

Incorporated in England and Wales under company
number 13467546)

AJAX RESOURCES PLC
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
31 AUGUST 2022

Ajax Resources PLC

COMPANY INFORMATION

Directors	Ippolito Ingo Cattaneo – Chief Executive Officer & Director Luca Benedetto – Chief Financial Officer & Director Michael Hutchinson – Non-Executive Chairman & Director
Secretary	Nicole Hopson Company Secretarial - Corporate For and on behalf of Druces LLP
Company number	13467546
Registered office	Salisbury House, London Wall London, EC2M 5PS
Auditor	Jeffreys Henry Audit Limited Finsgate 5-7, Cranwood Street London, EC1V 9EE
Registrar	Computershare Investor Services Plc The Pavilions Bridgwater Road Bristol, BS99 6ZZ United Kingdom
Financial Adviser	Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB
Solicitors	Druces LLP Salisbury House, London Wall London, EC2M 5PS
Company Website	https://www.ajaxresources.com

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Chairman's statement

The energy transition from fossil fuels towards a low-carbon economy has created a growing number of attractive opportunities for junior independent energy companies, both in the renewable and non-renewable domains.

We have maintained an open approach in our assessment of various opportunities across the natural resource spectrum, ranging from battery metals such as Lithium and Cobalt, to Critical Metals, as well as Hydrocarbons. This is because our assessment strategy has been guided by an overreaching attention towards achieving the most commercially advantageous transaction to achieve Ajax's long-term growth in accordance with stringent due diligence criteria.

The Company's management is, as outlined in Ajax's IPO prospectus document, engaged in seeking to identify and acquire a target company or business that can return significant value to shareholders by enabling Ajax to become a revenue generating, fully-fledged natural resource production and exploration entity with significant potential.

I am pleased to report that during the period, in view of our current development stage, effective cost control has been rigorously enforced and will continue to be maintained until such time as an acquisition is identified and completed.

It is the Board's opinion, in consideration of the opportunities currently under review, that Ajax is well positioned to achieve transformational growth once it successfully completes an acquisition.

We thank shareholders for their continued support, evidenced by the Company's recent share price performance, and we look forward to building on this momentum as we move forward in taking Ajax to the next key milestone in its development.

Michael Hutchinson, Non-Executive Chairman

November 30, 2022

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The Directors present their interim report and financial statements for the six months ended 31 August 2022. The period is not comparable with the same period of the past year, being the Company incorporated on 21 June 2021.

Principal events

Upon and subsequent to the admission of the ordinary shares to the standard segment of the official list maintained by the FCA ('Official List') and to trading on the Main Market for listed securities of the London Stock Exchange on 7 April 2022, the Company:

- Raised net proceeds of £1,342,000 by the issue of 34,862,500 ordinary shares which have been issued at 4p per ordinary share ('the Placing Price') by the Company with investors through placing and subscription.
- Issued 362,000 warrants to the broker of the Company which entitle the broker to subscribe for one ordinary share at the Placing Price per each ordinary share. The warrants have a duration of 2 years and will not be admitted to trading on the Official List but shall be freely transferable.
- Issued 3,514,688 warrants to Consuelo Giuliana Brenner, one of the substantial shareholders of the Company, which entitle Consuelo Giuliana Brenner to subscribe for one ordinary share at the Placing Price per each ordinary share. The warrants have a duration of 3 years and will not be admitted to trading on the Official List and are not transferable.
- Issued options to the Directors as follows:

Ippolito Cattaneo	5,857,813
Michael Hutchinson	3,514,688
Luca Benedetto	<u>2,343,125</u>
	11,715,626

These options vest when the share price of the Ordinary Shares reaches 8p or upon completion of a successful acquisition. These option holders must exercise the options within a five-year period from Admission, subject to the options having vested.

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	31/08/2022 Unaudited 6 months £	28/02/2022 Audited FY £
Revenue			-
Cost of sales			-
Gross profit		-	-
Administrative expenses		(97,876)	(79,625)
Operating loss and loss before income tax	4	(97,876)	(79,625)
Taxation	5		-
Loss and total comprehensive loss for the period		(97,876)	(79,625)
Loss per share (basic and diluted) attributable to the equity holders (pence)	6	(0.21)	(0.66)

The notes to the financial statements form an integral part of these financial statements.

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STATEMENT OF FINANCIAL POSITION

	Notes	31/08/2022 Unaudited 6 months £	28 February 2022 Audited FY £
Current assets			
Receivables	8	-	663,585
VAT Credit	8	25,884	11,952
Cash and cash equivalents	9	1,249,546	-
		1,275,430	675,537
Total assets			
		1,275,430	675,537
Equity			
Ordinary shares	10	1,436,660	120,000
Retained earnings/(loss)		(177,501)	(79,625)
Total equity		1,259,159	40,375
Current Liability			
Other payables		16,271	635,162
Total equity and liabilities		1,275,430	675,537

The notes to the financial statements form an integral part of these financial statements.

