

Amala Foods PLC

**Financial Report
For the Period Ended 30 September 2024
(Unaudited)**

AMALA FOODS PLC
FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)

REPORT OF THE DIRECTORS

The Directors present the report together with the interim financial statements for the Company for the period ended 30 September 2024.

The Company

Amala Foods Plc is registered (registered number 121041) and domiciled in Jersey. It was incorporated on 11 April 2016.

Principal Activity and Business Review

The Company's principal activity during the period ended 30 September 2024 was that of identifying potential companies, businesses or asset(s) for acquisition. The Directors are actively seeking new opportunities that will lead to a reverse takeover.

Results and Dividends

The results of the Company for the period ended 30 September 2024 show a loss before taxation of £95,254 (30 September 2023: £39,602).

The Directors do not recommend payment of a dividend for the period ended 30 September 2024 (30 September 2023: nil).

Principal Risks and Uncertainties

The principal business risks that have been identified are as below.

Transaction Risk

There is no guarantee that the potential transaction with Healthcare Medical Plus Pte Ltd will result in a reverse takeover. Even if a transaction is successful, there is no guarantee that the Directors will be successful in managing the new business and derive the value that is hoped for. Should a transaction not be completed, then the Directors will need to invest further time and resources in identifying another suitable target company and raise further funds.

Funding Risk

The Company has not yet achieved profitability and is therefore reliant on periodically raising finance to fund its expenditure. There can be no guarantees that additional capital will be available when required. The Company has not raised any additional funding during the year ended 31 March 2024. Further capital may be required prior to achieving a reverse takeover and there is no guarantee that further capital will be available when required or that further capital will be available to fund an enlarged group after the completion of a transaction. The Directors have taken steps to conserve cash including not receiving any remuneration until there is a successful reverse takeover.

Key Personnel Risk

The Company is dependent on the experience and abilities of its Directors. Whilst the Company does not expect any of the Directors to leave the Company, if such individuals were to leave the Company, and the Company was unable to attract suitable experienced personnel, it could have a negative impact on the future prospects of the Company. The Directors are confident that in the event a Director leaves the Company a suitable replacement could be quickly identified.

Events after the Reporting Period

Refer to Note 20 to the interim financial statements.

Company Directors (served during the period)

	Position	Appointment Date	Audit Committee	Remuneration Committee
Jonathan Morley-Kirk	Non-Executive Chairman	16 April 2016	✓	✓
Aidan Bishop	Executive Director	16 April 2016	✓	—
Celia Li	Non-Executive Director	17 March 2023	—	✓

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Share Capital

At 30 September 2024 the issued share capital of the Company stood at 466,920,137 (30 September 2023: 466,920,137) (refer to Note 15).

This Directors' Report was approved by the Board of Directors on 19 December 2024 and is signed on its behalf.

By Order of the Board

Jonathan Morley-Kirk
Chairman
Date 19 December 2024

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STATEMENT OF COMPREHENSIVE LOSS

For the periods ended 30 September 2024 and 2023, and year ended 31 March 2024

	Note	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Administrative expense	8	(49,054)	(39,602)	(233,585)
Impairment expense	13	—	—	(101,189)
Operating loss		(49,054)	(39,602)	(334,774)
Loan note interest	12	(46,200)	—	(89,843)
Loss before taxation		(95,254)	(39,602)	(424,617)
Income tax expense	9	—	—	—
Loss after taxation		(95,254)	(39,602)	(424,617)
Loss per share:				
Basic and diluted loss per share	15	(0.0002)	(0.0001)	(0.0007)

The accompanying accounting policies and notes form an integral part of these accounts.

