

ACG ACQUISITION COMPANY LIMITED

AUDITED FINANCIAL STATEMENTS

For the 18-month period ending 31 December 2023

ACG ACQUISITION COMPANY LIMITED

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ACG ACQUISITION COMPANY LIMITED

Company Information

Directors	Artem Volynets – Executive Director and Acting Chair Hendrik Johannes Faul – Independent Non-Executive Director Mark Cutis - Independent Non-Executive Director Fiona Paulus (Senior Independent Non-Executive Director - appointed 15 th November 2023)
Registered office	Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Registered Agent	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Sole Global Co-ordinator and bookrunner	Citibank, N.A, CGC Centre, Canada Square Canary Wharf, E14 5LB
Registrar	Link Market Services (Guernsey) Limited, PO Box 627, St Peter Port, Guernsey, GY1 4PP
Legal advisors to the Company as to US and English law	Cleary Gottlieb Steen & Hamilton LLP 2 London Wall Place, London, EC2Y 5AU
Legal advisors to the Company as to BVI law	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Depository	Link Group, Central Square 29 Wellington Street Leeds, LS1 4DL
Independent Auditors	RSM UK Audit LLP 25 Farringdon Street, London, EC4A 4AB
Company number	2067083 (registered in BVI)

ACG ACQUISITION COMPANY LIMITED

MANAGEMENT SUMMARY

For The Period Ended 31 December 2023

Business Review and Strategic Summary

The Directors present their Management Summary for the period ended 31 December 2023.

REVIEW OF BUSINESS STRATEGY AND BUSINESS MODEL

ACG Acquisition Company Limited (the "Company") was incorporated and registered in the British Virgin Islands under the BVI Business Companies Act 2004 with a registration number 2067083. The Company is a Special Purpose Acquisition Company ("SPAC") incorporated for the purpose of acquiring a majority (or otherwise controlling) stake in a company or operating business through a merger, demerger, share exchange, asset acquisition, share purchase, reorganisation or similar transaction. The Company intends to focus on the metals and mining sector globally (excluding Russia) with a particular focus on emerging markets.

The Company's main objective is to undertake an acquisition of a target company or business. This acquisition was initially planned to occur within 12 months after 12 October 2022 (the "Initial Acquisition Deadline"), subject to an initial three-month extension period (the "First Extension Period"). On 28 September 2023, a partial redemption of Class A Ordinary Shares ("Public Shares") was affected. See note 5 to the financial statements for further details.

Subsequently, on 25 October 2023 an Extraordinary General Meeting (EGM) was held, and through Public Shareholder (holders of Class A Ordinary Shares) approval the Acquisition Deadline was extended to 25 January 2024. On 25 January 2024, an additional EGM led to the Acquisition Deadline being extended further to 30 June 2024 (the "Extended Acquisition Deadline").

During 2023 the Company announced that it had agreed the acquisition of two cash-generative mining operations in Brazil, producing nickel sulphide and copper concentrates with low carbon emissions. This transaction did not close as a result of a significant reduction in underlying commodity prices, which meant that we were unable to renegotiate acceptable transaction terms which ultimately meant there was insufficient value in the transaction for shareholders at the negotiated purchase price.

Subsequent to the Balance Sheet date, commodity prices have been more stable, and the Company is progressing negotiations and due diligence regarding an acquisition of a mine whose operations are principally focused on copper concentrates.

The acquisition process

In evaluating prospective acquisition targets, the Company conducts thorough due diligence which encompasses, among other things, meetings with incumbent management and key employees, document reviews, interviews of customers and suppliers, inspection of facilities, as well as a review of financial, operational, legal and other information that is made available to the Company. The Company also utilises the Directors' operational and capital planning experience. These processes ensure that the risk to shareholders' capital is mitigated to the extent these processes are able to identify additional risks.

Principal risks and uncertainties

The Company's business activities expose it to a variety of risks, including financing and cashflow risks, and strategic and other emerging risks in the course of identifying and completing a suitable acquisition. The Directors do not believe that the identification and analysis of Key Performance Indicators (KPIs) is necessary for an understanding of the business (currently). Relevant KPIs will be established once an acquisition is completed.

The following is a summary of key risks that, alone or in combination with other events or circumstances, the Board has determined could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk of their occurrence, the potential impact on the business, and the level of attention that management would have to devote in order to mitigate any potential impact:

- There is no assurance that the Company will be able to complete an Acquisition by 30 June 2024, which could result in a loss of part, or all, of the Shareholders' investment;

ACG ACQUISITION COMPANY LIMITED

MANAGEMENT SUMMARY

For The Period Ended 31 December 2023

Management Summary (continued)

- Any due diligence conducted by the Company in connection with the Acquisition may not have revealed all the liabilities and risks of the target, which could have a material adverse effect on the Company's financial condition or results of operations;
- The Company is dependent upon the Co-Sponsors and/or the Sponsor Director to execute the Acquisition, and the loss of the services of such parties could materially adversely affect the Company;
- The Company may not be able to raise sufficient funds (debt or equity) to fund the Acquisition; and
- Even if the Company is able to complete the Acquisition as announced, there can be no assurance that the Company will be successful in executing its strategy or business plan in the future, which could materially adversely affect the Company and its Shareholders.

To help address the above risks, the Company has retained the services of consultants and third party advisors who are, together with the Directors and management, working to negotiate and execute an Acquisition in an effective manner, with the aim of minimising these concerns.

Emerging risks

The Board, on an ongoing basis, identifies and monitors emerging risks. The Board will then assess the likelihood and impact of any such emerging risks and will discuss and agree appropriate strategies to mitigate and/or manage the identified risks. Emerging risks are managed through discussion of their likelihood and impact at each quarterly Board meeting. Should an emerging risk be determined to have any potential impact on the Company, appropriate mitigating controls and processes are implemented in response.

Taskforce on climate-related Financial Disclosure ("TCFD")

The Company is not required to report and provide disclosure in connection with TCFD. Further, given no acquisition has closed, there are no relevant TCFD disclosures to be reported.

In considering potential acquisition targets, the Company will assess existing and future plans of any target company to mitigate the risk of, and identify opportunities associated with, climate change and be in a position to satisfy the related financial disclosure requirements. Those potential targets with clear strategies in place to address this very important issue will be given prominence.

ACG ACQUISITION COMPANY LIMITED

MANAGEMENT SUMMARY

For The Period Ended 31 December 2023

Chairman's Statement

Dear Shareholders,

It is with pleasure that I present the financial statements of ACG Acquisition Company Limited for the 18-month period ended 31 December 2023.

Since our admission to the main market of the London Stock Exchange on 12 October 2022, we have been actively negotiating a number of acquisitions in the metals and mining sector.

The costs incurred in the period are associated with an acquisition opportunity which we progressed significantly during 2023 for two cash-generative mining operations in Brazil, producing nickel sulphide and copper concentrates with low carbon emissions. This transaction did not close as a result of a significant reduction in underlying commodity prices, which ultimately meant insufficient value in the transaction for shareholders at the negotiated purchase price.

We have subsequently identified other compelling prospects which have the potential to deliver attractive returns; we have a particular focus on "critical metal" assets in emerging markets which are either already in production or in advanced development stages.

Subsequent to the Balance Sheet date, the Company is progressing negotiations and due diligence regarding an acquisition of a mine whose operations were principally focused on copper concentrates.

On behalf of the Board, I thank you for your valued support.

Artem Volynets



Executive Director and Acting Chairman

29 April 2024

ACG ACQUISITION COMPANY LIMITED

DIRECTORS' REPORT

For The Period Ended 31 December 2023

Directors' report

The Directors present their report for the 18-month period ended 31 December 2023.

Principal activities

ACG Acquisition Company Limited (the "Company" or "ACG"), a public limited company incorporated in British Virgin Islands with Registered Number 2067083 under the BVI Business Companies Act 2004 (as amended) (the "BVI Companies Act"). The address of its registered office is Craigmuir Chambers, PO Box 71, Road Town, Tortola, British Virgin Islands.

