

ICoNiChem Group Limited

Registered number: 09745318

Annual report and financial statements

For the year ended 31 December 2021



ICONICHEM GROUP LIMITED

COMPANY INFORMATION

Directors	F G Jones O Cengiz A E Kayisoglu
Registered number	09745318
Registered office	Moss Bank Road Widnes Cheshire WA8 0RU
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP

ICONICHEM GROUP LIMITED

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ICONICHEM GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their group strategic report for ICoNiChem Group Limited for the year ended 31 December 2021.

Principal activity

The principal activity of the group is the manufacture and supply of inorganic compounds. The principal activity of the company is that of a holding company.

Business review

Despite BREXIT and despite some international supply chain disruption, trading in 2021 has normalised to pre pandemic levels and stable profitability. The directors are confident that with new cobalt supply contracts in place and the recapitalisation of the business by shareholders, the business is a going concern and has a secure financial structure.

ICoNiChem Group Limited subscribed for 30% of the share capital in a newly incorporated Romanian company, Cuprumold Mining SA in April 2021.

The remaining 70% of Curprumold Mining SA is held by Eti Bakir AS, a subsidiary undertaking of Cengiz Holdings AS, a company with the same beneficial owners as ICoNiChem Group Limited.

Cuprumold Mining AS was incorporated to own a copper mining concession in Romania. As part of this investment, shareholders have already positioned cash on deposit at ICoNiChem Group Limited to meet its investment obligations.

Financial key performance indicators

The directors monitor and manage the performance of the group assisted by the production of detailed monthly management reports containing detailed monthly accounts and a number of key financial and non-financial performance measures. The main KPI's are as follows:

	2021 £	2020 £
Turnover	77,900,980	24,402,651
Gross profit/(loss)	6,085,512	(786,760)
Operating costs	74,010,825	26,805,863
EBITDA	4,419,491	(1,341,564)

Other key performance indicators

Various non financial KPIs are included in the management information used to monitor the performance of operations and the wider business including production volumes and efficiencies, environmental, Health & Safety statistics, including Process Safety Performance Indicators, orders shipped on time and complete, and customer complaints.

ICONICHEM GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The group's operations expose it to a variety of financial risks in the ordinary course of business including commodity price volatility and foreign exchange currency risk.

Commodity risk

The group is exposed to the risk of changes in the price of metal commodities priced in US dollars.

Management monitor the level of overall exposure and review metal hedges, inventory levels and inventory turns to mitigate this risk.

Foreign currency risk

The group is exposed to the risk of changes in foreign currency exchange rates. The main currencies in which the group operates are US dollars and Euros.

Management monitor the level of overall exposure, and where possible, utilise the group's borrowing facilities to create a natural hedge to offset the risk, as well as buying and selling currencies.

Legal & regulatory risks

The group operates in a highly regulated industry and operates a manufacturing site that is an "Upper Tier" COMAH site, governed by Environmental Permits issued by the Environment Agency and with Hazardous Substances Consent license issued by the Competent Authority, Halton Borough Council, for the storage and use of hazardous materials.

The group also has a duty of care to its employees under the Health & Safety at Work Act to provide a safe place of work and this is monitored by management and by the Health & Safety Executive (HSE).

REACH is a major piece of chemicals legislation which impacts on the company's operation and business within Europe, requiring it to register its products with the European Chemical Agency (ECHA), providing a dossier of information on the potential environmental and public health impacts of its products, as a member of the Cobalt Reach Consortium and The Cobalt Institute.

To assist in managing its obligations and compliance with these legal regulations, the company has developed a robust management system which is accredited to ISO 9001 (Quality) and ISO 14001 (Environmental). The management system includes written instructions for all operational activities on site with documented risk assessments of tasks and COSHH assessments for the safe handling of materials. As well as external audits by the accrediting body, BSI, the group carries out its own internal audits of its practices against required standards.

