Registered number: 14939464

ACG HOLDCO 1 LIMITED
Interim Financial Statements for the Six-Month Period Ended 30 June 2025

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CHAIR'S REVIEW

Dear Shareholders,

I am delighted to present the Financial Statements of ACG Holdco 1 Limited ("ACG") for the period ended 30 June 2025.

In the prior year ACG was a dormant entity and in August 2024, the group acquired Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") and by extension, the Gediktepe Mine in Türkiye.

In November, shortly following the completion of the Gediktepe transaction, the group achieved another major milestone by entering into a fixed-price, turnkey Engineering, Procurement and Construction ("EPC") contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("GAP İNŞAAT") for the $146 million brownfield sulphide expansion at Gediktepe. This expansion leverages existing site infrastructure and benefits from extensive geological studies and proven metallurgical processes. Once operational, this project is projected to deliver annual production of up to 25,000 tonnes of copper equivalent over an initial 11-year mine life. This development serves as a vital catalyst, significantly accelerating our journey towards becoming one of the leading copper-focused companies listed on the LSE.

The sulphide expansion project is inherently low risk, capitalizing on more than a decade of comprehensive technical studies and leveraging the existing infrastructure from our oxide operation. It entails a two-stage flotation process plant - a metallurgical approach proven and optimized over many years as well as essential supporting earthworks, including waste management, tailings facilities, and environmental pond infrastructure.

In order to fund the sulphide expansion project, ACG successfully completed a $200 million Nordic senior secured bond placement in January 2025. The bond proceeds were also used to refinance debt incurred to fund the Gediktepe acquisition. ACG subsequently made the first scheduled coupon payment in respect of the bonds in July 2025.

Looking ahead, our confidence is grounded in the tangible progress we are making. As construction of the sulphide plant advances and commissioning draws nearer, we are increasingly focused on achieving our goal of delivering growth through scale and efficiency. The second half of 2025 will be critical, and we are firmly positioned to deliver on our commitments.

Artem Volynets
Chairman and Chief Executive Office of the ACG Metals group
29 September 2025

STRATEGIC REPORT

The Directors present the Strategic Report for the period ended 30 June 2025.

Principal activity
The principal activity of the company is that of an investment company, holding the investment in Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal"), a company incorporated in Turkey and acquired in August 2024.

Business and FY2024 overview
The Company's defining achievement during the year was the successful acquisition of the Gediktepe Mine in Western Türkiye in August 2024. Gediktepe was acquired from Lidya Madencilik Sanayi ve Ticaret A.Ş. ("Lidya"), a subsidiary of the Turkish industrial conglomerate Çalık Holding, a well-established operator with a history of successful project execution and regulatory alignment.

The Gediktepe acquisition was followed by the award of a $146 million fixed-price turnkey Engineering, Procurement and Construction (EPC) contract to GAP İnşaat Yatırım ve Dış Ticaret A.Ş., one of Türkiye's largest construction and industrial services companies. This contract covers the full delivery of the Gediktepe sulphide flotation circuit, including design, procurement, civil works, installation, and commissioning.

To fully fund this expansion and refinance the acquisition-related debt, ACG completed a $200 million Nordic senior secured bond placement in January 2025. This bond marked the first-ever Nordic-style secured issuance linked to a Turkish mining asset. It attracted significant investor interest from institutional fixed income funds across Europe and the rest of the globe, reflecting a strong appetite for emerging-market credit exposure backed by high-grade metals projects.

Operational Outlook
Gediktepe's full-year operating performance in 2025 shows strong output, robust grades, and cost discipline to provide a clear springboard for the copper-focused sulphide expansion now underway.

The oxide phase will continue to produce gold and silver through 2025 and into 2026, bridging the mine through the construction period and generating capital to partially self-fund the transition to copper. These results, achieved during a year of ownership change and integration, underscore the strength of the team on the ground and the quality of the asset. The Company's ability to maintain this performance while simultaneously managing construction, refinancing, and growth initiatives speaks to the depth and agility of the operational platform it is building.