The principal activity of the Company is that of a Special Purpose Acquisition Company ("SPAC") incorporated for the purposes of acquiring a majority (or otherwise controlling) stake in a company or operating business through a merger, demerger, share exchange, share purchase, reorganization or similar transaction (an "Acquisition"). The Company intends to focus on the metals and mining sector globally (excluding Russia) with a particular focus on emerging markets.

Results and Dividends

The Company recorded a loss for the 18-month period before taxation of \$25,937,410 (loss for the period from 22 June 2021 to 30 June 2022: \$2,728,440).

The loss before tax figure is comprised of administration costs (refer to note 10) of \$20,930,476 (2022: \$2,736,912), net finance costs (refer to note 4) of \$7,739,000 (2022: \$8,472 income), and gain on derivatives (refer to note 6) of \$2,732,066 (2022: \$nil).

The Directors do not recommend payment of a dividend (2022: \$nil).

The Directors have considered the future prospects and developments of the Company in detail in the Business Review and Strategic Summary.

Financial Instruments and risk management

Please refer to note 2 for details on financial instruments and risk management policies.

Directors and Directors' interests

The following Directors have held office during the period and to the date of these financial statements:

Artem Volynets	
Hendrik Johannes Faul	
Mark Cutis	
Peter Whelan	(Resigned 10 th November 2023)
Warren Gilman	(Resigned 29 th April 2024)
Fiona Paulus	(Appointed 15 th November 2023)

Remuneration policy

The base fees for the Non- executive Directors / Chairman were set at IPO and were not increased during period.

Directors' remuneration for the 18-month period ending 31 December 2023 (unaudited)

The Directors' remuneration details during the period of this report were as follows:

	Artem Volynets	Peter Whelan	Fiona Paulus	Mark Cutis	Hendrik Johannes Faul	Warren Gilman
	\$	\$	\$	\$	\$	\$
Fixed Pay						
Base fees	425,000	126,263	10,082	97,634	97,634	97,634
Total fixed pay	425,000	126,263	10,082	97,634	97,634	97,634

ACG ACQUISITION COMPANY LIMITED

DIRECTORS' REPORT

For The Period Ended 31 December 2023

Other Pay

Additional fees	-	12,626	3,151	30,511	30,511	30,511
Total Other pay	-	12,626	3,151	30,511	30,511	30,511
Total remuneration	425,000	138,889	13,233	128,145	128,145	128,145

In the comparative period from incorporation to 30 June 2022, total remuneration paid to Artem Volynets in his role as Executive Director was \$270,835. Remuneration of the remaining independent non-executive Directors commenced from the date of the Company's admission in October 2022.

Share interests and incentives as at 31 December 2023 (unaudited)

Director	Shares held directly	Share warrants held directly	Shares held indirectly	Share warrants held indirectly
Artem Volynets*	-	-	187,305	1,297,798

*Artem Volynets is 50.42% shareholder of ACG Mining Limited that held 371,490 Class B shares and 2,573,974 Sponsor Warrants as 31 December 2023. No changes in Directors' interests or Directors holding office have occurred between the end of the reporting period and the date of this report.

Share Capital

Details of the Company's issued share capital, together with details of the movements during the year, are shown in Note 5. The Company has two classes of ordinary shares, and all shares have equal voting rights.

Substantial shareholdings in the Company

The Directors are aware of the following direct and indirect interests comprising more than 3% of the issued Class B share capital of the Company, as the last practicable date before the publication of this report. The following information has been received in accordance with Rule 5 of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") from holders of notifiable interests in the Company's issued share capital.

Holder	Class B Ordinary Shares	Total Voting rights
De Heerd Investments Limited	1,207,540	27.1%
ACP II Trading LLC	1,207,539	27.1%
ACG Mining Limited	371,490	8.3%
System 2 Master Fund Limited	365,625	8.2%
Pembroke Heritage Fund Limited	263,337	5.9%
Symonds Securities Limited	209,989	4.7%

Statement of Directors' responsibilities

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

The Directors are required under the Listing Rules of the Financial Conduct Authority to prepare the company financial statements in accordance with UK-adopted International Accounting Standards. The financial statements are required by UK-adopted International Accounting Standards to present fairly the financial position and performance of the company. The Directors are satisfied that the financial statements give a true and fair view of the state of affairs of the company and the profit and loss of the company for the financial period and, therefore, achieve a fair presentation.

Directors' Report (continued)

In preparing the financial statements the directors have:

- Selected suitable accounting policies and then apply them consistently;
- Made judgements and accounting estimates that are reasonable and prudent;
- Stated whether they have been prepared in accordance with UK-adopted International Accounting Standards; and
- Prepared 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 records and underlying documentation that are sufficient to show and explain the Company's transactions and enable the financial position of the Company to be determined with reasonable accuracy at any time, and for complying with the BVI Business Companies Act 2004. 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.

Website publication

The financial statements are published on the Company's website [www.acgcorp.co]. The work carried out by the auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Corporate governance

As a Company listed on the standard segment of the LSE, there is no requirement to comply with the UK Corporate Governance Code, which is applicable to all companies whose securities are admitted to trading to the premium segment of the Official List. Nevertheless, the Directors are committed to maintaining high standards of corporate governance and propose so far as is practicable given the Company's size and nature, to voluntarily adopt and comply with certain aspects of the Quoted Companies Alliance (QCA) Code (which is publicly available at www.theqca.com/qca-corporate-governance-code-public/). At Admission, all directors with the exception of the Executive Director, are acting as independent members of the Board within the meaning of the QCA Code. In particular, it is noted that, given the composition of the Board, there are at least two independent non-executive directors. A full review of the operation of the Company's processes and procedures against the QCA Code will be undertaken on completion of an acquisition, taking into account the structure and requirements of the enlarged group.

The structure of the Board will be reviewed further as and when the activities of the Company progress to a sufficient size and complexity to require additional independent oversight. It is intended that additional non-executive directors will be appointed in the near future, once prospective acquisitions have been identified and completed, or sooner and the independence of such directors will be one of the factors taken into account at such time prior to any acquisition being made.

Following completion of an acquisition, the Company plans on appointing new directors (including more independent directors if required) and the Directors will establish suitable remuneration, nomination and audit committees at the time of completion of an acquisition. The Company will adopt further provisions of the QCA Code as relevant at that time. When such adoption occurs, this will be duly notified to the Shareholders and announced accordingly.

The Audit Committee, chaired by Mark Cutis, monitors the integrity of the interim and Audited Financial Statements and formal announcements relating to the Group's financial performance. It reviews significant financial reporting issues, accounting policies and disclosures, key judgements, reviews the effectiveness of internal controls, as well as overseeing the engagement and scope of the external audit.

In respect of the Company's system of internal controls and its effectiveness, the Directors:

- are satisfied that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity; and
- have reviewed the effectiveness of the risk management and internal control systems including material financial, operational and compliance controls (including those relating to the financial reporting process) and no significant failings or weaknesses were identified.

Directors' Report (continued)

Following the completion of an acquisition the Company will re-evaluate its corporate governance policies and procedures in line with the size and operations of an enlarged group. This will include an assessment and implementation of the Company's policy and objectives concerning diversity (which is currently not in place due to the early stage of the company's development), and composition of management and board committees. At the same time, the Company will review any additional risk management and internal control processes that need to be put in place.

The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance statement annually.

Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Directors' statement pursuant to the Disclosure and Transparency Rules

The Directors are responsible for preparing the financial statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with UK adopted International Accounting Standards.

Each of the directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of each person's knowledge:

- a) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the company; and
- b) the Annual Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the ACG Acquisition Company Limited website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board



Artem Volynets (Executive Director and Acting Chair)

29 April 2024

BOARD OF DIRECTORS

Artem Volynets (age 56) – Executive Director and acting Chair

Mr. Volynets has 25 years of experience in mergers and acquisitions, capital markets, and senior corporate management roles. He has led multiple private and public transactions in the metals and mining industry.

Mr. Volynets established ACG Mining Limited in 2014, as an advisory and investment management firm registered in BVI, through which he worked on a number of cross border transactions in the mining and metals sector in Eurasian emerging markets. These transactions utilised his extensive experience of M&A-led sector consolidation, his local knowledge and networks, and his global industry and investor connections.