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STATEMENT OF FINANCIAL POSITION

As at 30 September 2024 and 2023, and 31 March 2024

	Note	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Current assets				
Loan receivable, net	10	—	101,189	—
Cash at bank	11	19,677	209,742	98,794
		19,677	310,931	98,794
Current liabilities				
Trade and other payables	14	(252,772)	(74,570)	(247,448)
Borrowings	12	(1,092,569)	(1,092,569)	(1,092,569)
		(1,345,341)	(1,167,139)	(1,340,017)
Net liabilities		(1,325,664)	(856,208)	(1,241,223)
Deficit				
Issued share capital	15	6,568,640	6,568,640	6,568,640
Accumulated losses		(8,174,249)	(8,085,952)	(8,089,808)
Other reserves	19	279,945	661,104	279,945
Total deficit		(1,325,664)	(856,208)	(1,241,223)

The accompanying accounting policies and notes form an integral part of these accounts.

These accounts were approved and signed by the Chairman.

Jonathan Morley-Kirk
Chairman
Date 19 December 2024

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STATEMENT OF CHANGES IN EQUITY

For the periods ended 30 September 2024 and 2023, and year ended 31 March 2024

	Share capital £	Accumulated losses £	Other reserves £	Total deficit £
At 31 March 2023	6,488,490	(8,046,350)	661,098	(896,762)
Loss for the period	—	(39,602)	—	(39,602)
Total comprehensive loss for the period	—	(39,602)	—	(39,602)
Issue of new ordinary shares (net)	80,150	—	—	80,150
Shares to be issued reserve	—	—	6	6
Total transactions with owners	80,150	—	6	80,156
At 30 September 2023	6,568,640	(8,085,952)	661,104	(856,208)
Loss for the period	—	(385,015)	—	(385,015)
Total comprehensive loss for the period	—	(385,015)	—	(385,015)
Cancelled share warrants	—	381,159	(381,159)	—
Total transactions with owners	—	381,159	(381,159)	—
At 31 March 2024	6,568,640	(8,089,808)	279,945	(1,241,223)
Loss for the period	—	(95,254)	—	(95,254)
Total comprehensive loss for the period	—	(95,254)	—	(95,254)
Correction for the overstatement of accrued audit fees in the prior period	—	7,480	—	7,480
Correction for the overstatement of interest expense recognised in the prior period	—	3,333	—	3,333
Total prior period adjustments	—	10,813	—	10,813
At 30 September 2024	6,568,640	(8,174,249)	279,945	(1,325,664)

The accompanying accounting policies and notes form an integral part of these accounts.

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CASH FLOW STATEMENT

For the periods ended 30 September 2024 and 2023, and year ended 31 March 2024

	Note	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Cash flows from operating activities				
Loss before tax for the period		(95,254)	(39,602)	(424,617)
Adjustments for:				
Impairment expense	13	—	—	101,189
Finance cost		—	—	6
Movement in trade and other payables		16,137	(68,873)	103,999
Net cash used in operating activities		(79,117)	(108,475)	(219,423)
Net decrease in cash at bank		(79,117)	(108,475)	(219,423)
Cash at bank at start of period		98,794	318,217	318,217
Cash at bank at end of period	11	19,677	209,742	98,794

There were no significant non-cash transactions relating to the settlement of financial liabilities in the period ended 30 September 2024. On 18 April 2023, the Company settled its borrowings to Riverfort amounting to £80,150 by converting the borrowings to 23,299,314 shares at £0.00344 per share (refer to Note 15).

The accompanying accounting policies and notes form an integral part of these accounts.

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NOTES TO THE ACCOUNTS

For the period ended 30 September 2024

1. GENERAL INFORMATION

Amala Foods Plc ('Company') is a public company limited by shares. It was incorporated on 11 April 2016 and is registered (registered number 121041) and domiciled in Jersey. The Company's ordinary shares are listed on the main market of the London Stock Exchange (reference DISH).

2. BASIS OF PREPARATION AND ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The interim financial statements of the Company have been prepared in accordance with UK-adopted international accounting standards ('UK-Adopted IASs') and the requirements of the Companies (Jersey) Law 1991.

The interim financial statements have been prepared on a historical cost basis, except for certain financial instruments that are carried at amortised cost.

The preparation of interim financial statements in accordance with International Financial Reporting Standards ('UK-Adopted IASs') requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the interim financial statements, are disclosed in Note 3.