Financial Performance

Financial KPI	**30 June 2025**
Administrative expenses	($12.9 million)
Investment in Subsidiary	$166 million
Net Assets	$41 million

No comparatives are provided for 30 June 2024 as the Company was dormant during that period.

Administrative expenses for the year totaled $12.9 million (30 June 2024: $Nil), which included royalty fees and derivative gains and losses from hedging activity.

The acquisition of Polimetal was funded through equity raised by ACG Metals Limited (hereon "ACG Metals") and a $37.5 million acquisition debt agreement with Traxys Europe S.A. ("Traxys") and Argentem Creek Partners ("ACP") as of 31st August 2024.

As of 30 June 2025, the Group had fully extinguished the $37.5 million acquisition-related principal debt through proceeds from the Nordic bond issuance, further solidifying its capital structure and delivering on key financial objectives.

The total assets include the investment in Polimetal of $166 million (31 December 2024: $166 million) and cash and cash equivalents at period end totaling $99.5 million (31 December 2024: $Nil).

STRATEGIC REPORT (continued)

Outlook

The principal focus is the timely delivery of the Gediktepe sulphide expansion project. With engineering nearing completion and construction advancing on schedule, we are confident of achieving commercial production in mid-year 2026. This will materially enhance our production profile, extend mine life and lower average costs. Additionally, we are in the final stages of developing a technical solution to process enriched ore that is currently classified as waste.

In March 2025, ACG entered into a structured hedge covering approximately 50% of its planned 2025 oxide gold production. The hedging strategy was executed at near-record gold prices and is intended to protect cash flows during the sulphide construction phase, ensuring financial stability while retaining upside exposure. The approach is consistent with ACG's risk management philosophy of protecting returns without impairing long-term optionality.

On behalf of the Directors

Damien Coles

Damien Coles
Director
29 September 2025

DIRECTORS' REPORT

The Directors present their report for the 6-month period ended 30 June 2025.

Principal activities
The principal activity of the company is that of an investment company, holding the investment in Polimetal, a company incorporated in Turkey and acquired in August 2024.

Financial performance
Refer to the strategic report for financial performance.

Future development
Refer to the Chair's review for future development.

Dividends
No dividend is recommended for 2025 (2024: $Nil).

Directors
The Board of Directors of ACG Holdco 1 Limited as at the date of signing the report and accounts, unless otherwise stated comprised:

Damien Coles – Appointed 18 November 2024
Moorlander Services Limited – Appointed 18 November 2024

Donations
There are no political donations in the reporting year (2024: $Nil).

Directors' indemnities
There are no directors' indemnity provisions during the reporting year (2024: $Nil).

On behalf of the board

Damien Coles

Damien Coles
Director
29 September 2025

DIRECTOR RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. The directors have elected under company law to prepare the financial statements in accordance with UK-adopted International Accounting Standards.

The financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;
b. make judgements and accounting estimates that are reasonable and prudent;
c. state whether they have been prepared in accordance with UK-adopted International Accounting Standards;
d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

On behalf of the Directors

Damien Coles

Damien Coles
Director
29 September 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025

	Note	30 June 2025 $000	30 June 2024 $000
Other operating income	4	3,034	-
Administrative expenses		(12,884)	-
Operating (loss)		**(9,850)**	**-**
Finance income	6	5,839	
Finance costs	6	(17,621)	-
Loss before tax		**(21,632)**	**-**
Income tax	7	-	-
Loss after tax		**(21,632)**	**-**
Other comprehensive income		-	-
Total comprehensive income		**(21,632)**	**-**