Coronavirus and the COVID 19 pandemic

The directors, along with the group's senior management team, have and are continuing to assess the business's impact of COVID 19 on all areas of the business. This includes ongoing discussions with all of the business's internal and external key stakeholders. As part of this process, the directors have been assessing the likely trading levels of the group over the foreseeable future and evaluating the availability of both financial and non financial resources to ensure the group continues to trade profitably and without material disruption. As a result, and with careful and cautious management, the directors consider that the group will remain a profitable, cash generative business for the foreseeable future and have therefore prepared the accounts on a going concern basis.

ICONICHEM GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Research and development

The group engages in research and development activities to support continuous improvement of production processes and works with our customers to improve the performance of our products in their processes.

Directors' statement of compliance with duty to promote the success of the Group

Section 172(1) Statement

The directors of the group act in accordance with the set of duties as detailed in s172 of the UK Companies Act 2006 which is summarised as follows:

"A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the company."

The following paragraphs summarise how the directors' fulfil their duty to promote the success of the group:

Employees

Our employees are vital to the success of the group. As such, communication is an important tool in helping our employees understand the role that is required from them and how they can contribute to the success of the group, as well as giving the opportunity for every employee to provide feedback. All employees are treated fairly and with respect and they are all actively encouraged to participate in work-based teams and committees.

Business relationships

Customers and suppliers are the essence of what we do. We work closely with both groups developing new ideas and striving to deliver excellent customer service. We agree terms at the beginning of the relationship so each party has a clear understanding of how the relationship will work going forwards.

ICONICHEM GROUP LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**


Section 172(1) Statement (continued)**Community and environment**

The group sells a large quantity of its products into the UK and EU markets each year. We have a clear policy that these products must have been rigorously tested and have all the proper certification so that the products comply with all the laws and regulations, including but not limited to REACH Chemical legislation, for our business-to-business supplies. Supplying safe specialty chemical products helps to build the value of the group's brand.

Shareholders

The group shareholders, take an active part in the running of the group and provide strategic direction to the board of directors.

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


Francis Gary Jones (Sep 30, 2022, 14:44 GMT+1)

F G Jones
Director

Date: Sep 30, 2022

ICONICHEM GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

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

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

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

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

Results and dividends

The profit for the year, after taxation, amounted to £4,200,094 (2020 - loss 1,993,931).

The directors have not proposed a dividend for the year ended 31 December 2021 (9 months ended 31 December 2020 - £Nil).

Directors

The directors who served during the year were:

F G Jones
O Cengiz
A E Kayisoglu

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Streamlined Energy and Carbon Reporting ('SECR')

The Companies (Directors' Report) and Limited Liability Partnerships (Energy & Carbon Report) Regulations 2018 implement the government's policy of Streamlined Energy & Carbon Reporting (SECR). This regulation came into effect on 1st April 2019 and the Company is required to report emissions and energy consumption to coincide with the financial reporting period.

Location based data collection was completed during the period January 2021 to December 2021. The following is a summary of that data with conversion factors taken from UK Government GHG Conversion Factors for Company Reporting ;

- 4,191MWh (9 month period to 31 December 2020 - 2,497 MWh) of Scope 1 energy was consumed, resulting in 763 (9 month period to 31 December 2020 - 456) tonnes CO₂e
- 4,304MWh (9 month period to 31 December 2020 - 3,009 MWh) of Scope 2 energy was consumed, resulting in 914 (9 month period to 31 December 2020 - 701) tonnes CO₂e
- 110,334m³ (9 month period to 31 December 2020 - 78,313m³) of water was consumed and 40,632m³ (9 month period to 31 December 2020 - 25,278m³) of trade effluent discharged to sewer for treatment, resulting in 27 (9 month period to 31 December 2020 - 45) tonnes CO₂e

Production output expressed in MtCo is considered as suitable normalisation factor.

