line

Where the Group considers that a tangible fixed asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

3.3 Financial fixed assets

Financial fixed assets are valued at their historical acquisition cost while loans defined as financial fixed assets are valued at their nominal value.

If the Board of Directors determines that a durable impairment has occurred in the value of a financial fixed asset, a value adjustment is made in order to reflect that loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.4 Derivative instruments

Forward physical and London Metal Exchange (LME) future contracts for the purchase and sale of metal are valued at market prices prevailing at the year end. Forward foreign exchange contracts are valued against the relevant foreign currency market rates ruling at close of business at the year end.

Profits and losses on valuation of forward contracts are recognised in the profit and loss account. In common with other traders in LME metals and established market practice, the Group marks to market all physical positions and forward contracts.

3.5 Repurchase agreements

The Company enters into repurchase agreements (repos) with financing entities, in which the Company concurrently agrees to sell stock to the financing entity, and to repurchase it within a set timescale. The repurchase price is fixed at the sale price plus interest calculated daily. On the sale of the metal, the Company recognises a repurchase liability for the amount of financing provided, and accrues for the interest. The liability is cleared when the company repurchase the goods.

3.5 Inventories

Stock is valued at market prices and premiums prevailing at the period end, after making due allowances for obsolete and slow moving items. This policy reflects hedging via allocation of stock against forward physical and LME contracts which are in turn valued at prevailing market prices. Profits and losses arising from this valuation are recognised in the consolidated profit and loss account.

3.6 Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their recovery is partly or completely in doubt. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.7 Provisions

The provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at balance sheet date, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

3.8 Taxation

Group companies are subject to taxation in the countries in which they operate. Corporate tax, including deferred taxation where appropriate, is applied at the applicable current notes on their profits.

Deferred taxes are recognised according to the balance sheet liability method on any temporary difference between the carrying amount and the tax base of the Group's assets and liabilities.

Deferred tax assets are recognized only when it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3.9 Debts

Debts are recorded at their repayment value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt base on a linear/actuarial method.

3.10 Net turnover

The net turnover shall comprise the amounts derived from the sale of products and the provision of services falling within the Group's ordinary activities, after deduction of sales rebates and of value added tax and other taxes directly linked to the turnover.

The Group recognizes revenue only when all of the following criteria have been met:

- Persuasive evidence of an arrangement exists;
- Delivery has occurred or services have been rendered;
- The fee for the arrangement is fixed or determinable; and
- Collectability is reasonably assured.

3.11 Value adjustments

Value adjustments are deducted directly from the related asset.

3.12 Foreign currency translation

All transactions expressed in currency other than currency of the subsidiaries are translated into that currency at the exchange rate prevailing at the date of the transaction.

The formation expenses and the fixed assets other than the long-term loans classified as financial assets and expressed in another currency than currency of the subsidiaries are translated in that currency at the exchange rate prevailing at the date of their acquisition. At balance sheet date, these fixed assets are maintained at their historical exchange rate.

Cash is translated at the exchange rate prevailing at balance sheet date. Exchange gains and losses resulting from this conversion are accounted for in the profit and loss account for the year.

Other assets and liabilities are translated separately respectively at the lower (assets) or at the higher (liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation.

Note 4 – Intangible fixed assets

The movements in intangible fixed assets are as follows:

In kUSD	Goodwill in consolidation	Software	TOTAL
Gross book value - opening balance	1,020	85	1,105
Additions for the year/period	0	105	105
Disposals for the year/period	0	0	0
Transfer for the year/period	0	0	0
Conversion difference	0	0	0
Gross book value - closing balance	**1,020**	**190**	**1,210**
Accumulated value adjustment - opening balance	(34)	(1)	(35)
Variation in the consolidation scope	0	0	0
Additions for the year/period	(105)	(14)	(119)
Disposals for the year/period	0	0	0
Transfer for the year/period	0	0	0
Conversion difference	0	0	0
Accumulated value adjustment - closing balance	**(139)**	**(15)**	**(154)**
Net book value - opening balance	986	84	1,070
Net book value - closing balance	**881**	**175**	**1,056**