The accompanying notes are an integral part of these financial statements.
All amounts are derived from continuing operations.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	30 June 2025 $000	Restated* 31 December 2024 $000
Assets			
Non-current assets			
Investment in subsidiaries	8	166,246	166,246
Intercompany loans		80,153	-
		246,399	**166,246**
Current assets			
Cash and cash equivalents	10	4,070	-
Cash held by Trustees		95,444	-
Other receivables	9	651	11,521
		100,165	**11,521**
Total assets		**346,564**	**177,767**
Non-current liabilities			
Loans and borrowings	11	266,820	-
Contingent consideration	12	15,879	15,551
		282,699	**15,551**
Current liabilities			
Loans and borrowings	11	13,702	95,183
Trade and other payables	14	7,729	4,488
Derivative Instruments	13	1,303	-
		22,734	**99,671**
Total liabilities		**305,433**	**115,222**
Equity			
Issued capital	15	67	-
Share based payments reserve	16	295	77
Other reserves	16	-	79,949
Retained earnings	16	40,769	(17,481)
Total equity		**41,131**	**62,545**
Total equity and liabilities		**346,564**	**177,767**

* 31 December 2024 comparatives have been restated as a result of IFRS 3 measurement period adjustments – see note 8.

These financial statements were approved and authorised for issue by the Board of directors on 29 September 2025 and were signed on its behalf by:

Damien Coles

Director

Company Registration Number: 14939464 (registered in the UK)

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

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025

	Share capital $000	Share based payments reserve $000	Other reserves $000	Retained loss $000	Total $000
As at incorporation and 1 January 2025	**-**	**77**	**79,949**	**(17,481)**	**62,545**
Loss for the period	-	-	-	(21,632)	(21,632)
Total comprehensive income	-	-	-	(21,632)	(21,632)
Capital contribution (Note 15)	67	-	(79,949)	79,882	-
Share based payments	-	218	-	-	218
As at 30 June 2025	**67**	**295**	**-**	**40,769**	**41,131**
As at incorporation and 1 January 2024	-	-	-	-	-
Loss for the period	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
As at 30 June 2024	-	-	-	-	-

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

* 31 December 2024 comparatives have been restated as a result of IFRS 3 measurement period adjustments – see note 8.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	6 months ended 30 June 2025 $000	6 months ended 30 June 2024 $000
Cash flows from operating activities			
Profit/(loss) for the period before tax		(21,632)	-
Adjustments for:			
Finance income	6	(5,839)	-
Finance costs	6	17,621	-
Loss on derivative		1,631	-
Share-based payment		218	-
Tax expenses	7	-	-
Adjustments to reconcile profit / (loss)		**(8,001)**	**-**
Working capital adjustments			
Decrease in other receivables		10,870	-
Increase in trade and other payables		3,241	-
Changes in working capital		**14,111**	**-**
Taxes paid		-	-
Net cash inflow / (outflow) from operating activities		**6,110**	**-**
Cash flows from investing activities			
Interest income		49	-
Interest on restricted funds		4,268	-
Intercompany loans advanced	11	(78,631)	-
Net cash (outflow) / inflow from investing activities		**(74,314)**	**-**
Cash flows from financing activities			
Interest paid		(1,149)	-
Sponsor loan repaid	11	(14,181)	-
Proceeds from loans	11	215,084	-
Issue costs on the bond	11	(6,193)	-
Repayment of loans	11	(25,843)	-
Net cash inflows from financing activities		**167,718**	**-**
Net increase / (decrease) in cash and cash equivalents		99,514	-
Cash and cash equivalents at the beginning of the period		-	-
Exchange gains/(losses)on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		**99,514**	**-**

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

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

ACG Holdco 1 Limited (the "Company") is a company limited by shares incorporated in the United Kingdom under the Companies Act 2006 (as amended) (the "Companies Act"). The registered address of the Company is Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT.

These financial statements represent the results as of and for the 6 months ended, 30 June 2025. The comparatives represent the period of 6 months ended 30 June 2024 or 31 December 2024.