The interim financial statements are prepared in sterling ('£'), which is the functional currency of the Company. Monetary amounts in these interim financial statements are rounded to the nearest £, except when otherwise indicated.

2.1 In issue and effective for years commencing on 01 October 2023

The International Accounting Standards Board ('IASB') issued various amendments and revisions to IFRS and IFRIC interpretations. The amendments and revisions were applicable for the period ended 30 September 2024 but did not result in any material changes to the interim financial statements of the Company.

Of the other IFRS and IFRIC amendments, none are expected to have a material effect on the future Company's interim financial statements.

2.2 Standards in issue but not yet effective

At the date of approval of these interim financial statements, the following standards and interpretations which have not been applied in these interim financial statements were in issue but not effective:

Standard	Impact on initial application	Effective date
IAS 7	Supplier Finance Arrangements	January 1, 2024
IFRS 16	Lease Liability in a Sale and Leaseback	January 1, 2024
IAS 1	Non-current Liabilities with Covenants	January 1, 2024

The Directors do not believe that the implementation of new standards, amended standards and interpretations issued but not yet effective and have not been early adopted early will have a material impact once implemented in future periods.

2.3 Going Concern

The Company has the following loans, which total £1,092,569 at 30 September 2024 (30 September 2023: £1,092,569):

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Loan from other parties	1,092,569	1,092,569	1,092,569

The Company incurred a loss of £95,254 (30 September 2023: £39,602). At 30 September 2024, the cash held was £19,677 (30 September 2023: £209,742) and the Company had current liabilities of £1,345,341 (30 September 2023: £1,167,139).

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On 22 September 2023, the Company entered into an Amendment and Restatement of the Deed of Standstill with Riverfort Global Opportunities PCC Limited ('Riverfort') to reprofile outstanding debt to an amount of £707,569 (amended further after year end to £707,719), that would convert to shares at the re-admission price upon a Reverse Takeover and that no interest will accrue and all existing warrants will be cancelled upon a Reverse Takeover (amended further after year end to have all existing warrants cancelled with effect from 22 September 2023).

The Company raised £405,000 in Convertible Loan Notes in the prior year that would largely be used to fund a transaction leading to a Reverse Takeover. These Convertible Loan Notes are automatically converted into shares upon a Reverse Takeover. However, given that the repayment dates for these Convertible Loan Notes have passed, the holders of the convertible loan notes may call upon cash payments should there be no Reverse Takeover.

Having prepared and reviewed the cashflow forecasts, the Directors have ascertained that the due dates of repayment of the Convertible Loan Notes of £405,000 are passed due and so they could be called-in to be paid in cash in the next 12 months. The Directors are confident that should the convertible loan notes, in part or in full, require repayment then they would be able to raise sufficient funds to be able to make such repayments whilst still funding the Company's forecasted expenditure. They are also confident of a transaction occurring and therefore the share conversion option of the convertibles presenting the best value opportunity to holders. The Company is undertaking a reverse takeover process with Healthcare Medical Plus Pte, however, as completion of a reverse takeover by the required dates and thus avoiding cash repayment of the convertible loan notes is not guaranteed and given the requirement to raise further funds in such an event during the next 12 months, they acknowledge that a material uncertainty relating to going concern exists.

The accounts have therefore been prepared on a going concern basis. The auditors make reference to going concern by way of a material uncertainty within their audit report.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND SOURCES OF ESTIMATION UNCERTAINTY

Certain amounts included in the accounts involve the use of judgement and/or estimation. These are based on the management's best knowledge of the relevant facts and circumstances, having regard to prior experience. However, judgements and estimations regarding the future are a key source of uncertainty and actual results may differ from the amounts included in the accounts. Information about judgements and estimations is contained in the accounting policies and/or other notes to the accounts. The key areas are summarised below.

3.1 Share-based payments

Judgement is required when determining the fair value of options and warrants issued under the scope of IFRS 2 (refer to Note 18) as a number of the inputs are subjective.