Fiona Paulus (age 64) – Senior Independent Non-Executive Director

Ms. Paulus has extensive global investment banking experience, having held senior management roles with a number of leading international investment banks including Credit Suisse, ABN AMRO Bank, and Citigroup. Additionally, Ms. Paulus has advised companies and private equity firms on strategic initiatives in the energy and resources sectors across more than 70 countries. She is a Senior Adviser in the Metals & Mining business at Gleacher Shacklock LLP and is a Non-Executive Director at Interpipe Group, JSW Steel Limited and Nostrum Oil & Gas plc.

Ms. Paulus is a member of the Audit Committee and the Remuneration & Nomination Committee.

Mark Cutis (age 70) –Independent Non-Executive Director

Mark Cutis is a seasoned banking and capital markets executive with extensive global experience having actively managed portfolios of assets as CIO and CEO on behalf of both private and state-owned capital managers. Mr Cutis has held senior management roles at Bank of America, Morgan Stanley, Merrill Lynch, UniCredit and the European Bank for Reconstruction and Development.

Mr Cutis is chair of the Audit Committee and a member of the Remuneration & Nomination Committee.

Hendrik Johannes Faul (age 61) –Independent Non-Executive Director

Hendrik Faul has over 30 years of mining industry experience as both a qualified mining engineer and as a senior corporate manager, with demonstrated ESG leadership experience as well as operational and project execution experience across 5 continents.

Mr. Faul is a NED of London listed gold company Centamin plc, a position he has held since July 2020. He has also been a NED of Johannesburg listed Master Drilling Group Ltd since June 2020. Mr. Faul was Chairman of the International Copper Association from 2016 to 2018.

Mr Faul is a member of the Audit Committee.

Independent Auditor's Report to the members of ACG Acquisition Company Limited

Opinion

We have audited the financial statements of ACG Acquisition Company Limited (the 'company') for the period ended 31 December 2023 which comprise the statement of financial position as at the accounting reference date, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, 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 UK-adopted International Accounting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its loss for the period then ended; and
- have been properly prepared in accordance with UK-adopted International Accounting Standards.

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 as applied to listed public interest entities 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.

Summary of our audit approach

Key audit matters	<ul style="list-style-type: none">• Classification and measurement of financial instruments
Materiality	<ul style="list-style-type: none">• Overall materiality: \$209,000• Performance materiality: \$156,000
Scope	Our audit procedures covered 100% of expenses, 100% of total assets and 100% of loss before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Classification and measurement of financial instruments

Key audit matter description	<p>The company has used a number of financial instruments to facilitate its investment and acquisition strategy, including redeemable shares ("A shares"), sponsor shares ("B shares"), warrants associated with both the A shares and B shares and sponsor loans.</p> <p>The instruments have complex terms and the classification of each instrument as debt or equity under IAS 32 requires management judgement. The subsequent measurement of warrants at fair value requires management to select an appropriate</p>
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	<p>valuation model and inputs into that model, both of which involve significant management judgements and estimates.</p> <p>The company's accounting policies and the critical accounting judgements and estimates made by management are disclosed in note 2 to the financial statements.</p> <p>The classification and measurement of these financial instruments is considered to be a key audit matter based on the level of judgement involved and the audit effort allocated to these instruments, including the use of specialists and experts.</p>
How the matter was addressed in the audit	<p>We addressed this matter by:</p> <p>Obtaining management's accounting papers setting out the key estimates and judgements made.</p> <p>Checking that the terms of the instruments referred to in the accounting papers and financial statement disclosures were consistent with signed agreements.</p> <p>Challenging management on the appropriateness of key judgements with reference to available accounting standards and guidance.</p> <p>Consulting with financial instrument specialists as part of our audit team to assist with our assessment and challenge of management.</p> <p>With respect to the warrant valuation, assessing the expertise and independence of management's valuation expert and engaging an auditor's expert to assist with our assessment of the appropriateness of the valuation methodology.</p> <p>Auditing the disclosures in the financial statements to check for compliance with IFRS 7 and IFRS 9.</p>
Key observations	<p>Based on the results of the procedures described above, we consider management's assessment of the classification and measurement of financial instruments to be reasonable and appropriately disclosed.</p>

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

Overall materiality	\$209,000
Basis for determining overall materiality	1% of expenses (excluding finance expense)
Rationale for benchmark applied	Expenses considered key benchmark for sponsors as indicative of utilisation of funds in order to achieve objective of an acquisition.
Performance materiality	\$156,000
Basis for determining performance materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of \$10,400 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The company has been subject to a full scope audit.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the company is dependent on continuing support from sponsors to fund its operations up to the date of an acquisition. In order to complete an acquisition, the company will need to raise funds from a combination of sources including equity and debt. Furthermore, if no acquisition is completed by the Extended Acquisition Deadline of 30 June 2024 then the current expectation is that the company will be wound up.

As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included discussions with management and assessment of the availability of sponsor funding.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 7 and 8, 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the effectiveness of the control environment.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the audit engagement team included:
IFRS/UK-adopted	Review of the financial statement disclosures and testing to supporting documentation; and
IAS/Listing Rules	Completion of disclosure checklists to identify areas of non-compliance.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is included in Appendix 1 of this auditor's report. This description, which is located on page 16, forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of those charged with governance, we were appointed by the directors on 20 April 2022 to audit the financial statements for the period ending 30 June 2022 and subsequent financial periods.

The period of total uninterrupted consecutive appointments is two financial periods, covering the period from incorporation to 30 June 2022 (prior to the company's listing on the London Stock Exchange on 7 October 2022) and the 18 month period ended 31 December 2023.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs (UK).

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 27 February 2024. 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.

In due course, as required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules, these financial statements will form part of the Annual Financial Report prepared in Extensible Hypertext Markup Language (XHTML) format and filed on the National Storage Mechanism of the UK FCA. This auditor's report provides no assurance over whether the annual financial report has been prepared in XHTML format.



Graham Ricketts (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date: 29 April 2024

Appendix 1 - Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud.
- 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, we report these conclusions in the auditor's report. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard as applied to listed entities, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are required to include in the auditor's report an explanation of how we evaluated the directors' assessment of the company's ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation.

ACG ACQUISITION COMPANY LIMITED
FINANCIAL STATEMENTS

Statement of Comprehensive Income

For the 18 months ended 31 December 2023

	Notes	18 months ended 31 Dec 2023	For the period 22 Jun 2021 to 30 June 2022
		\$	\$
Administrative expenses	10	(20,930,476)	(2,736,912)
Operating loss		(20,930,476)	(2,736,912)
Finance income	4	6,684,043	8,472
Finance expense	4	(14,423,043)	-
Gain on derivatives	6	2,732,066	-
Loss for the period before tax		(25,937,410)	(2,728,440)
Income tax expense		-	-
Loss after tax and total comprehensive loss for the period		(25,937,410)	(2,728,440)
Loss per share			
Basic and diluted loss per share	9	(10.12)	(13,642.20)

All items in the above statement derive from continuing operations.

The accompanying notes on pages 21 to 37 form an integral part of these audited financial statements.

ACG ACQUISITION COMPANY LIMITED
FINANCIAL STATEMENTS

Statement of Financial Position

As at 31 December 2023

	Notes	31 Dec 2023	30 June 2022
		\$	\$
Current assets			
Cash and cash equivalents	3	1,453,793	4,539,407
Other receivables		206,179	47,074
Total assets		1,659,972	4,586,481
Current liabilities			
Redeemable Public Share liabilities	5	291,867	-
Derivative financial instruments	6	770,231	-
Trade and other payables	7	843,925	1,075,921
Total liabilities		1,906,023	1,075,921
Net (liabilities)/assets		(246,051)	3,510,560
Capital and reserves			
Called up share capital	5	2,031,250	-
Share subscription advances and sponsor loans		15,425,300	6,239,000
Other equity reserve		10,963,249	-
Accumulated losses		(28,665,850)	(2,728,440)
Total shareholders' funds		(246,051)	3,510,560

The Financial Statements were approved and authorised for issue by the Board of Directors on 29 April 2024 and signed on its behalf by:

Mr. Artem Volynets
Director

Company number: 2067083

The accompanying notes on pages 21 to 37 form an integral part of these audited financial statements.