2. Accounting policies

2.1. Basis of preparation

The financial statements have been prepared in accordance with UK adopted International Accounting Standards (IFRS) and the Companies Act 2006.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in US dollars, and all values are rounded to the nearest thousand ($000), except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period; during which the Company was dormant.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of ACG Metals Limited, which are publicly available on the ACG Metals website.

2.1.1. Going concern

The directors have assessed the Company's ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. The Company is part of a Group and forecasts are considered on a Group basis. The Group assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

In January 2025, the Group raised $200m in bonds to finance a Turkey copper mine, indicating active efforts to expand operations and deliver on the growth strategy. The Group sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to current facilities, the Group has a financial commitment from ACP, a main Shareholder for an additional share purchase worth $7m at the option of the Group. The Group's current market capitalisation and ongoing fundraising efforts indicate access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Accounting policies (continued)

Going concern (continued)

Conclusion
Based on the available information, the directors have concluded that the Group and by extension the Company is in a strong position to continue as a going concern. Ambitious growth plans, proactive debt management, and favourable market conditions support this assessment.

2.2 Material accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31 December 2024.

2.3 New and amended standards and interpretations effective during the year

New accounting pronouncements which became effective on 1 January 2025 are detailed below and will be adopted in the 2025 Annual Report and Accounts. The adoption of the amendments is anticipated does not have an impact on the accounting policies, methods of computation or presentation applied by the Group.

Amendments and improvements	Description
Amendments to IAS 21	Lack of Exchangeability

2.4 Standards issued but not yet effective

The standards, amendments and improvements that are issued, but not yet effective, up to the date of issuance of the Group's consolidated interim financial statements are listed in the table below. The standards, amendments and improvements have not been early adopted, and it is expected that, where applicable, these standards and amendments will be adopted on each respective effective date.

New standards, amendments and improvements	Description	Effective date
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	01 January 2026
Amendments to IFRS	Annual Improvements to IFRS Accounting Standards— Volume 11	01 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	01 January 2026
IFRS 18	Presentation and Disclosures in Financial Statements	01 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures.	01 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Postponed

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Summary of critical accounting estimates and judgements

The estimates and judgements adopted in the preparation of the interim financial statements are largely consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31 December 2024.

The current discount rates, costs, production areas, ongoing global conflicts, interest rates and inflationary impact on costs were considered during the period. The outcome of this review required no material changes to the assumptions used in the judgements and estimates which were applied for the year ended 31 December 2024.

4. Other operating income

	30 June 2025 $000	30 June 2024 $000
Management service charge	3,034	-
	3,034	**-**

5. Operating profit/(loss)

Operating loss (30 June 2024: $Nil) is stated after charging:

	30 June 2025 $000	30 June 2024 $000
Legal and professsional fees	606	-
Royalty fees	5,760	-
Management Service Charge	3,710	-
Audit and accounting fee	77	-
General Expenses	131	-
(Gain)/Loss on derivatives	1,857	-
Travel and accommodation expenses	163	-

6. Finance income and costs

9.1. Finance income

	2024 $000	2023 $000
Interest income – intercompany	1,571	-
Interest income on cash balances	4,268	
	5,839	**-**

9.2. Finance costs

	2024 $000	2023 $000
Interest on third party loans and borrowings	14,851	-
Interest on intercompany loans	2,770	-
	17,621	**-**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Income tax

The Company is subject to taxation in the United Kingdom. Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, dividend income from domestic companies, other exempt income and investment incentives utilised. The effective tax rate applied in 2025 is 25% (30 June 2024: Nil).