Normalised CO₂e generation based on Scope 1+2 energy consumption was 1,383 kgCO₂e per MtCo, which is slightly lower than the previous reporting period.

During this period there were no specific steps taken to lower energy consumption. The company aims to lower energy consumption where possible in the future.

Matters covered in the Group Strategic Report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1-4.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide which will undoubtedly have and will continue to have an impact on the global economy in the foreseeable future. The Board has carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event. The Directors expect the greatest impact on the business to be from the indirect economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessments.

ICONICHEM GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Invasion of Ukraine and Russian sanctions

The Group does not operate in either Ukraine or Russia and no key suppliers or customers are located in either country. The Board's assessment of this highly tragic geopolitical situation is that the business is not impacted at present, and the situation will remain under review.

Auditor

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

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


Francis Gary Jones (Sep 30, 2022, 7:44 GMT+1)

**F G Jones
Director**

Date: Sep 30, 2022

ICONICHEM GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICONICHEM GROUP LIMITED

Opinion

We have audited the financial statements of ICoNiChem Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated statement of comprehensive income, the Consolidated and Company balance sheets, the Consolidated and Company statement of changes in equity, the Consolidated statement of cash flows, Consolidated analysis of net debt and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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

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.

ICONICHEM GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICONICHEM GROUP LIMITED

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and of the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the directors' report.

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 group and the parent 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 intend either to liquidate the group and the parent company or to cease operations, or have no realistic alternative but to do so.

ICONICHEM GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICONICHEM GROUP LIMITED

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 our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and of the parent company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions, for example the treatment of its acquisition of its minority equity investment.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

ICONICHEM GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ICONICHEM GROUP LIMITED

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Stephen English

Stephen English (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: Sep 30, 2022

ICONICHEM GROUP LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
	Note		
Turnover	3	77,900,980	24,402,651
Cost of sales		(71,815,468)	(25,189,411)
Gross profit/(loss)		<u>6,085,512</u>	<u>(786,760)</u>
Distribution costs		(729,010)	(651,827)
Administrative expenses		(1,466,347)	(964,626)
Other operating income	4	<u>49,336</u>	<u>701,649</u>
Operating profit/(loss)	5	3,939,491	(1,701,564)
Interest receivable and similar income	9	87,096	-
Interest payable and similar expenses	10	<u>(26,493)</u>	<u>(292,367)</u>
Profit/(loss) before taxation		4,000,094	(1,993,931)
Tax on profit/(loss)	11	<u>200,000</u>	<u>-</u>
Profit/(loss) for the financial year/period		<u><u>4,200,094</u></u>	<u><u>(1,993,931)</u></u>

There was no other comprehensive income for the year ended 31 December 2021 (period ended 31 December 2020 - £Nil).

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED
REGISTERED NUMBER: 09745318

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	4,299,681	3,589,437
Investments	13	268,070	-
		<u>4,567,751</u>	<u>3,589,437</u>
Current assets			
Stocks	14	14,713,772	3,760,466
Debtors: amounts falling due within one year	15	21,642,044	6,376,628
Cash at bank and in hand		67,883,183	1,269,536
		<u>104,238,999</u>	<u>11,406,630</u>
Creditors: amounts falling due within one year	16	(98,012,430)	(8,401,841)
Net current assets		<u>6,226,569</u>	<u>3,004,789</u>
Total assets less current liabilities		<u>10,794,320</u>	<u>6,594,226</u>
Net assets		<u>10,794,320</u>	<u>6,594,226</u>
Capital and reserves			
Called up share capital	19	5,000,000	5,000,000
Profit and loss account	20	5,794,320	1,594,226
		<u>10,794,320</u>	<u>6,594,226</u>

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


Francis Gary Jones (Sep 30, 2022 12:44 GMT+1)

F G Jones
Director

Date: Sep 30, 2022

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED
REGISTERED NUMBER: 09745318