ACG ACQUISITION COMPANY LIMITED
FINANCIAL STATEMENTS

Statement of Changes in Equity

For the 18 months ended 31 December 2023

	Share capital	Share subscription advances and sponsor loans	Other equity reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
1 July 2022	-	6,239,000	-	(2,728,440)	3,510,560
Total comprehensive loss for the period	-	-	-	(25,937,410)	(25,937,410)
	-	6,239,000	-	(28,665,850)	(22,426,850)
Transactions with owners recorded directly in equity					
Repayment of share subscription advances*	-	(2,000,000)	-	-	(2,000,000)
Issue of share capital and sponsors warrants on IPO**	31,250	(4,239,000)	10,963,249	-	6,755,499
Sponsor loans received***	-	15,425,300	-	-	15,425,300
Class B shares subscription****	2,000,000	-	-	-	2,000,000
31 December 2023	2,031,250	15,425,300	10,963,249	(28,665,850)	(246,051)

* On 1 September 2022, an agreement with a sponsor was terminated and \$2,000,000 was repaid, thereby reducing the amount of pre-funded subscriptions to \$4,239,000.

** On IPO on 7 October 2022, 3,125,000 Class B ordinary shares were issued to sponsors for \$0.01 per share, which has been allocated to share capital. In addition, 13,348,750 warrants were issued to sponsors for \$1 per warrant. The fair value of the sponsor warrants on issue (\$2,385,422) was recognised as a derivative financial liability, with the balance of the consideration received from the sponsors (including \$4,239,000 of pre-funded subscriptions and less \$79 of transaction costs related to the issue of the Class B shares) being recognised in equity (other equity reserve).

*** Sponsor loans received in the period are classified as equity instruments - please refer to the critical accounting judgements section, and to note 8 for further details on Sponsor Loan agreements.

**** On 21 December 2023, 1,333,333 Class B ordinary shares were allotted for \$1.50 per share.

	Share capital	Share subscription advances and sponsor loans	Other equity reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
22 June 2021	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(2,728,440)	(2,728,440)
	-	-	-	(2,728,440)	(2,728,440)
Transactions with owners recorded directly in equity					
Share subscription advances	-	6,239,000	-	-	6,239,000
30 June 2022	-	6,239,000	-	(2,728,440)	3,510,560

The accompanying notes on pages 21 to 37 form an integral part of these audited financial statements.

ACG ACQUISITION COMPANY LIMITED
FINANCIAL STATEMENTS

Statement of Cash Flows

For the 18 months ended 31 December 2023

	Note	18 months ended 31 Dec 2023 \$	For the period 22 Jun 2021 to 30 June 2022 \$
Cash flows from operating activities			
Loss for the period		(25,937,410)	(2,728,440)
Adjustments for:			
Gain on derivatives	6	(2,732,066)	-
Finance income	4	(257,008)	(8,472)
Finance expense	4	7,996,008	-
Increase in other receivables		(159,105)	(47,074)
(Decrease)/increase in trade and other payables		(745,804)	1,075,921
Net cash outflows from operating activities		(21,835,385)	(1,708,065)
Cash flows from investing activities			
Interest income		257,008	8,472
Interest on restricted funds*		6,427,035	-
Net cash inflows from investing activities		6,684,043	8,472
Cash flows from financing activities			
Issue of Public Shares	5	125,000,000	-
Redemption of Public Shares	5	(134,683,481)	-
Issue of Sponsor Shares		2,031,250	-
Issue of Sponsor Warrants		9,109,750	-
Share issue costs settled during the period		(2,817,091)	-
Sponsor loans received		15,425,300	-
Advance Share/Warrant Subscriptions (repaid)/received		(2,000,000)	6,239,000
Net cash inflows from financing activities		12,065,728	6,239,000
Net (decrease)/increase in cash and cash equivalents		(3,085,614)	4,539,407
Cash and cash equivalents, beginning of period		4,539,407	-
Cash and cash equivalents, end of period	3	1,453,793	4,539,407

* Restricted cash held in escrow accrues interest for the benefit of Class A shareholders. Payment of interest to Class A shareholders in the period is included within the redemption of public shares figure presented in financing activities.

The accompanying notes on pages 21 to 37 form an integral part of these audited financial statements.

Notes to the Financial Statements

For 18 months ended 31 December 2023

1. Corporate information

ACG Acquisition Company Limited is a company limited by shares incorporated in the British Virgin Islands under the BVI Business Companies Act 2004 (as amended) (the "BVI Companies Act").

The Company is a Special Purpose Acquisition Company ("SPAC") formed for the purpose of effecting a merger, demerger, share exchange, asset acquisition, share purchase, reorganisation or similar business combination with, or acquisition of, a business or company operating in the metals and mining sector globally (excluding Russia) with a particular focus on emerging markets. The shares of the company were admitted to trading on the London Stock Exchange Main Market on 12 October 2022.

The financial statements as at and for the 18-months ending 31 December 2023 are available at www.acgcorp.co.

These financial statements represent the results of the Company as of and for the 18 months ended 31 December 2023. The comparative period represents the period from the date of incorporation on 22 June 2021 to 30 June 2022, and therefore the results are not directly comparable. The accounting reference date was changed to align with the reporting date of a target acquisition.

2. Accounting policies

Basis of preparation and measurement

The financial statements of the Company have been prepared on a historical cost basis, as modified by the revaluation of financial instruments measured at fair value through profit or loss, or otherwise noted.

The Financial Statements have been prepared in accordance with UK-adopted international accounting standards.

The Company is not presently engaged in any activities other than those which are required in connection with the selection, structuring and completion of an acquisition in a target business by means of a merger, share exchange, share purchase, contribution in kind, asset acquisition or combination of these methods.

The Financial Statements are presented in US Dollars ("USD"), which is the Company's functional and presentational currency, and have been prepared under the historical cost convention, with the exception of certain balances held at fair value, rounded to the nearest whole USD. The Company considers the USD to be the currency of the primary economic environment in which the Company incurs the majority of its costs and the one that most faithfully represents the economic effects of the underlying transactions, events and conditions.

The Company had no operations and therefore no segmental information is presented.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's Financial Statements.

New and amended standards and interpretations applied

The following accounting standards and updates were applicable in the reporting period but did not have a material impact on the Company:

- Amendments to IFRS 1 and IFRS 9 Annual Improvements to IFRS 2018-2020
- Amendments to IFRS 3: Business Combinations
- Amendments to IAS 16: Property, Plant and Equipment
- Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets

New and amended standards and interpretations not applied

The following new and amended standards and interpretations in issue are applicable to the Company and are not expected to have any material impact on the financial statements when assessed in full for annual reporting purposes:

- IFRS 17: Insurance Contracts (effective 1 January 2023)
- Amendments to IAS 17: Insurance Contracts (effective 1 January 2023)

New and amended standards and interpretations not applied (*continued*)

- Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Accounting Estimates (effective 1 January 2023)
- Amendments to IAS 12: Income Taxes; Deferred Tax related to Assets and Liabilities from a Single Transaction (effective 1 January 2023)
- Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (effective 1 January 2023)

New standards issued not yet effective

The following new and amended standards and interpretations in issue are applicable to the Company and are not expected to have any material impact on the financial statements when assessed in full for annual reporting purposes:

- Amendments to IFRS 16: Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted (effective 1 January 2024).
- Amendments to IAS 1: Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions (effective 1 January 2024).
- Amendments to IAS 7 & IFRS 7: Supplier finance (with traditional reliefs in the first year). These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis (effective 1 January 2024).
- Amendments to IAS 21: Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations (effective 1 January 2025).
- IFRS S1: General requirements for disclosure of sustainability-related financial information. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain (effective 1 January 2024 (subject to endorsement of the standards by local jurisdictions)).
- IFRS S2: Climate-related disclosures. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities (effective 1 January 2024 (subject to endorsement of the standards by local jurisdictions))

ACG ACQUISITION COMPANY LIMITED

FINANCIAL STATEMENTS

Financial assets

Initial recognition

Financial assets at amortised cost, which includes other receivables, amounts held in escrow and cash and bank balances, are initially recognised at their fair value at the date of the transaction and are subsequently measured at amortised cost using the effective interest rate method. Cash and cash equivalents are defined as cash in hand, demand deposits and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash and cash equivalents consist of cash at bank and deposits with a maturity of less than three months at the date of inception.