These financial statements were approved by the board of directors and recognized for issue on 30 November 2022, and are signed on its behalf by:

Michel Hutchinson
Chairman & Director

Company Registration No. 13467546

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STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital	Retained losses	Total
	£	£	£
Balance at incorporation at 21 June 2021	12,500	-	12,500
Share issue	107,500	-	107,500
Loss and total comprehensive loss for the period	-	(79,625)	(79,625)
Balance at 28 February 2022	120,000	(79,625)	40,375
Share issue	1,342,000	-	1,342,000
Share issue costs	(25,340)	-	(25,340)
Loss and total comprehensive income for the period	-	(97,876)	(97,876)
Balance at 28 February 2022	1,436,660	(177,501)	1,259,159

Share capital is the amount subscribed for shares at nominal value.

The retained earnings represent the cumulative results of the company attributable to equity shareholders.

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STATEMENT OF CASH FLOWS

	31/08/2022 Unaudited 6 months	28 February 2022 Audited FY
	£	£
Cash flows from operating activities		
Loss before tax	(97,876)	(79,625)
(Increase)/Decrease in receivables	11,952	(11,952)
Increase/(Decrease) in payables	(6,109)	10,162
Net cash used in operating activities	(92,033)	(81,415)
Cash flows from investing activities		-
Net cash used in investing activities		-
Cash flows from financing activities		
Proceeds from the issue of ordinary shares (net of issue costs)	1,341,579	81,415
Net cash from financing activities	1,341,579	81,415
Net increase / (decrease) in cash and cash equivalents	1,249,546	-
Cash and cash equivalents at the start of the period	-	-
Cash and cash equivalents at the end of the period	1,249,546	-

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1. General Information

Ajax Resources Plc (the 'Company') is a company incorporated in England and Wales. The registered office is Salisbury House, London Wall, London, EC2M 5PS, UK. The Company's principal activities and nature of its operations are disclosed in the Directors' report.

The Company listed on the London Stock Exchange on 7th April 2022.

2. New Standards and Interpretations

No new standards, amendments or interpretations, effective for the first time for the period beginning on or after 01 March 2022 have had a material impact on the Company.

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IAS 1	Classification of Liabilities as Current or Non-Current	Not earlier than 1 January 2024
IAS 1	Disclosure of accounting policies	1 January 2023
IAS 8	Accounting estimates	1 January 2023
IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
IFRS 17	Insurance contracts	1 January 2023

The Directors are evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on the financial statements of the Company.

3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the period presented, unless otherwise stated.

3.1 Basis of preparation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. Ajax Resources Plc adopted UK-adopted International Accounting Standards in its financial statements on 21 June 2021.

These Company financial statements were prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional and presentation currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

3.2 Going concern

The Directors have adopted the going concern basis in preparing these financial statements for the period to 31 August 2022. The Directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

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3.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments, with original maturities of three months or less.

3.4 Financial instruments

i) Financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies financial assets as at amortized cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

Financial assets, including trade and other receivables and cash and bank balances, are initially recognized at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortized cost using the effective interest method. At the end of each reporting period financial assets measured at amortized cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognized in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognized the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognized. The impairment reversal is recognized in the income statement.

Financial assets are derecognized 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.

ii) Financial liabilities

Basic financial liabilities, being trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. The Company does not hold or issue derivative financial instruments.

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3.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.6 Taxation

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

Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is recognized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

3.7 Employee benefits

The costs of short-term employee benefits are recognized as a liability and an expense unless those costs are required to be recognized as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognized in the period in which the employee's services are received.

Termination benefits are recognized immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3.8 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 Directors are of the opinion that there were no estimates and assumptions which had a significant risk of causing a material adjustment to the carrying amount of assets and liabilities during the period ended.

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4 Loss before taxation

	31/08/2022 Unaudited 6 months	28 February 2022 Audited FY
	£	£
Directors' remunerations	-	-
Auditor's remunerations (i)	9,000	5,250

(i): The audit fee for the period was £9,000 (28/02/2022 - £5,250).

5 Taxation

The charge for the period can be reconciled to the loss before taxation as follows:

	31/08/2022 Unaudited 6 months	28-Feb-22 Audited FY
	£	£
Loss before taxation	(97,876)	(79,625)
Tax calculated at the domestic rate applicable of 19%	-	-
Tax losses for which no deferred tax asset was recognized	-	-
Total tax charge	-	-

There was no tax arising in the Company.
The Company has no tax losses to carry forward against future profits.

6 Loss per share

	31/08/2022 Unaudited 6 months	28-Feb-22 Audited FY
	£	£
Loss attributable to equity shareholders	(97,876)	(79,625)
Weighted average number of ordinary shares	46,862,500	12,000,000
Loss per share in pence:		
Basic	(0.21)	(0.66)
Diluted	(0.21)	(0.66)

There is no difference between the basic and diluted loss per share as there were no potential ordinary shares outstanding during the period.

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7. Directors' and Employees' Remunerations

There were no directors' remunerations during the six months ended 31 August 2021.