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	13	4,502,668	4,234,598
		<u>4,502,668</u>	<u>4,234,598</u>
Current assets			
Debtors: amounts falling due within one year	15	13,185,574	6,881,667
Cash at bank and in hand		63,272,902	-
		<u>76,458,476</u>	<u>6,881,667</u>
Creditors: amounts falling due within one year	16	(76,168,208)	(6,127,362)
Net current assets		<u>290,268</u>	<u>754,305</u>
Total assets less current liabilities		<u>4,792,936</u>	<u>4,988,903</u>
Net assets		<u>4,792,936</u>	<u>4,988,903</u>
Capital and reserves			
Called up share capital	19	5,000,000	5,000,000
Profit and loss account brought forward		(11,097)	(142,308)
Loss/(profit) for the year/period		<u>(195,967)</u>	<u>131,211</u>
Profit and loss account carried forward	20	(207,064)	(11,097)
		<u>4,792,936</u>	<u>4,988,903</u>

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

Francis Gary Jones
Francis Gary Jones (Sep 30, 2022, 14:44 GMT+1)

F G Jones
Director

Date: Sep 30, 2022

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	5,000,000	1,594,226	6,594,226
Profit for the year	-	4,200,094	4,200,094
Total comprehensive income for the year	-	4,200,094	4,200,094
At 31 December 2021	5,000,000	5,794,320	10,794,320

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	200,000	3,588,157	3,788,157
Loss for the period	-	(1,993,931)	(1,993,931)
Total comprehensive expenditure for the period	-	(1,993,931)	(1,993,931)
Shares issued during the period	4,800,000	-	4,800,000
At 31 December 2020	5,000,000	1,594,226	6,594,226

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	5,000,000	(11,097)	4,988,903
Loss for the year	-	(195,967)	(195,967)
Total comprehensive expenditure for the year	-	(195,967)	(195,967)
At 31 December 2021	5,000,000	(207,064)	4,792,936

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	200,000	(142,308)	57,692
Profit for the period	-	131,211	131,211
Total comprehensive income for the period	-	131,211	131,211
Contributions by and distributions to owners			
Shares issued during the period	4,800,000	-	4,800,000
At 31 December 2020	5,000,000	(11,097)	4,988,903

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit/(loss) for the financial year/period	4,200,094	(1,993,931)
Adjustments for:		
Depreciation of tangible fixed assets	480,000	360,000
Interest paid	26,493	292,367
Interest received	(87,096)	-
Taxation charge	(200,000)	-
(Increase)/decrease in stocks	(10,953,306)	2,189,676
(Increase)/decrease in debtors	(8,782,809)	2,009,691
(Increase)/decrease in creditors	19,584,893	(10,620,227)
Corporation tax received	13,058	-
Write back of investment consideration	-	(522,508)
Net cash generated/(used in) operating activities	4,281,327	(8,284,932)
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,190,244)	(68,822)
Purchase of unlisted and other investments	(268,070)	-
Interest received	59,613	-
Associates interest received	27,483	-
Net cash used in investing activities	(1,371,218)	(68,822)
Cash flows from financing activities		
Issue of ordinary shares	-	4,512,813
Increase in shareholder loans	70,025,696	6,414,549
Repayment of other loans	-	(1,606,746)
Repayment of loan notes	-	(750,000)
Interest paid	(26,493)	(292,367)
Increase in related undertaking loans	(6,295,665)	-
Net cash generated from financing activities	63,703,538	8,278,249
Net increase/(decrease) in cash and cash equivalents	66,613,647	(75,505)
Cash and cash equivalents at beginning of year/period	1,269,536	1,345,041
Cash and cash equivalents at the end of year/period	67,883,183	1,269,536

ICONICHEM GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash and cash equivalents at the end of year/period comprise:		
Cash at bank and in hand	67,883,183	1,269,536

The company is a qualifying entity for the purposes of FRS 102 and has elected to take the exemption under paragraph 1.12(b) of FRS 102 not to present the company statement of cash flows.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	1,269,536	66,613,647	67,883,183
Shareholder loans	(6,127,362)	(70,025,696)	(76,153,058)
	<u>(4,857,826)</u>	<u>(3,412,049)</u>	<u>(8,269,875)</u>

The notes on pages 19 to 35 form part of these financial statements.