Amounts held in escrow are made up of the proceeds of the listing, and the Co-Sponsor Overfunding Subscription (being additional funds committed by the Company's Co-Sponsors through subscription of further warrants). Any interest earned is also included. Pursuant to the terms of the Escrow Agreement (being an agreement entered into with Citibank N.A. London to ensure sums committed by Class A Shareholders are used for no other purpose than those described in the Company's prospectus), and in accordance with the requirements set out in Listing Rule 5.6.18A(2), the Company may only direct the release of funds upon the occurrence of certain events as outlined in the Company's prospectus, and these amounts are therefore classified as restricted cash in the Statement of Financial Position.

Subsequent measurement

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest rate method. The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses where relevant.

Cash and bank balances and other receivables are undiscounted. Due to their short-term nature the discounting impact is not regarded as material.

Allowances for expected credit losses are recognised in profit or loss in the Statement of Comprehensive Income.

Financial liabilities

Initial recognition

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. At initial recognition financial liabilities are measured at their fair value plus, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability.

The Company's financial liabilities during the period are comprised of liabilities related to the redeemable Class A ordinary shares ("Public Shares"), trade and other payables and derivative liabilities related to the Public and Sponsor Warrants.

Subsequent measurement

The redeemable Public Shares and trade and other payables are classified as financial liabilities at amortised cost and are measured at amortised cost using the effective interest rate. The amortised cost of a financial liability is the amount at which the financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount. Such amortisation amounts are recognised in the Statement of Comprehensive Income. Due to the short-term nature of the trade and other payables, they are stated at their nominal value, which approximates their fair value.

Public Warrants and Sponsor Warrants are derivative liabilities, which are classified as financial liabilities at fair value through profit or loss. Subsequent to initial recognition, the Public and Sponsor Warrants are measured at fair value and changes thereto are recognised in the Statement of Comprehensive Income.

The Company determines the classification of its financial liabilities at initial recognition and re-evaluates the designation at each financial period end.

IAS 32 provides that the Company's financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument.

ACG ACQUISITION COMPANY LIMITED

FINANCIAL STATEMENTS

Derecognition

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, and deposits held with banks.

Restricted cash

Restricted cash represents amounts held in escrow and is made up of the proceeds of the listing, and the Co-Sponsor Overfunding Subscription, and any interest earned. The Company may only direct the release of funds upon the occurrence of certain events as outlined in the Company's prospectus. See note 3 for further details.

Expenses

All expenses are accounted for on an accruals basis and are presented as expense items, except for expenses that are incidental to the disposal of an investment which are deducted from the disposal proceeds in arriving at gain or loss on disposal, and expenses related to the issue of financial instruments which are netted against the financial instruments they are allocated to. For equity instruments, these reduce share capital, for derivative liabilities these are expensed immediately and for liabilities these initially reduce the liability and are subsequently accreted to the Statement of Comprehensive Income over time.

Prepayments

Prepayments are expenses paid in advance that are amortised on a straight-line basis over the period to which they are applicable.

Share capital and reserves

Equity represents the residual interest in the assets of the Company after deducting all of its liabilities. Class B ordinary shares ("Sponsor Shares") are classified as equity. The Company had issued shares with no par or nominal value. The Share subscription reserve represents consideration received in advance of issue of shares and warrants. The Warrant reserve represents the surplus arising on the fair value of Sponsor Warrants on the date of issuance.

Equity

Equity is classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the amount of proceeds received, net of issue costs. Class B ordinary shares are classified as equity in accordance with IAS 32 – "Financial Instruments: Presentation" as these instruments include no contractual obligation to deliver cash and the redemption mechanism is not mandatory.

Share issue costs

Share issue cost have been incurred in relation to the issue of the Sponsor Shares, Public Shares and Warrants. Where shares are classified as equity, share issue costs are recognised in equity. Share issue costs attributed to the Public shares financial liability are amortised to the Statement of Comprehensive Income using the effective interest method. For Warrants measured at fair value through profit or loss, share issue costs are recognised immediately in the Statement of Comprehensive Income.

Income Taxes

As a British Virgin Islands limited liability company, the Company is not subject to any income, withholding or capital gains taxes. The company does not have any deferred taxes or any significant uncertain tax positions.

Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the Board to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a bi-annual basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The principal judgements and estimates are as follows:

Critical accounting judgements

Going Concern basis of preparation

The Board has assessed the Company's financial position as at 31 December 2023 and the factors that may impact the Company for a period of 12 months from the date of signing these Financial Statements.

In the event that an acquisition does not complete, the cash flow projections show that the Company is likely to require additional cash contributions from Co-Sponsors. Co-Sponsors are not obliged to provide such contributions and there is therefore a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern in the event that an Acquisition is not completed. If no acquisition is completed by the Extended Acquisition deadline of 30 June 2024, then the current expectation is that the company will be wound up.

At 31 December 2023, the Company had net liabilities of \$(246,051). As at 31 December 2023, the Company had cash and cash equivalents of \$647,741, and post-period end received a further \$1,497,017 from Co-Sponsors.

On 8 January 2024, the Company announced in a Shareholders Circular and Notice of Extraordinary General Meeting of Shareholders (the "Extension EGM") its intention to seek Shareholder approval for and extension of the Acquisition Deadline to 30th June 2024 at the Extension EGM held on 16 January 2024. This resolution was passed at the Extension EGM.

On 25 January 2024, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance up to a further \$3,000,000. This additional funding is contingent on achieving milestones towards closing an acquisition and is intended to be released in four tranches throughout the first half of 2024.

The first and second tranches totalling \$1,000,000 attract interest at 20% per annum. The final two tranches of funding, totalling \$2,000,000 attract interest of 25% per annum. All interest compounds semi-annually. As at the date of this report \$1,497,017 has been advanced to the Company. In line with previous sponsor funding side deed agreements, amounts advanced pursuant to this side deed are repayable upon completion of an acquisition.

In the event the Company completes an acquisition, the Company and its Co-Sponsors shall discuss in good faith the repayment schedule of the principal amount of the Sponsor Loans and any accrued interest up to the date of repayment in the proportions in which the Sponsor Loans were made. If the Company does not complete an acquisition, each Co-Sponsor acknowledges and agrees that the Company will not repay the Sponsor Loans (in whole or in part) to the Co-Sponsors in any circumstances and waives its rights to recourse against funds in the Escrow Account in respect of the Sponsor Loans.

The Company has incurred and expects to continue to incur costs in pursuit of its financing and acquisition plans.

The Directors have reviewed the Company's cash flow projections, both with and without the completion of the Acquisition. In order to complete the Acquisition, the Company will need to raise funds from a combination of sources including equity and debt. The cash flow projections in the Acquisition completion scenario show that the Company will have adequate resources to continue in operational existence for the foreseeable future.

The Board has assessed the Company is expected to continue as a going concern for a period of 12 months from the date of signing these Financial Statements to the extent that the Company completes the Acquisition.

Critical accounting estimates and judgements (continued)

Equity classification of Sponsor Shares

On 12 October 2022, the Company admitted to trading on the London Stock Exchange 12,500,000 redeemable Class A Ordinary Shares ("Public Shares") of no par value, together with 6,250,000 warrants ("Public Warrants"), on the basis of ½ of a redeemable warrant per Class A Ordinary Share, to investors at a price of \$10.00 per Class A Ordinary Share.

The Company further issued 3,125,000 Class B shares with no par value at a price of \$0.01 per share to Sponsors. Of these Class B Shares, anchor and cornerstone investors subscribed to 832,813 and 365,625 shares, respectively, at \$0.01 per share ("Sponsor Shares").