	30 June 2025 $000	**30 June 2024 $000**
Profit or loss		
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Origination and reversal of temporary differences	-	-
Income tax expense	**-**	**-**

Reconciliation of tax expense and the accounting profit multiplied by United Kingdom’s domestic tax rate for 2023 and 2024:

	30 June 2025 $000	**30 June 2024 $000**
Accounting (loss) before tax	**(21,632)**	**-**
At UK's statutory income tax rate of 25% (30 June 2024: Nil)	(5,408)	-
Non-deductible expenses	5,408	-
At the effective income tax rate	**0**	**-**

8. Investments in subsidiaries

Set out below are the details of the subsidiaries held directly by the company:

Name of subsidiary	**Country of incorporation**	**Principal activity**	**Proportion of ownerships %**	**30 June 2025 $000**	**31 December 2024 $000**
Polimetal Madencilik Sanayi ve Ticaret	Turkey	Mining	100%	166,246	-
				166,246	**-**

The company has elected not to prepare consolidated financial statements and instead prepares separate financial statements. The exemption from consolidation has been applied. The immediate parent, ACG Metals Limited, a public limited company incorporated in the British Virgin Islands, prepares consolidated financial statements that comply with IFRS, and these accounts have been made available for public use.

On 3 September 2024, ACG Holdco 1 (ACG Metal’s subsidiary) acquired Polimetal Madencilik Sanayi ve Ticaret A.Ş. The initial accounting for the business combination was provisional, pending finalisation of the valuation of certain assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

During the measurement period, ending 2 September 2025, the Group obtained new information about facts and circumstances that existed as of the acquisition date. As a result, the Group has adjusted the provisional amounts recognised for the business combination.

The total consideration of $166.2 million for the acquisition was comprised as follows:

Consideration	**$000**
Cash consideration	84,000
Shares of ACG Metals issued to Lidya	39,881
Warrants of ACG Metals issued to Lidya	1,994
Lidya's Debts to Polimetal	15,638
Deferred consideration owed by ACG Metals	6,839
Copper price bonus (contingent consideration)	15,551
Royalty liabilities assumed from seller	2,343
Total Consideration	**166,246**

9. Other receivables

	30 June 2025 $000	**31 December 2024 $000**
Receivables from related parties – ACG	-	4,748
Other receivables – escrow account	-	6,773
Prepayments	651	-
	651	**11,521**

Receivables from related parties held by ACG Metals Limited represent amounts due to the Company held in the ACG Metals bank accounts. Refer to Note 22 for details of related party transactions.

The balances included as other receivables were held in an escrow account, with limited access to the company. The escrow account served as a designated collection account for financing the acquisition of 100% of the issued shares of Polimetal. Funds in this account were restricted and held in trust. Subsequent to year end, the Traxys loan was repaid in full, and this amount was released. Call-in arrears, included under other receivables, amount to $Nil in 2024 (2023: $100, rounded to Nil). For fair value information, please refer to Note 18.

10. Cash and cash equivalents

	30 June 2025 $000	**31 December 2024 $000**
Bank balances	4,070	-
Restricted cash	95,444	-
	99,514	**-**

The cash and cash equivalents as at 31 December 2024 is $Nil. The Company did not operate a bank account in 2024, and payments made on behalf of the Company were made by the parent entity.

During the six-month period ended 30 June 2025, the Group recorded significant movements in cash and cash equivalents, primarily driven by the inflow of proceeds from new debt facilities. The restricted cash balance is not available for general use. This balance is primarily held in an escrow account and is subject to contractual or regulatory restrictions, including guarantees and security for certain borrowing arrangements. Due to the significance of the movement in restricted cash during the period, this item is disclosed separately in accordance with IAS 34.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. Loans and borrowings

	30 June 2025 $000	31 December 2024 $000
Current		
Traxys loans	-	25,843
ACG Metals loans (Intercompany loan)	-	14,181
Polimetal loans (Intercompany loan)	-	55,159
Accrued coupon payable	13,702	-
Total current loans	**13,702**	**95,183**
Non-current		
Bond	193,807	-
Polimetal loans (Intercompany loan)	73,013	-
Total non-current loans	**266,820**	-
Total loans and borrowings	**280,522**	**95,183**

At 31 December 2024, all loans were classified as current liabilities. Subsequent to the year end, the terms of the intercompany loans were formalised as presented below.