ICONICHEM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

ICoNiChem Group Limited, registered number: 09745318, presents its financial statements for the year ended 31 December 2021.

The company is a private company, limited by shares and is registered in England. The address of the registered office is Moss Bank Road, Widnes, Cheshire, WA8 0RU.

The principal activity of the group continued to be that of the manufacture and supply of inorganic compounds.

The principal activity of the company continued to be that of a holding company.

The presentation currency for the financial statements is Pound Sterling (£) as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

A summary of the group's accounting policies, which have been consistently applied, are set out below:

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

Investment

The Board are of the view that they are unable to exercise significant influence over the financial and operating policy decisions of its minority equity investment, Cuprumold Mining SA. As a result, the Board consider it appropriate to account for its interests as a basic financial instrument and carry these at cost less impairment on its company and consolidated balance sheet.

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of income and retained earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Going concern

The directors, along with the group's senior management team, have and are continuing to assess the business's impact of COVID-19 on all areas of the business. This includes ongoing discussions with all of the business's internal and external key stakeholders. As part of this process, the directors have been assessing the likely trading levels of the group over the foreseeable future and evaluating the availability of both financial and non-financial resources to ensure the group continues to trade profitably and without material disruption. As a result, and with careful and cautious management, the directors consider that the group will remain a profitable, cash generative business for the foreseeable future and have therefore prepared the accounts on a going concern basis.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Government grants

The UK government has offered a range of financial support packages to help companies, including government back financing arrangements, furlough schemes and deferment of VAT payment. Of the offered schemes, the company used the furlough scheme and deferral of VAT payments. The income from the furlough scheme has been recognised within 'Other operating income'. It is recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2.6 Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the statement of income and retained earnings.

2.7 Finance costs

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.9 Pensions

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

The contributions are recognised as an expense in statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

2.12 Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where management are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is deferred and amortised over the period during which the group is expected to benefit. This period is between three and five years. Provision is made for any impairment.

2.13 Tangible fixed assets

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

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

Freehold buildings	- 20 years
Plant & machinery	- 5 -10 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.18 Financial instruments

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

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

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

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

2.19 Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.20 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.21 Current and deferred taxation

Current tax is recognised as the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rules and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Turnover

The whole of the turnover is attributable to the principal activity of the group.

Analysis of turnover by country of destination:

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
United Kingdom	2,121,418	125,524
Rest of Europe	44,705,895	11,529,077
Rest of The World	31,073,667	12,748,050
	<u>77,900,980</u>	<u>24,402,651</u>

4. Other operating income

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Release of investment contingent consideration	-	372,508
Discount on loan note repayment	-	150,000
Government grants receivable	49,336	179,141
	<u>49,336</u>	<u>701,649</u>

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Foreign currency exchange translation differences	575,596	138,951
Depreciation of tangible fixed assets	480,000	360,000
Share based payment	-	15,600
Research & development costs	(14,482)	106,873
Impairment of negative goodwill	-	306
	<u> </u>	<u> </u>

6. Auditor's remuneration

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Fees payable to the group's auditor for the audit of the group's annual financial statements	<u>24,500</u>	<u>16,100</u>
Fees payable to the group's auditor in respect of:		
All other services	<u>9,050</u>	<u>11,150</u>

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Employees

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

	Group	Group	Company	Company
	Year ended	9 month	Year ended	9 month
	31	period	31	period
	December	ended 31	December	ended 31
	2021	December	2021	December
	£	2020	£	2020
Wages and salaries	2,487,134	2,022,455	-	-
Social security costs	245,870	162,054	-	-
Cost of defined contribution scheme	202,939	120,923	-	-
	<u>2,935,943</u>	<u>2,305,432</u>	<u>-</u>	<u>-</u>