In addition to the Class B shares, Sponsors also subscribed to 9,286,250 warrants and provided additional funding through subscription of a further 4,062,500 warrants ("Sponsor Warrants"). All Sponsor Warrants were issued at \$1.00 per warrant and are exercisable at a price of \$11.50 per Public Share, following completion of an acquisition.

The Company has exercised an accounting judgement in determining whether the Sponsor Shares and Warrants are accounted for in accordance with IFRS 2 Share Based Payments, or IAS 32 Financial Instruments: Presentation. Careful consideration was afforded to the fact patterns and various rights, duties and conditions attaching to each class of the share and warrant in issue. Upon successful completion of an acquisition, each Class B Share issued at \$0.01 per share will automatically be converted into Public Shares (Class A Shares), representing a significant discount to the \$10.00 per share paid by Public shareholders.

In relation to certain Sponsor Shares, where the recipient is providing services in an equivalent capacity as an employee, the Board's judgement is that these fall under the scope of IFRS 2 to be treated as equity-settled share-based payments.

IFRS 2 requires an expense to be recognised at the grant date fair value, with a corresponding increase in equity over the vesting period. IFRS 2 will therefore apply at and from the deemed grant date of the shares. The Company has determined that the grant date of the shares will be on completion of an acquisition. This is on the basis that there is no clarity as to the nature and value of the instruments until the acquisition is finally approved, as they are effectively an economic interest in the acquired business.

The conversion of Sponsor Shares to Public Shares is contingent on the successful completion of an acquisition of a target business. No reward will accrue to the holders of Class B Shares until such time as this takes place. Where the holder of a Sponsor Share has not provided the Company with services, these shares are accounted for as equity under IAS 32.

Classification and measurement of Sponsor Warrants

A similar judgement is required in accounting for the Sponsor Warrants. Depending on the facts and circumstances these could be treated as financial instruments under IAS 32, or share-based payments, under IFRS 2. The Board determined that in this case IFRS 2 was not relevant, and therefore it is correct to account for the Sponsor Warrants as financial instruments under IAS 32. In forming this judgement, the following factors are taken into account:

- Sponsor Warrant holders have not been treated preferentially to Public Warrant Holders who received ½ of one redeemable warrant per one Class A share subscribed. Both the Public and Sponsor Warrants are exercisable at the same price of \$11.50 per share, at any time 30 days after an acquisition date;
- No further Sponsor Warrants are receivable for nil or discounted consideration, and there are no service conditions attached to the Sponsor Warrants;
- The commercial basis for the issue of Sponsor Warrants is to provide sufficient capital to cover the Company's listing costs and operating expenses until the completion of an acquisition, without diluting the Public Shareholdings;
- Sponsor Warrant holders have no different rights from Public Warrant holders in the event of a successful acquisition or the failure to achieve such a combination; and
- The Sponsor Warrants do not entitle the holder to a pro rata share of the entity's assets in the event of the entity's liquidation.

Critical accounting estimates and judgements (continued)

Taking the above factors into consideration, it is the Board's judgement that Sponsor Warrants are financial instruments that includes a contractual obligation for the issuer to redeem that instrument for cash or another financial asset (in this case, a Public Share) upon exercise, therefore the relevant accounting treatment is determined by IAS 32.

Classification of transaction costs associated with issue of shares

The company incurred various costs in issuing its own equity instruments, most of which are transaction costs. Transaction costs are incremental costs that are directly attributable to the equity transaction that otherwise would have been avoided if the equity instruments had not been issued. Transaction costs of an equity transaction should be accounted for as a deduction from equity.

Incremental costs that are directly attributable to the equity transaction that otherwise would have been avoided if the equity instruments had not been issued include registration and other regulatory fees, underwriting costs and brokerage fees, amounts paid to lawyers, accountants, investment bankers and other professional advisers, fees and commissions paid to agents, brokers and dealers, printing costs and stamp duties.

Costs for marketing the IPO, including the 'road show', do not meet the definition of a transaction cost and therefore have been accounted for in the statement of comprehensive income.

Transaction costs have been allocated to the debt or equity instrument to which they are directly attributable where possible. Where directly attributable costs could not be directly allocated to a debt or equity instrument, they have been apportioned based on the gross proceeds raised by each instrument.

Equity classification of sponsor loans

During the period, the Company through a number of side agreements, received loan advances from sponsors to fund acquisition-related costs and ongoing administrative expenses. The loans, including any interest payable will become repayable or converted to equity if the Company completes a successful acquisition. Until this takes place the Sponsors acknowledge and agree that the Company will not repay the loans in whole or in part in any circumstances and the Sponsors waives its rights to recourse against funds held in escrow by the Company.

The directors have concluded that following the relevant accounting treatment determined by IAS 32, as it is within the Company's control to complete an acquisition, the sponsor loans should be classified as equity in the financial statements, and included within share subscription advances and sponsor loans in the statement of changes in equity. Further details of these sponsor agreements are included in note 8 below.

Key sources of estimation uncertainty

Fair value of derivative financial instruments at fair value through profit or loss

The Company recognises its derivative instruments (Public Warrants and Sponsor Warrants) initially at fair value at date of issuance with any subsequent movement in fair value between the issuance date and the reporting date being recognised as a fair value movement through profit and loss.

As at 31 December 2023 a third party valued the 19,598,750 Warrants in issue using an appropriate valuation model and determined the fair value at the date of issuance to be \$0.18 per warrant and the fair value at the period-end date to be \$0.04 per warrant.

As at 31 December 2023, judgements were required for the inputs into the valuation model specifically average implied volatility rates of suitable comparable companies and a reliable underlying share price as the closing price as at the 31 December 2023 was based on one day's trading (\$3.80) and not reflective of the underlying price as demonstrated by transactions before and almost immediately after the year end date. The valuation model uses the October 2023 redemption price of \$10.7991 as a reasonable base assumption. Sensitivity analysis has been provided below to demonstrate the impact of assumptions applied.

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Critical accounting estimates and judgements (continued)

Sensitivity Analysis

The following summary presents the impact of a reasonable +/- 1% change in the average implied volatility assumption applied in the warrant valuation model:

	Base Input	Volatility +1%	Volatility -1%
Average implied volatility (%)	2.3648%	3.3648%	1.3648%
Fair Value (US\$ per Warrant)	0.0393	0.0968	0.0045
Derivative Liability Fair Value (US\$)	770,231	1,897,159	88,194

The sensitivity of the warrant valuation to the share price (+/- 10%, as well as considering a share price of US\$3.80, based on the last trade before the year end date) is set out as follows:

	Base Input	+10% sensitivity	-10% sensitivity	Last trade
Class A Share Value (\$)	10.7791	11.87901	9.81736	3.80
Fair Value (US\$ per Warrant)	0.0393	0.5440	0.0003	nil
Derivative Liability Fair Value (US\$)	770,231	10,661,720	5,880	-

Fair value measurement

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy which consists of the following 3 levels:

- Level 1 - unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities.
- Level 2 - quoted prices in markets that are not active, or financial instruments for which all significant inputs are observable from the market, either directly (as prices) or indirectly (as derived from prices); and
- Level 3 - prices or valuations that require inputs that are not based on observable market data (unobservable inputs).

The Board considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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Fair value measurement (continued)

The table below analyses within the fair value hierarchy the Company's financial liabilities measured at fair value on an ongoing basis:

31 December 2023	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative liabilities (Public & Sponsor Warrants)	-	-	770,231	770,231
30 June 2022	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative liabilities (Public & Sponsor Warrants)	-	-	-	-

The equity-linked Public Warrants admitted to the LSE along with the Sponsor Warrants have been classified as level 3.

Financial instruments classified within level 3 have significant unobservable inputs as they trade infrequently. As observable prices are not available for the investments, the Company uses valuation techniques to derive their fair value. At 31 December 2023 it was the opinion of the Board that Sponsor Warrants should be categorised as level 3.

The Company had no financial assets measured on a fair value basis. No reclassifications between the three fair value categories took place during the period.