3.2 Impairment of financial assets

Allowance for ECLs is maintained at a level considered adequate to provide for uncollectible receivables. ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions. The Company has used relevant historical information and loss experience to determine the probability of default of the financial assets and incorporated forward-looking information based on certain macroeconomic factors such as gross domestic product and inflation rate, including significant changes in external market indicators, which involved significant estimates and judgements.

The amounts advanced to Terra Rara (UK) Ltd have been classified as loan receivable under IFRS 9 and therefore the Directors have to consider the recoverable value of this balance by applying the expected credit loss approach. The Directors assessed that given the reverse takeover did not proceed it was unlikely that the loan would be recovered (Refer to Note 13).

3.3 Post year-end settlement of convertible loan notes

The convertible loan notes issued prior to 30 September 2024 are due for repayment in cash within 6 months of the approval date of these interim financial statements should a reverse takeover not take place by the dates noted within the underlying agreements.

Should the reverse takeover not take place by the specified dates, the Directors make a judgement that the Company would be able to settle the convertible loan notes in cash by deferring payment until such a point that they were able to raise the requisite funds.

4. ACCOUNTING POLICIES

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

4.1 Income taxes

Current income tax liabilities comprise those obligations to fiscal authorities in the countries in which the Company carries out operations and where it generates its profits. They are calculated according to the tax rates and tax laws applicable to the financial period and the country to which they relate. All changes to current tax assets and liabilities are recognised as a component of the tax charge in the statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amount of assets and liabilities in the consolidated accounts with their respective tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects taxes or accounting profit. Deferred tax liabilities are provided for in full.

Deferred tax assets are recognised when there is sufficient probability of utilisation. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

4.2 Financial assets

Financial assets are classified as either financial assets at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss depending upon the business model for managing the financial assets and the nature of the contractual cash flow characteristics of the financial asset.

A loss allowance for expected credit losses is determined for all financial assets, other than those at fair value through profit or loss ('FVPL'), at the end of each reporting period. The Company applies a simplified approach to measure the credit loss allowance for trade receivables using the lifetime expected credit loss provision.

The lifetime expected credit loss is evaluated for each trade receivable taking into account payment history, payments made subsequent to year end and prior to reporting, past default experience and the impact of any other relevant and current observable data. The Company applies a general approach on all other receivables classified as financial assets. The general approach recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

4.3 Financial liabilities

Financial liabilities include convertible loans and trade and other payables. In the statement of financial position these items are included within current liabilities. Financial liabilities are recognised when the Company becomes a party to the contractual agreements giving rise to the liability. Interest-related charges are recognised as an expense in finance costs in the income statement unless they meet the criteria of being attributable to the funding of construction of a qualifying asset, in which case the finance costs are capitalised.

Trade and other payables and convertible loans are recognised initially at their fair value and subsequently measured at amortised costs using the effective interest rate, less settlement payments. Convertible loans issued in the year are classified as a financial liability as there is a contractual obligation to pay cash that the issuer cannot avoid, the exceptions in IAS 32.16A-D are not met and it is not a derivative.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or have expired.

4.4 Segmental reporting

An operating segment is a component of the Company engaged in revenue generation activity that is regularly reviewed by the Chief Operating Decision Maker ('CODM') for the purposes of allocating resources and assessing financial performance. The CODM is considered to be the Board of Directors.

The Company's operating segments are based on geographical location and determined solely as Jersey (refer to Note 5 of the interim financial statements).

4.5 Share capital and unissued share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity and have no par value. Costs directly associated with the issue of shares are charged to share capital.

Where the Company has a contractual right to issue a fixed number of shares to settle a fixed liability it recognises unissued share capital pending the issue of shares.

Treasury shares are held by the Company at no par value and are adjusted through share capital for receipts and disbursements.

4.6 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

The functional currency of the Company is GBP in the reporting period as it is the currency which most affects the Company's revenue, costs and financing. The Company's presentation currency is the GBP.