	Interest rate %	Maturity	30 June 2025 $000	31 December 2024 $000
ACG Metals loans (Intercompany loan)	0%	17-Jan-29	-	14,181
Polimetal loans (Intercompany loan)	8%	17-Jan-29	73,013	55,159
Bond and accrued coupon	14.75%	13-Jan-29	207,509	-
			280,522	**69,340**

Bond Issuance by ACG Holdco 1

During the six months ended 30 June 2025, ACG Holdco 1 issued bonds with a total principal value of $200 million. The bonds carry an interest rate of 14.75% per annum, payable semi-annually, and mature on 13 January 2029. They are secured and were issued at par. The proceeds were primarily used to fund the expansion of the Gediktepe site, strengthen the Group’s liquidity position and retire short-term debt obligations. The bond issuance represents a key financing activity during the period and is disclosed in accordance with IAS 34 due to its material impact on the Group’s capital structure.

Intercompany loans (ACG Metals Limited)

Intercompany loans were payable to ACG Metals and issued to fund the consideration for the acquisition of Polimetal and support the normal operations of the company. In 2025, ACG Holdco 1 Limited and ACG Metals Limited agreed a debt restructuring arrangement whereby certain loans to ACG Metals from third parties were novated to ACG Holdco 1 Limited (amounting to $7million) in exchange for the reduction of intercompany balances due from ACG Holdco 1 to ACG Metals. The third party loans were subsequently repaid in full during this period.

Intercompany loans (Polimetal)

Intercompany loans are payable to Polimetal at 8% per annum. A portion of these loans was taken over by the Company from Lidya as part of the acquisition of Polimetal.

Traxys loans

The Traxys loan facility of $37.5 million was entered into in August 2024. The loan, which bore interest at 15.2% per annum, was initially secured by 100% of the shares in Polimetal (195,070,560 shares), pledged at 1.00 Turkish Lira per share. Upon full repayment, the associated security was released. This loan was fully paid in January 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Reconciliation of net debt

	01-Jan-25	Cash flow	Transaction costs on loans	Interest accrued	Non-cash	30-Jun-25
	$000	$000	$000	$000	$000	$000
Current loans	95,183	(40,579)	-	555	(41,457)	13,702
Non-current loans	-	215,084	(6,193)	16,472	41,457	266,820
	95,183	**174,505**	**(6,193)**	**17,027**	**-**	**280,522**

12. Contingent consideration

	30 June 2025	Restated 31 December 2024
	$000	$000
Copper Price Bonus	15,879	15,551
	15,879	**15,551**

The movements in the balances are presented below:

	30 June 2025	Restated 31 December 2024
	$000	$000
At 1 January	15,551	-
At acquisition	-	15,551
Interest expenses on contingent consideration	328	-
At period end	**15,879**	**15,551**

As at 30 June 2025, the Group continues to recognise a financial liability in respect of the contingent consideration related to the Polimetal acquisition, as initially disclosed in the financial statements for the year ended 31 December 2024. This liability is linked to future payments contingent on copper price movements payable 12 months after the commencement of commercial production, expected in 2026.

During the six-month period ended 30 June 2025, the liability increased due to the unwinding of the discount, rather than changes in fair value or valuation inputs. The underlying assumptions remain unchanged, and the movement reflects the passage of time and the application of the effective interest method.

This change is not a revision to an accounting estimate but rather a recognition of the time value of money, in line with the original measurement approach. Given the significance and unusual nature of the item, separate disclosure has been provided.