The following summarises the valuation methodologies and inputs used for derivative liabilities categorised in Level 3 as at 31 December 2023.

Financial Liability	Fair Value USD	Valuation Method	Unobservable Inputs
Derivatives (Public & Sponsor Warrants)	770,231	Monis SPAC	Volatility

Unlike traditional warrant valuation models, the "Monis SPAC" model takes into account the complexity in SPAC warrants, which may be redeemed by the issuer once the linked shares exceed a trigger price. The method is derived from a Monte Carlo simulation adapted specifically for SPAC warrants.

Financial Instruments – risk management

The Company's financial risk management objectives are going to evolve as the activities increase and it prepares for a business combination. The risk management policy is set out below:

The Company reports in US Dollars. All funding requirements and financial risks are managed based on policies and procedures adopted by the Board.

The Company is expected to be exposed to the following financial risks:

- Market risk
- Interest rate risk
- Credit risk
- Liquidity risk
- Foreign exchange risk

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Financial Instruments – risk management (continued)

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade payables and accruals
- Redeemable Public Share liabilities
- Derivative Financial Instruments (at fair value through profit or loss)

To the extent financial instruments are not carried at fair value, book value approximates to fair value at 31 December 2023.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the statement of comprehensive income in the relevant period. As at 31 December 2023, there were no trade receivables. The company had other receivables of \$206,179 (2022: \$47,074)

Trade and other payables are measured at amortised cost. The financial liabilities were \$1,906,023 (2022: \$1,075,921) in respect of trade payables and accruals, redeemable public share liabilities and derivatives. The management of risk is a fundamental concern of the Company's management. This note summarises the key risks to the Company and the policies and procedures put in place by management to manage it.

a) Market risk

Market risk arises from the Company's use of interest-bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or foreign exchange rates (foreign exchange risk). The Company seeks to minimise exposure to floating rate interest risk balanced against the need to secure sponsor funding required to complete an acquisition.

b) Interest rate risk

Interest rate risk arises from increases in market interest rates and could potentially arise from the use of bank overdrafts. The Company had no exposure to interest rate risk at 31 December 2023. The Company relies on sponsors for funding needs.

c) Foreign exchange risk

Foreign exchange risk arises from adverse movements in currency exchange rates.

The Company, which has as its functional currency US Dollars, was exposed to minimal levels of foreign exchange risk during the period as it did not generate any revenue and there was an immaterial cost in Pound Sterling.

d) Credit risk

Credit risk arises from cash and cash equivalents and deposits maintained with banks and financial institutions with credit ratings acceptable to the management, as well as credit exposures with customers, including outstanding receivables and committed transactions. The Company had low exposure to credit risk as its cash and cash equivalents are held in a bank with strong credit ratings.

e) Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company has in place arrangements with its sponsors to provide funding as required for working capital purposes.

f) Capital management

The Company's objective when maintaining capital is to safeguard the entity's ability to continue as a going concern, so that it can continue to carry on its normal activities.

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3. Cash and cash equivalents (including restricted cash)

	31 December 2023	30 June 2022
	\$	\$
Restricted cash	806,052	-
Cash & cash equivalents	647,741	4,539,407
Total	1,453,793	4,539,407

The Company may only direct the release of restricted funds held in escrow upon the occurrence of certain events. Restricted cash held in escrow is made up of the proceeds of the October 2022 listing, and the Co-Sponsor Overfunding Subscription, and any interest earned, less funds repaid to Class A shareholders following a share redemption in October 2023, in which 99.77% of Class A shares were redeemed. See note 5 below for further details.

Cash and cash equivalents include readily available cash on hand, and deposits held with banks.

4. Finance income and expenses

	31 December 2023	30 June 2022
	\$	\$
Finance income		
Interest on restricted cash repayable to Class A shareholders	6,427,035	-
Interest on current account	257,008	8,472
	6,684,043	8,472
Finance expenses		
Interest on restricted cash repayable to Class A shareholders	6,427,035	-
Interest accreted on public share liabilities at amortised cost	7,996,008	-
	14,423,043	-

5. Issued share capital

The following summarises the issued share capital as at 31 December 2023 and 30 June 2022.

Share Capital as at 31 December 2023

	No. of shares	\$
<i>Classified as a financial liability:</i>		
\$10.00 redeemable Class A ordinary shares ("Public Shares")	28,268	282,680
<i>Classified as equity:</i>		
\$0.01 Class B ordinary shares ("Sponsor Shares")	3,125,000	31,250
\$1.50 Class B ordinary Shares ("Sponsor Shares")	1,333,333	2,000,000
	4,458,333	2,031,250

Share Capital as at 30 June 2022

	No. of shares	\$
Ordinary shares*	200	-
	200	-

* Ordinary shares issued at no par or nominal value and redesignated as Class B ordinary shares in January 2022.

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5. Issued Share Capital (*continued*)

Financial liabilities – Public Shares	31 December 2023	30 June 2022
	\$	\$
Opening balance	-	-
Proceeds of issue of Public Shares	125,000,000	-
Less: initial recognition of Public Warrants	(1,116,875)	-
Less: share issue costs	(2,817,011)	-
Effective interest accretion	7,996,008	-
Redemption of Class A Shares	(128,770,255)	-
	291,867	-

Class A ordinary shares (“Public Shares”)

In October 2022, ACG successfully completed its IPO with the admission of 12,500,000 Class A Ordinary Shares, onto the London Stock Exchange at an initial offering price of \$10.00 per unit. 6,250,000 warrants were issued concurrently, as each subscriber also received half of one Warrant (“Public Warrant”) with their Public Share. The Public Warrants carry a \$11.50 strike price and are redeemable in whole or in part, prior to completion of the Acquisition. The Public Shares have been classified as a financial liability measured at amortised cost in the Company’s Statement of Financial Position.

In October 2023, following an EGM circular which included a notice providing Class A Shareholders a right to redeem their shares, 12,471,732 (99.77% of Class A) shares were redeemed at a price of \$10.7991 per share. Funds totalling \$134,683,481 were returned to shareholders on 26 October 2023 which included interest earned and received on the funds held on escrow as at the redemption date, which Class A shareholders were entitled to receive.

Class B ordinary shares (“Sponsor Shares”)

In October 2022, as a result of the IPO, Sponsors and Directors subscribed to a total of 3,125,000 Sponsor Shares at a price of \$0.01 per share. In December 2023, 1,333,333 new B shares were subscribed to and allotted at \$1.50 per share, taking the total number of Class B Shares to 4,458,333. The \$2,000,000 gross proceeds were recognised in share capital.

Upon completion of an acquisition, the Sponsor Shares will convert on the trading day following the consummation of the acquisition into Public Shares.

Subject to the variation of certain voting rights and powers in respect of the acquisition, Sponsor Shares carry the same shareholder rights as Public Shares. However, the Company’s Sponsor and Directors have entered into a lock-up arrangement with the Company, under which they have agreed to waive their redemption rights in respect of the Sponsor Shares or any Public Shares acquired as a result of conversion in connection with the acquisition. Accordingly, the Sponsor Shares are classified as equity in the Company’s Statement of Financial Position.

6. Derivative financial liabilities - Warrants

Public Warrants

Public Warrants are classified as derivative liabilities and were initially recognised at their fair value of \$0.18 per warrant (\$1,116,875) at the issuance date of 12 October 2022.

As at 31 December 2023, the 6,250,000 Public Warrants fair value had decreased to \$0.04 per Warrant and are recognised in these financial statements at a fair value of \$245,625.

Sponsor Warrants

During the period, sponsors subscribed to a total of 13,348,750 Sponsor Warrants at a price of \$1 per warrant. Of the \$13,348,750 raised from the issue of the Sponsor Warrants, a derivative liability was recognised at the fair value of \$0.18 per warrant (\$2,385,422) at the issuance date of 12 October 2022. The remainder was allocated to the Warrant reserve as a capital contribution to the Company.

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6. Derivative financial liabilities – Warrants (*continued*)

As at 31 December 2023, the Sponsor Warrants have been valued at \$0.04 per warrant and are recognised in these financial statements at a total value of \$524,606.