4.7 Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short term highly liquid investments and are measured at cost which is deemed to be fair value as they have short-term maturities.

4.8 Share-based payments and valuation of share options and warrants

The calculation of the fair value of equity-settled share-based awards requires assumptions to be made regarding future events and market conditions. These assumptions include the future volatility of the Company's share price. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards.

Where employees, directors or advisers are rewarded using share-based payments, the fair value of the employees', directors' or advisers' services are determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the date of grant and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). In some instances, warrants issued in association with the issue of convertible loan notes also represent share-based payments and a share-based payment charge is calculated for these instruments.

In accordance with IFRS 2, a charge is made to the statement of comprehensive income for all share-based payments including share options based upon the fair value of the instrument used. A corresponding credit is made to other reserves, in the case of options/warrants awarded to employees, directors, advisers and other consultants.

If service conditions or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options/warrants expected to vest. Non-market vesting conditions are included in assumptions of the number of options/warrants that are expected to become exercisable, and hence reflected in the share-based payment charge.

Estimates are subsequently revised, if there is any indication that the number of share options/warrants expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in prior periods if the number of share options ultimately vest differs from previous estimates.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued, are allocated to share capital.

Where share options are cancelled, this is treated as an acceleration of the vesting period of the options. The amount that otherwise would have been recognised for services received over the remainder of the vesting period is recognised immediately within the statement of comprehensive income.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair value.

4.9 Earnings per share

Basic earnings per share is calculated as profit or loss attributable to equity holders of the company for the period, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares.

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4.10 Convertible loan notes

Convertible loan notes are financial instruments issued as debt that give the holder an option to convert the notes into fixed number of shares at a predetermined price. Upon issuance, the convertible loan notes are recognised as a financial liability at fair value net of transaction costs directly attributable to the issuance. The liability is subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in the profit and loss account over the term of the note. Upon conversion of the loan note into shares, the carrying amount of the liability is transferred to share capital. No gain or loss is recognised on conversion. Any modifications to the terms of the convertible loan notes are assessed to determine if the modification results in derecognition or if it is accounted for as a modification of the existing liability. If the convertible notes are not converted at or before maturity they are settled in cash as per the terms of the agreement resulting in the extinguishment of the liability.

5. SEGMENTAL REPORTING

The Company's operating segments are based on geographical location and determined solely as Jersey and given the nature of the Company and its operations during the period there is no segmental reporting to disclose other than the information already disclosed within the primary statements.

6. LOSS FOR THE PERIOD BEFORE TAX

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Loss before taxation has been arrived at after charging:			
Auditor's remuneration	—	—	37,400
Write-off of Terra Rara UK advance receivable	—	—	(101,189)

7. REMUNERATION

7.1 Remuneration of management personnel and employees

In accordance with IAS 24 – Related party transactions, all executive and non-executive directors, who are the company's key management personnel, are those persons having authority and responsibility for planning, directing and controlling the activities of the company. Details of Directors remuneration is outlined in the report of the directors. There were no Directors' emoluments for the periods ended 30 September 2024 and 2023.

The Directors have agreed to waive the right to receive or accrue any and all outstanding remuneration or any unissued equity prior to the completion of a successful reverse takeover.

7.2 Average number of employees

The average number of employees during the period was made up as follows:

	30 Sep 2024 (unaudited)	30 Sep 2023 (unaudited)	31 Mar 2024 (audited)
Directors	3	3	3
Average number of employees during the period	3	3	3

7.3 Auditor's remuneration

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Audit fees during the period	—	—	37,400
Total audit fees	—	—	37,400

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8. ADMINISTRATIVE EXPENSES

The administrative expenses of the Company consist of:

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Administrative expenses	43,174	35,602	89,554
Research	5,402	4,000	9,151
Bank charges	478	—	—
Audit fees	—	—	79,880
Legal fees	—	—	55,000
Total administrative expenses	49,054	39,602	233,585

9. TAXATION

The Company is taxed at the standard rate of income tax for Jersey companies which is 0%. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. There were no current and deferred tax charges for the periods ended 30 September 2024 and 30 September 2023.