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

	Year	9 month
	ended	period
	31	ended
	December	December
	2021	2020
	No.	No.
Administration	7	7
Production	59	58
	<u>66</u>	<u>65</u>

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Directors' remuneration

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Directors' emoluments	122,383	78,250
Company contributions to defined contribution pension schemes	8,800	4,748
	<u>131,183</u>	<u>82,998</u>

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

There are no employee share options. During the previous period two employees exercised share options, one of which is a director of the company.

9. Interest receivable

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Bank interest receivable	48,359	-
Other related undertaking interest receivable	27,483	-
Other interest receivable	11,254	-
	<u>87,096</u>	<u>-</u>

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Interest payable and similar expenses

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Bank interest payable	26,493	273,578
Loan note interest payable	-	18,789
	<u>26,493</u>	<u>292,367</u>

11. Taxation

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(136,842)	-
Effect of tax rate change on opening balance	(63,158)	-
Total deferred tax	<u>(200,000)</u>	<u>-</u>
Taxation on profit/(loss) on ordinary activities	<u>(200,000)</u>	<u>-</u>

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Taxation (continued)**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	Year ended 31 December 2021 £	9 month period ended 31 December 2020 £
Profit/(loss) on ordinary activities before tax	<u>4,000,094</u>	<u>(1,993,931)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	760,018	(378,847)
Effects of:		
Expenses not deductible for tax purposes	1,094	724
Differences between capital allowances and depreciation	(2,776)	5,695
Additional deferred tax asset recognised on losses	(136,842)	-
Tax losses (utilised)/created	(758,336)	443,205
Income not taxable	-	(70,777)
Effect of tax rate change of deferred tax asset opening balance	(63,158)	-
Total tax charge for the year/period	<u>(200,000)</u>	<u>-</u>

Factors that may affect future tax charges

The group has tax losses amounting to approximately £17.5m (2020 - £20.5m) available to offset against future trading profits.

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Tangible fixed assets**Group**

	Freehold land & buildings £	Plant & machinery £	Total £
Cost			
At 1 January 2021	996,530	4,949,790	5,946,320
Additions	-	1,190,244	1,190,244
At 31 December 2021	<u>996,530</u>	<u>6,140,034</u>	<u>7,136,564</u>
Depreciation			
At 1 January 2021	241,703	2,115,180	2,356,883
Charge for the year	<u>60,000</u>	<u>420,000</u>	<u>480,000</u>
At 31 December 2021	<u>301,703</u>	<u>2,535,180</u>	<u>2,836,883</u>
Net book value			
At 31 December 2021	<u>694,827</u>	<u>3,604,854</u>	<u>4,299,681</u>
At 31 December 2020	<u>754,827</u>	<u>2,834,610</u>	<u>3,589,437</u>

Included in freehold land & buildings is land with a net book value of £280,414 (2020 - £280,414) which is not depreciated.

The company had no tangible fixed assets as at 31 December 2021 (2020 - £Nil).

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Fixed asset investments**Company**

	Investments in subsidiary undertaking £	Investment £	Total £
Cost			
At 1 January 2021	4,234,598	-	4,234,598
Additions	-	268,070	268,070
At 31 December 2021	<u>4,234,598</u>	<u>268,070</u>	<u>4,502,668</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Registered office	Class of shares	Holding
ICoNiChem Widnes Limited	Moss Bank Road, Widnes, Cheshire, WA8 0RU	Ordinary	100%

The above investment is an equity investment in Cupromold (see note 24).

14. Stocks

	Group 2021 £	Group 2020 £
Raw materials	7,763,927	1,085,197
Work in progress	2,576,229	1,233,907
Finished goods	4,373,616	1,441,362
	<u>14,713,772</u>	<u>3,760,466</u>

Stock is stated after an impairment of £Nil (2020 - £65,791) at the year/period end.