The following table presents the total fair value movements on both public and sponsor warrants:

	18 months ended 31 December 2023	For the period 21 Jun 2021 to 30 June 2022
	\$	\$
Opening Balance	-	-
Inception date fair value	3,502,297	-
Fair value gain through profit or loss	(2,732,066)	-
	770,231	-

7. Trade & other payables

	31 December 2023	30 June 2022
	\$	\$
Trade payables	228,494	50,125
Accruals	101,624	1,025,796
Interest on restricted cash due to public shareholders	513,807	-
Total	843,925	1,075,921

Accruals relate to legal and professional, and other consultancy fees.

8. Sponsor Loans

On 19 January 2023, the Company and its Co-Sponsors entered a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance further funding in the form of loans totalling \$4,700,500. This additional funding was received during the period and attracts interest at 10% per annum compounding semi-annually. The principal amount along with any accrued interest is repayable upon completion of an acquisition.

Of the additional funding received, \$2,000,000 will be repaid in the form of Sponsor Warrants to be issued upon completion of an Acquisition.

On 29 March 2023, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance a further \$7,000,000. This additional funding attracts no interest and is repayable upon completion of an acquisition.

On 8 June 2023, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance of up to a further \$4,500,000. This additional funding attracts no interest and is repayable upon completion of an acquisition.

On 9 June 2023, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby it was agreed that in respect of the side agreements 19 January, 29 March and 8 June (above), up to \$2,000,000 in Sponsor Loans may be repaid in warrants at the sole discretion of the Company; and up to a further \$10,000,000 in Sponsor Loans may be repaid in the form of Class A ordinary shares, at the sole discretion of the Company.

On 29 September 2023, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance further funding in the form of a \$200,000 loan. This additional funding was received during the period and attracts interest at 10% per annum compounding semi-annually. The principal amount along with any accrued interest is repayable upon completion of an acquisition.

8. Sponsor Loans (*continued*)

On 22 December 2023, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby in respect of all Sponsor loans advanced:

In the event the Company completes an acquisition by the New Longstop Date of August 12, 2024, the Company and its Co-Sponsors shall discuss in good faith the repayment schedule of the principal amount of the Sponsor Loans and any accrued interest up to the date of repayment in the proportions in which the Sponsor Loans were made. If the Company does not complete an acquisition by the New Longstop Date, each Co-Sponsor acknowledges and agrees that the Company will not repay the Sponsor Loans and any accrued interest (in whole or in part) to the Co-Sponsors in any circumstances and waives its rights to recourse against funds in the Escrow Account in respect of the Sponsor Loans.

This side deed also contained an agreement and undertaking to transfer 5% of Sponsor warrants for the purposes of participation in a long-term incentive scheme, reducing in direct proportion the number Sponsor Warrants held by Co-Sponsors.

The Sponsor Loans have been classified as equity within the advance share/warrant subscription reserve as there is no requirement to repay the loans unless and until completion of an Acquisition. Amounts in this reserve represent amounts under received the Sponsor Loan side agreements during the period.

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9. Loss per share

The calculation of basic and diluted earnings per share has been based on the following loss attributable to shareholders and weighted-average number of ordinary shares outstanding at the year end.

For the 18-month period ended 31 December 2023	Basic & Diluted
Loss for the period	<u>\$(25,937,410)</u>
Weighted average number of shares	<u>2,562,168</u>
Loss per share	<u>\$(10.12)</u>
For the period 21 June 2021 to 30 June 2022	Basic & Diluted (unaudited)
Loss for the period	<u>\$(2,728,440)</u>
Weighted average number of shares	<u>200</u>
Loss per share	<u>\$(13,642.20)</u>

The weighted average number of ordinary shares is determined by reference to the Class B Ordinary shares. Public and Sponsor Warrants are deemed to be anti-dilutive as the average market price of ordinary shares during the period did not exceed the \$11.50 exercise price of the Warrants and they are therefore out of the money and excluded from the diluted earnings per share calculation. The redeemable Public Shares under IAS 33 are deemed to be contingently issuable shares issuable only upon an acquisition so are excluded from the earnings per share calculations until an acquisition has occurred.

As the Company is reporting a net loss, unexercised warrants are deemed anti-dilutive making the diluted earnings per share equal to the basic earnings per share.

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10. Administration expenses

Administration expenses consist of:	18 months ended 31 Dec 2023	For the period 21 Jun 2021 to 30 Jun 2022
	\$	\$
Legal & professional costs*	19,241,537	2,035,366
Personnel & consultant costs	1,688,939	701,546
	20,930,476	2,736,912

*Includes Auditors' remuneration for the period ended 31 December 2023 of \$100,000 (period ending 30 June 2022: \$30,395).

11. Related party transactions

The Company's key management personnel include its directors and external consultants providing key management personnel services to the Company. Each director was appointed pursuant to a letter of appointment between the respective director and the Company dated on each director's respective appointment date.

Under the terms of the letters of appointment the Company's independent directors each receive a fee of \$80,000 per annum and will be reimbursed for any out-of-pocket expenses incurred in connection with activities on the Company's behalf, such as identifying and researching potential target businesses. Additional fees are payable to independent directors who have taken on additional board responsibilities.

During the 18-month period ended 31 December 2023, total remuneration payable to directors was \$961,557 (period ending 30 June 2022: \$270,835). Please refer to the Directors' Report for full analysis of Directors' Remuneration. Fees payable to consultants providing key management personnel services for the 18-month period totalled \$476,355 (period ending 30 June 2022: \$334,371).

3,125,000 Class B shares with a \$0.01 nominal value and 13,348,750 \$1.00 warrants have been issued to Co-Sponsors. Of these 187,305 Class B shares and 1,297,798 sponsor warrants are held indirectly by the Sponsor Director, Artem Volynets, by holding a 50.42% interest in ACG Mining Limited, which held 371,490 Class B shares and 2,573,974 sponsor warrants as at the reporting date. Fees for management services provided by ACG Mining Limited during the period of \$35,000 (2022: \$nil), were incurred and settled. These are included in administration expenses.

12. Contingencies and commitments

Certain advisor and legal fee commitments exist which are subject to completion of the transaction which total approximately \$7,870,000.

In addition, and also subject to the completion of an acquisition, the underwriter of the Company's placing is entitled to a deferred commission of 3.5% (\$4,375,000) of the gross proceeds of the public (Class A) share offering together with any VAT chargeable thereon, provided that 2% (\$2,500,000) of the 3.5% shall be determined at the sole discretion of the Company. As discussed in Note 2, other committed costs associated with pursuing the Company's acquisition strategy have been incurred, and further fees including success fees could be incurred on completion of an acquisition.

13. Subsequent events

On 25 January 2024, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement whereby Co-Sponsors agreed to advance up to a further \$3,000,000. This additional funding is contingent on achieving milestones towards closing an acquisition, and will be released in four tranches throughout the first half of 2024. The first and second tranches totalling \$1,000,000 attract interest at 20% per annum.

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13. Subsequent events (*continued*)

The final two tranches of funding, totalling \$2,000,000 attract interest of 25% per annum. All interest compounds semi-annually. As at the date of this report \$1,497,017 has been advanced to the Company.

In line with previous sponsor funding side deed agreements, amounts advanced pursuant to this side deed are repayable upon completion of an acquisition.

On 8 January 2024 the Company released an Extension (to the acquisition deadline) EGM Notice commencing a period during which Class A Shareholders could elect to redeem their shares. The results were released on 16 January 2024, with 24,146 of the remaining 28,268 Class A shares at a price of \$28.5146 per Class A ordinary share. Funds held in escrow totalling \$688,798.67 were returned to shareholders on 8 February 2024 which included interest earned and received on the funds held on escrow as at the redemption date.

14. Controlling Party

As at the 31 December 2023, De Heerd Sponsor and ACP Sponsor each held 26.9% of the total voting rights of the Company. As at the date of approval of this document and following the further redemption of Class A shares referred to in note 13 above, De Heerd Sponsor and ACP Sponsor each held 27.1% of the total voting rights of the Company. There was no individual controlling shareholder of the Company.