Note 5 – Tangible fixed assets

The movements in tangible fixed assets are as follows:

In kUSD	Leasehold Property	Motor vehicles	Other fixtures and fittings, tools and equipment	TOTAL
Gross book value - opening balance	403	63	269	735
Variation in the consolidation scope	0	0	0	**0**
Additions for the year/period	0	0	2	**2**
Disposals for the year/period	0	0	0	**0**
Transfer for the year/period	0	0	0	**0**
Conversion difference	0	0	0	**0**
Gross book value - closing balance	403	63	271	737
Accumulated value adjustment - opening balance	(157)	(63)	(187)	(407)
Variation in the consolidation scope	0	0	0	**0**
Additions for the year/period	(191)	0	(40)	**(231)**
Disposals for the year/period	0	0	0	0
Transfer for the year/period	0	0	0	0
Conversion difference	0	0	0	**(0)**
Accumulated value adjustment - closing balance	(348)	(63)	(227)	(639)
Net book value - opening balance	246	0	82	328
Net book value - closing balance	55	0	44	100

Note 6 – Financial fixed assets

The movements in financial fixed assets are as follows:

In kUSD	Listed investments	TOTAL
Gross book value - opening balance	455	**455**
Variation in the consolidation scope	0	0
Additions for the year/period	0	0
Disposals for the year/period	0	0
Transfer for the year/period	0	0
Conversion difference	0	0
Gross book value - closing balance	455	**455**
Accumulated value adjustment - opening balance	**0**	**0**
Variation in the consolidation scope	-	-
Additions for the year/period	(141)	**(141)**
Disposals for the year/period	-	-
Transfer for the year/period	-	-
Conversion difference	-	-
Accumulated value adjustment - closing balance	**(141)**	**(141)**
Net book value - opening balance	**455**	**455**
Net book value - closing balance	**314**	**314**

This investment consists in 1,300,000 shares acquired in January 2020 in Deep-South Resources Inc, a company listed in Canada, at a price of 0.09 Canadian Dollars per share which relates to long term business opportunities. The price as at Sept 2021 reduced to 0.05 Canadian Dollars which has resulted in the impairment charge during the financial year of $141k.

Note 7 – Inventories

In kUSD	30/09/2021	30/09/2020
Raw materials and consumables	**0**	**0**
Work and contracts in progress	**0**	**0**
Finished goods and merchandise	**13,138**	**18,550**
Total	**13,138**	**18,550**

At the balance sheet date, the valuation of inventories is based on prevailing spot valuation by reference to closing LME prices. Please note that the impact at year end of this latest available market price consists in a gain of USD 2,721,000 *(2020: USD 1,461,000).*

Note 8 – Other debtors (Within one year)

In kUSD	30/09/2021	30/09/2020
Amounts owed by related party	0	1,468
Corporation tax recoverable	688	300
VAT recoverable	173	0
Vendor debit balances	408	310
Other debtors	798	880
Prepayments and accrued income	233	287
Total	**2,300**	**3,245**

For the period ended September 2021, the balance by related parties is nil (2020: EUR 1,468). The balance is still included within our statement of account in trade debtors (note 8). Techno Metals Limited was previously a related party due to common beneficial owners, this is no longer applicable as they have different beneficial owners.

Note 9 – Capital and Reserves

In kUSD	Subscribed Capital	Consolidated Reserves	Profit or loss for the financial year	Total capital & reserves – shares of the group	Minority interest	Total including Minority Interest
Allocation of previous year	**17,900**	**9**	**(2,443)**	**15,466**	**2**	**15,468**
Allocation of the profit & loss for the previous year	0	(2,443)	2,443	**0**	0	**0**
Profit and loss for the year	0	0	(1,938)	**(1,938)**	(13)	**(1,951)**
Other movements	0	(61)	0	**(61)**	12	**(49)**
Allocation at 30/09/2021	**17,900**	**(2,495)**	**(1,938)**	**13,467**	**1**	**13,468**

Note 10 – Creditors

Items disclosed under creditors can be summarized as follows:

	2021				2020
In kUSD	Within one year	After one and before five years	After five years	Total	Total
Amounts owed to credit institutions	46	455	46	546	34,264
Repurchase agreements	3,052	0	0	3,052	3,748
Trade creditors	4,579	0	0	4,579	3,000
Tax and social security debt	121	0	0	121	325
Accruals and deferred income	2420	0	0	2,420	1,488
Forward losses recognized	1,249	0	0	1,249	0
Other creditors	18	0	0	18	87
Total	**11,485**	**455**	**46**	**11,985**	**42,912**

No credit balances are due after more than five years.

There is a decrease in the amounts owed to credit institutions from Sept 2020 to Sept 2021 due to the changes in the global bank commodity finance lines, resulting in reductions in bank financing for the Company.

Note 10.1 - Amounts owed to credit institutions

The balance consists in bank overdrafts.

The balance due after one and within five years relates to COVID-19 loan of CHF 500,000 from UBS (Schweiz) AG granted on June 22, 2020, which is 100% guaranteed by the federal government. UBS (Schweiz) AG approved the loan and transferred it to the company afterwards. The interest rate is currently 0.0%. The COVID-19 loan has a maximum term of eight years and will be amortized by CHF 41,666.70 a half-yearly from March 2022. During the duration of the joint security, dividends and reimbursements of capital contributions as well as the granting of loans or the repayment of loans from shareholders or related parties are forbidden.

Note 10.2 - Tax and social security debt

The balance includes a deferred taxation of USD Nil *(2020: USD 10,000).*

Note 11– Net turnover

The analysis of turnover by geographical market has not been given as in the opinion of the directors the disclosure of this information would be seriously prejudicial to the interests of the company.

Note 12 – Other external expenses

Other external charges are made of the following significant items:

In kUSD	30/09/2021	30/09/2020
Legal fees	318	145
Accounting and auditing fees	475	435
Other commissions and professional fees	1,251	323
Catalogues, printed matters and publications	57	45
Travel costs & Entertainment	20	17
Communication costs	117	43
Bank charges	161	-
Office supplies	365	129
Total	**2,764**	**1,137**

Note 13 – Staff

The Group employed an average of 24 full-time equivalent employees (2020: 29) during the financial period.

Note 14 – Emoluments granted to the members of the administrative, managerial and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies

Emoluments granted to the members of the administrative, managerial and supervisory bodies and commitments in respect of retirement pensions for former members of those bodies for the financial year/period are broken as follows:

In kUSD	30/09/2021	30/09/2020
Emoluments		
Management bodies	978	458
Supervisory bodies	0	0
Total	**978**	**458**

Commitments in respect of retirement pensions		
Management bodies	61	0
Supervisory bodies	0	0
Total	**61**	**0**

Note 15 – Auditor's remuneration

The total fees accrued by the Group and paid to the audit firms are presented as follows:

In kUSD	30/09/2021	30/09/2020
Audit fees	72	68
Audit-related fees	0	0
Tax related fees	7	12
Other fees	0	3
Total	79	83

Note 16 – Tax on profit or loss

In kUSD	30/09/2021	30/09/2020
Total current tax	706	249
Deferred tax change effect	(10)	(93)
Total tax on loss	**696**	**156**

Note 17 – Commitments under operating leases

At 30 September 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

In kUSD	30/09/2021	30/09/2020
Not later than 1 year	64	88
Later than 1 year and not later than 5 years	32	52
	96	**140**

Note 18 – Subsequent events

Since the World Health Organisation has declared the coronavirus (COVID-19) as pandemic in March 2020, the worldwide economic activity has been impacted. Although, we can observe that, until today, steel and copper market were impacted in a limited way. Nevertheless, uncertainties remain for the future, and it is not possible to anticipate the positive or negative impact on 2021 turnover and subsequent periods.

We have not had an impact from Russia's invasion of Ukraine in February 2022. The invasion triggered volatility in LME prices, however the Company is fully protected through hedging with derivatives.

There have been no other significant events affecting the Group since the year end.