The company had no stocks as at 31 December 2021 (2020 - £Nil).

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	13,571,928	5,493,161	-	-
Amounts owed by group undertakings	-	-	6,873,867	6,881,667
Amounts owed by a related undertaking (note 24)	6,295,665	-	6,295,665	-
Other debtors	1,254,511	480,560	16,042	-
Prepayments and accrued income	119,940	202,907	-	-
Deferred taxation (note 18)	400,000	200,000	-	-
	<u>21,642,044</u>	<u>6,376,628</u>	<u>13,185,574</u>	<u>6,881,667</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Shareholder loans (note 17)	76,153,058	6,127,362	76,153,058	6,127,362
Trade creditors	1,460,860	1,243,251	-	-
Other taxation and social security	80,717	572,772	-	-
Amounts owed to associated undertakings (note 24)	20,106,974	-	-	-
Other creditors and accruals	210,821	458,456	15,150	-
	<u>98,012,430</u>	<u>8,401,841</u>	<u>76,168,208</u>	<u>6,127,362</u>

Amounts owed to associated undertakings are unsecured, interest free and repayable on demand.

17. Loans

Analysis of the maturity of loans is given below:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due within one year				
Shareholder loans	<u>76,153,058</u>	<u>6,127,362</u>	<u>76,153,058</u>	<u>6,127,362</u>

The shareholder loans are interest free, unsecured and repayable on demand.

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Deferred taxation**Group**

	2021 £	2020 £
At 1 April 2020	200,000	200,000
Charged to profit or loss	200,000	-
At 31 December 2020	400,000	200,000

The deferred tax asset is made up as follows:

	Group 2021 £	Group 2020 £
Tax losses carried forward	400,000	200,000

19. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
5,000,000 (2020 - 5,000,000) Ordinary shares of £1.00 each	5,000,000	5,000,000

20. Reserves**Profit and loss account**

The profit and loss account represents cumulative profits and losses of the group and company.

21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge for the year/period represents contributions payable by the group to these funds and amounted to £202,939 (period ended 31 December 2020 - £120,923). There were no accrued pension contributions included within creditors at the year/period end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

22. Commitments under operating leases

At 31 December 2021 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £
Not later than 1 year	15,600	15,600
Later than 1 year and not later than 5 years	46,800	62,400
	<u>62,400</u>	<u>78,000</u>

23. Other financial commitments

At 31 December 2021 the group had future commitments to purchase stock amounting to £1,246,028 (2020 - £2,451,951).

24. Related party transactions

The group has taken advantage of the exemption conferred by Section 33 of Financial Reporting Standard 102 not to disclose transactions with other group entities whose voting rights are 100% controlled within the group.

The directors are considered to be the only key management personnel, as they have the authority and responsibility for planning, directing and controlling the activities of the group.

Shareholder loans are advanced to the company in equal proportions by the current shareholders. The amount outstanding as at the year/period end amounted to £76,153,058 (2020 - £6,127,362). No interest is charged on these loans and there are no agreed repayment terms.

During the year an amount of £6,268,182 (2020 - £Nil) was advanced to Cuprumold Mining SA, a corporate entity incorporated in Romania, in which the company has a minority equity investment. At the year end, included within debtors is an amount due from Cuprumold Mining SA amounting to £6,295,665 (2020 - £Nil). Interest accrued on this balance amounted to £27,483 (2020 - £Nil) during the year/period.

During the year purchases amounting to £30,329,697 (2020 - £Nil) were acquired from Eti Bakir AS, an associated undertaking under the same beneficial ownership as the Group. At the year end an amount of £20,106,974 (2020 - £Nil) was due to Eti Bakir AS. This balance is interest free and unsecured.

25. Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessments.

ICONICHEM GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

26. Controlling party

The directors are of the opinion that there is no person with significant control.