Business Combination – Measurement Period Adjustment
The fair value of contingent consideration as at 31 December 2024 has been restated as part of the measurement period adjustment. Further details are provided in Note 8.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Derivative financial liabilities

	30 June 2025 $000	31 December 2024 $000
Fair value of hedging contract	(1,303)	-
	(1,303)	**-**

During the reporting period, the Company executed a comprehensive hedging agreement designed to manage commodity price exposure and mitigate risk in the construction phase of its flagship project. The agreement is a zero-cost structured collar option which will cover approximately 14,000 ounces of gold from Gediktepe, representing around 50% of expected gold production through to January 2026, when the sulphide expansion is anticipated to commence operations. This is expected to mitigate volatility in input pricing and enhance forecast certainty during the capital-intensive development stage.

14. Trade and other payables

	30 June 2025 $000	31 December 2024 $000
Trade payables	330	109
Accruals	6,524	3,690
Withholding tax payable	-	689
Payables to related parties – ACG Metals	875	-
Total trade and other payables	**7,729**	**4,488**

Trade payables are non-interest bearing and are normally settled on 30-day terms.

15. Share capital

	2025 Numbers	2024 Numbers	30 June 2025 $000	31 December 2024 $000
Allotted, called-up and fully paid				
Ordinary shares of GBP1 each	50,000	100	67	-
			67	**-**

The issued share capital issued at the end of the reporting period is $66,304 (2024: $100, rounded off to nil).
The par value of one share is GBP 1. This has been translated to USD using the rate of exchange at the date of allotment of the shares.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. Nature and purpose of reserve

16.1 Share based payments reserve

The Company falls within the ACG Metals Group, which operates a share option scheme granting options to subscribe for ACG Metals shares to certain senior executives and other employees. Senior executives of ACG Holdco 1 also participate in these share-based schemes, resulting in the creation of a reserve from shares issued by ACG Holdco 1's parent company.

16.2 Other reserves

Other reserves comprise capital contributions from ACG Metals Limited, the immediate parent of the Company. Capital contributions are funds provided to the Company to support in the acquisition of Polimetal. These contributions are in the form of cash injections and asset transfers. They are recorded in the Company's financial statements as equity.

16.3 Retained loss

Retained loss or accumulated loss represents the cumulative net losses that a company has incurred over time, which have not been distributed as dividends to shareholders. Instead, these losses are retained within the company to cover any future losses or to reinvest in the business. Accumulated losses are shown as a negative balance in the equity section of the balance sheet.

17. Related party transactions

Transactions with related parties in the entity

	Loans to/ (from) related party	Receivables from/(Payables to) related party
	$000	**$000**
Payables to ACG Metals (Intercompany)		
At 30 June 2025	-	(875)
At 31 December 2024	(14,181)	-
Payables to Polimetal (Intercompany)		
At 30 June 2025	(73,014)	-
At 31 December 2024	(55,159)	-
Receivables from ACG Metals (Intercompany)		
At 30 June 2025	2,595	-
At 31 December 2024	-	4,748
Receivables from Polimetal (Intercompany)		
At 30 June 2025	77,559	-
At 31 December 2024	-	-

Details of loans and borrowings are referenced in Note 11.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Nature of related party transactions

Intercompany loans (ACG Metals)
No interest was charged in 2024. Following the formalization of loan agreements in January 2025, intercompany loans will remain payable to ACG Metals at a rate of 0% per annum. These funds were used towards the consideration for the acquisition of Polimetal and to support the normal operations of the company.

Intercompany loans (Polimetal)
Intercompany loans are payable to Polimetal at 8% per annum. One of these loans was taken over by the Company as part of the acquisition of Polimetal.

Receivables from ACG Metals
Receivables from related parties held by ACG Metals in 2024 represent the company's cash balances in ACG Metals' bank accounts as at the end of the reporting period. The cash held by ACG Metals on behalf of the Company did not accrue any interest at the end of the reporting period.

Compensation of key management personnel

The aggregate remuneration to directors was $137,255 (2024: $51,500). During the period, no director exercised a share-based payments scheme (2024: Nil).

18. Ultimate controlling party

The immediate direct parent of the company is ACG Metals Limited. There is no ultimate controlling party.