There were no employees and wages during the six months ended 31 August 2021.

8. Other receivables

	31/08/2022 Unaudited 6 months	28-Feb-22 Audited FY
	£	£
Receivables	-	663,585
VAT Credit	25,884	11,953

Other receivables relates to the VAT Credit related to the invoices paid during the period. The fair value of other receivables approximates to the net book values stated above.

9. Cash and cash equivalents

	31/08/2022 Unaudited 6 months	28-Feb-22 Audited FY
	£	£
Cash on hand & balances with banks	1,249,546	-

10. Share capital

	Shares issued and fully paid	
	Number of ordinary shares	Share capital £
At 21 June 2021 – incorporation	1,250,000	12,500
Issued	10,750,000	107,500
At 28 February 2022	12,000,000	120,000
At 07 April 2022 – Admission	34,862,000	1,342,000
Issue costs	-	(25,340)
At 31 August 2022	46,862,000	1,436,660

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The following is a summary of the changes in the issued Ordinary Shares of the Company since its incorporation:

- (a) On 21 June 2021, 4,750,000 Ordinary Shares were allotted and issued, credited as fully paid up, 1,200,000 to Consuelo Giuliana Brenner, 3,075,000 to Ippolito Cattaneo, 475,000 to Luca Benedetto.
- (b) On 17 September 2021, 2,000,000 Ordinary Shares were allotted and issued, credited as fully paid up, 1,700,000 to Ippolito Cattaneo, 300,000 to Luca Benedetto.
- (c) On 23 December 2021, 4,000,000 Ordinary Shares were allotted and issued, credited as fully paid up, 1,000,000 to Consuelo Giuliana Brenner, 2,100,000 to Michael Hutchinson, 900,000 to Ippolito Cattaneo.
- (d) Upon and subsequent to the admission of the ordinary shares to the standard segment of the official list maintained by the FCA ('Official List') and to trading on the Main Market for listed securities of the London Stock Exchange on 7 April 2022, the Company raised net proceeds of £1,342,000 by the issue of 34,862,500 ordinary shares which have been issued at 4p per ordinary share ('the Placing Price') by the Company with investors through placing and subscription

11. Reserves

The following reserves describe the nature and purpose of each reserve within equity:

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

Retained earnings: Represents accumulated comprehensive income for the period.

12. Financial assets and liabilities

The table below analyses the carrying value of financial assets and financial liabilities in the Company's statements of financial position. Further information on the classes that make up each category is provided in the notes indicated. The carrying value of each category is considered a reasonable approximation of its fair value. All amounts are due within one year.

31 August 2022	Carrying amount £	Contractual cash flows				
		6 months or less £	6 to 12 months £	1 to 2 years £	2 to 5 years £	
Financial assets at amortised cost						
Other receivables	-	-	-	-	-	-
Cash and cash equivalents	1,249,546	-	1,249,546	-	-	-
	1,249,546	-	1,249,546	-	-	-

13. Commitments

The Company held no leases as at 31 August 2022. The Company holds no other commitments.

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14. Related party transactions

From 01 March 2022 up to and including the date of these financial statements, the Company has not entered into any related party transactions other than the issue of shares to its Directors, on the Admission to the London Stock Exchange listing on 7 April 2022:

The Directors' interests in the shares of the Company were as stated below:

Name	AdmissionShares	Total number of Ordinary shares owned as of the date of this document and Percentage of share capital	
		Number of Ordinary Shares	Percentage of Share Capital
Michael Hutchinson	750,000	2,850,000	6.08%
Ippolito Cattaneo	1,875,000	8,675,000	18.51%
Luca Benedetto	625,000	1,525,000	3.25%

15. Controlling Party

The Directors do not consider there to be a single ultimate controlling party, being Mr. Ippolito Cattaneo and Orca Capital GmbH controlling parties, as at the date of this document, by virtue of their shareholding.

16. Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

- Credit risk, and
- Liquidity risk.

Credit risk

The main credit risk relates to liquid funds held at banks. The credit risk in respect of these bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs. Other payables as at the period ended are principally due to the shareholders which have no fixed repayment terms.

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There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them during the period.

Capital Disclosures

The Company monitors "adjusted capital" which comprises all components of equity (i.e. share capital, share premium, retained losses and other reserves). Disclosure of all components of equity can be found in Note 10 (Share Capital) and Note 11 (Reserves).

17 Capital risk management

The Company manages its capital resources to ensure that the business will have sufficient cash resources to acquire suitable investments and will be able to continue as a going concern, while maximizing shareholder return.

The Directors review the capital requirement of the business on a regular basis. The capital structure of the Company consists of equity attributable to shareholders, comprising issued share capital and reserves. The availability of new capital will depend on many factors including a positive operating environment, positive stock market conditions, the Company's track record, and the experience of management. There are no externally imposed capital requirements. The Directors are confident that adequate cash resources exist or will be made available to finance operations but controls over expenditure are carefully managed.

18 Events after the reporting date

No further events happened after the reporting date