The tax charge for the period can be reconciled to the loss per the statement of comprehensive loss as follows:

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Loss before taxation	(95,254)	(39,602)	(424,617)
Jersey Corporation Tax at 0%	—	—	—
Total tax charge*	—	—	—

*No deferred tax asset has been recognised as Jersey having a 0% corporation tax, which means there are no unutilised tax losses.

10. LOAN RECEIVABLE, NET

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Loan receivable, net*	—	101,189	—
Balance at end of period	—	101,189	—

*See Note 13 below

11. CASH AT BANK

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Cash at bank	19,677	209,742	98,794
Balance at end of period	19,677	209,742	98,794

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12. BORROWINGS

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Borrowings	1,092,569	1,092,569	1,092,569
Balance at end of period	1,092,569	1,092,569	1,092,569

Included in the borrowings is £707,569 (30 September 2023: £707,569) relating to short-term loan with Riverfort to be used for working capital purposes with an interest rate of 7.5%. The repayment terms were renegotiated on 22 September 2023 to reprofile the outstanding debt on the basis that no interest will be accrued until the earlier of a successful reverse takeover or the termination of a proposed takeover or the date falling 6 months from the date of the agreement. Upon a successful takeover, the debt would reduce to £690,000. However, following the lapse of the 6 months of the renegotiated terms on 23 March 2024, no successful reverse takeover had taken place at the balance sheet date. Consequently, the repayment terms were further renegotiated on 16 June 2024, to reprofile the outstanding debt to further freeze the accrual of interest effective 23 September 2023 until a successful reverse takeover at which time the debt will be reduced to £610,000. All existing warrants granted pursuant to the facility agreement were cancelled with effect from 22 September 2023 (see note 18).

The interest expense incurred for the borrowings amounted to £46,200 (30 September 2023: nil).

13. EXPECTED CREDIT LOSSES

The advances made to Terra Rara UK Ltd were for costs associated with a potential reverse takeover. On 23 February 2024, the Directors of the Company agreed to write-off the advances made to Terra Rara UK Ltd amounting to £101,189 due to the decision taken not to pursue the potential transaction.

The Company's impairment losses consist of:

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Write-off of advance receivable, net - Terra Rara UK Ltd.	—	—	101,189
Balance at end of period	—	—	101,189

14. TRADE AND OTHER PAYABLES

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Trade payables	99,067	74,570	74,600
Accruals	153,705	—	172,848
Balance at end of period	252,772	74,570	247,448

Trade payables pertain to non-interest bearing liabilities arising from the purchases of services from third party suppliers.

No interest is charged on the trade payables.

Accrued expenses consist mainly of accrual for audit fees which are normally settled within the year and the accrual for interest on the Convertible Loan Notes.

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15. SHARE CAPITAL

15.1 Share capital

		30 Sep 2024 (unaudited) Amount £		30 Sep 2023 (unaudited) Amount £		31 Mar 2024 (audited) Amount £
	Shares*		Shares*		Shares*	
Opening balance	466,920,137	6,568,640	443,620,823	6,488,490	443,620,823	6,488,490
Ordinary shares (new shares issued during the period)	—	—	23,299,314	80,150	23,299,314	80,150
Balance at end of period	466,920,137	6,568,640	466,920,137	6,568,640	466,920,137	6,568,640

*Number of shares issued and fully paid

The shares have no par value. At 30 September 2024 and 2023, the Company held 19,607,383 treasury shares.

15.2 Earnings per share

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Basic and diluted loss per share	(0.0002)	(0.0001)	(0.0007)
Loss used to calculate basic and diluted earnings per share	(95,254)	(39,602)	(334,774)
Weighted average number of shares used in calculating basic and diluted earnings per share	466,920,137	464,615,809	465,767,973

Basic earnings per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding and shares to be issued during the period.

In 2024 and 2023, the potential ordinary shares were anti-dilutive as the Company was in a loss-making position and therefore the conversion of potential ordinary shares would serve to decrease the loss per share from continuing operations. Where potential ordinary shares are anti-dilutive, a diluted earnings per share is not calculated and is deemed to be equal to the basic earnings per share. The warrants and options noted in Note 18 could potentially dilute EPS in the future.

16. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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The following table analyses within fair value hierarchy the assets and liabilities (by class) not measured at fair value but for which fair value is disclosed.

Financial Assets

	30 Sep 2024 (unaudited) £		30 Sep 2023 (unaudited) £		31 Mar 2024 (audited) £	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Loan receivable, net	—	—	101,189	101,189	—	—
Cash at bank	19,677	19,677	209,742	209,742	98,794	98,794
Balance at end of period	19,677	19,677	310,931	310,931	98,794	98,794

Financial Liabilities

	30 Sep 2024 (unaudited) £		30 Sep 2023 (unaudited) £		31 Mar 2024 (audited) £	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Trade and other payables	252,772	252,772	74,570	74,570	247,448	247,448
Borrowings	1,092,569	1,092,569	1,092,569	1,092,569	1,092,569	1,092,569
Balance at end of period	1,345,341	1,345,341	1,167,139	1,167,139	1,340,017	1,340,017

17. RELATED PARTY TRANSACTION

There are no related party transactions to be disclosed for the period ended 30 September 2024.

18. SHARE OPTIONS AND WARRANTS

18.1 Share warrants

Warrants are denominated in Sterling and are issued for services provided to the Company or as part of the acquisition of a subsidiary.

On 22 September 2023, all existing warrants granted pursuant to the agreement with Riverfort were cancelled.

For the period ended 30 September 2024, the Company recognised no share-based payments expenses.

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The movement of share warrants is as follows:

Exercise price	No. issued	No. exercised	No. cancelled	No. outstanding and exercisable	Expiry date
<u>Issued in the year ended 31 March 2021</u>					
1.35p	4,324,320	—	—	4,324,320	19 October 2023
1.10p	5,404,400	—	—	5,404,400	19 November 2023
<u>Issued in the year ended 31 March 2022</u>					
1.15p	43,478,260	—	—	43,478,260	16 July 2025
<u>Cancelled in the period ended 30 September 2023</u>					
1.35p	—	—	(4,324,320)	(4,324,320)	19 October 2023
1.10p	—	—	(5,404,400)	(5,404,400)	19 November 2023
1.15p	—	—	(43,478,260)	(43,478,260)	16 July 2025
Balance at end of period	53,206,980	—	(53,206,980)	—	

18.2 Share options

Under the provisions of IFRS 2 a charge is recognised for those share options and awards under the share plan issued. The estimate of the fair value of the services received is measured based on the Black-Scholes model for share options granted under the executive and discretionary share option schemes.

The Company recognised a nil share-based payments charge in the period ended 30 September 2024 in respect of options issued in previous period (30 September 2023: nil).

The Company's options have been cancelled or lapsed as at 30 September 2024.

18.3 Share awards

In the year ended 31 March 2019, the Company entered into an agreement with a number of employees to issue a total of 599,156 shares at a price equal to the admission price in two years' time should the employees are still be employed by the Company.

Although due, the shares had not been issued to those employees as at 30 September 2024 and 2023 and thus the fair value of these share awards is included within other reserves.

19. RESERVES

	30 Sep 2024 (unaudited) £	30 Sep 2023 (unaudited) £	31 Mar 2024 (audited) £
Warrants reserve	—	381,159	—
Shares to be issued reserve	279,945	279,945*	279,945
Balance at end of period	279,945	661,104	279,945

*The Directors agreed to not receive any remuneration due for the period prior to and during the suspension of the listing and until a transaction is completed that leads to a Reverse Takeover – £125,000 due to Directors is to be issued in equity at the readmission price, which is contingent on the successful Reverse Takeover.

20. EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the reporting period, up to the date of authorisation of these interim financial statements, that would require adjustment of, or disclosure in, the interim financial statements.