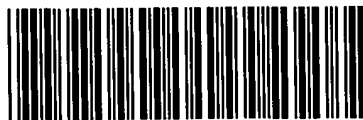


Company registration number 10687859 (England and Wales)

ALLOYED LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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ALLOYED LIMITED

COMPANY INFORMATION

Directors	W Goodlad Mr M Holmes M King K Nose Prof. R Reed K Marukawa C Freed
Company number	10687859
Registered office	Unit 15 Oxford Pioneer Park Mead Road Yarnton Oxfordshire OX5 1QU
Independent auditor	BDO LLP Arcadia House Maritime Walk - Ocean Village Southampton SO14 3TL



ALLOYED LIMITED

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ALLOYED LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Strategic and business review

The year to 31 March 2025 saw considerable progress towards the ultimate objective set out in the last strategic report: that of becoming the business to which the world comes for the design and manufacture of the most advanced metallic components and systems. Important milestones in this progress included:

- Engagement in potentially extended development programmes with two large multinational consumer businesses and one of the world's most important manufacturers of capital goods;
- Expansion of Alloyed's aerospace-certified production facility in Seattle with two new AM machines;
- Growing sales through its licensee Aubert & Duval of Alloyed's proprietary nickel alloy ABD@-900AM and pre-launch activities for the next alloy in this series, ABD@-1000AM;
- First higher-volume production of high-integrity, repeatable, magnesium AM components, a unique capability;
- Launch of a unit designing, fabricating, and testing complete microturbines in which the primary components are made by additive manufacture from nickel alloy ABD@-900AM.

Strategic context

Donald Trump's election greatly accelerated geopolitical trends already in evidence last year, and means the Company now operates in a very different environment to that it faced in its early years. Generally, these trends favour the Company, and, in particular, Alloyed benefits from the following:

European re-armament, and the demand for affordable mass

The Company's technologies, particularly the turbines it is developing, are extremely well suited to the rapid design and manufacture of lightweight, affordable aircraft.

Search for strategic sovereignty, tariffs, and the relocalisation of manufacture

At the core of Alloyed's vision and differentiation is a deep digital twinning which allows not just component designs but specific instructions given to AM machines to be distributed and give rise to equivalent components over multiple machines and multiple locations. The flexibility this provides is appealing in an environment of tariff and political uncertainty, and also provides an economic and rapid way for countries to create local manufacture and sourcing.

Maturing enthusiasm for AI

Since inception, Alloyed has used machine learning techniques in the models it uses for alloy design and component processing. Perceptive commentators on AI are realising that returns in AI are more likely to be allying foundations models developed at great expense elsewhere to proprietary expertise than in the purchase of vast quantities of compute.

ALLOYED LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial performance

In the last report, management set some broad expectations for financial performance over time: the Company will seek long-term growth in turnover of 50-100% a year, improve its underlying margin on mature projects by 10% each year, and grow its R&D and central costs at least 50% slower than turnover. Although these are long-term targets rather than targets it expects to hit each year, the 2024/2025 year did show conformance with these ambitions: the strategic progress mentioned was accompanied by revenue growth of 56% (revenue totalling £10.3m in 2024 and £16.2m in 2025) on operating cost growth of 12%, leading to a reduced operating loss of £10.1m compared to £12.7m in 2024 (Operating costs being the combination of cost of sales and administrative expenses). This reflects higher productivity of both capital and engineering resource over the year, with very little headcount growth. This itself is in part a function of increasing automation of core engineering processes, such correction for the distortion which naturally occurs when any metal component is made by any technique, and application of the Company's technology. Another factor was management's focus on cutting the tail of smaller customer projects, which has continued after the accounts date.

The lower rate of growth of cash costs relative to turnover, accompanied by stable capex had a positive impact on the amount of cash absorbed by operations, reducing by 20% to £5.0m. This reduction was offset by the delay in receiving the annual R&D tax rebate, meaning Net cash outflow from operating activities was stable year on year.

During the year, the Company raised a total of £37m through the issue of Series B shares, £10.5m of which was applied to convert convertible debt issued in 2023/24, and the remainder of which will serve the Company's expansion and working capital needs over calendar years 2025 and 2026, absent any need for large amounts of further capital to service unexpected growth opportunities. As well as providing capital, the round brought onto the Shareholder Register Aviva Investors and the Development Bank of Japan, two of the biggest financial institutions in the UK and Japan respectively, alongside Japanese venture capitalist Sparx and a number of well-connected private investors. In addition, an investment of £2.3m was made in NTTXAM marking the beginning of a new commercial partnership in Japan under which further expansion in Japan will be managed

Management is hopeful that the combination of a strong and increasingly comprehensive technology base, macroeconomic tailwinds, a healthy cash balance and strong investors will position the Company well for the next financial year.

Risks

The principal risks to the Company and Group include but are not limited to:

- **Funding risks:** Alloyed remains an early-stage company business reliant on venture funding, and this is likely to remain the case until at least 2026. Its investors, however, are large financial and corporate institutions which have been highly supportive of the business and, subject to the group achieving its growth ambitions, we anticipate their continuing financial support expecting to finance it through to break-even.
- **Commercial Credit risks:** Alloyed does not excessively rely on any customer, and its customer list is dominated by many of the largest companies in the world in the sectors in which Alloyed operates. As such, the risk of customer default is correspondingly low. This said, its progress to break-even does depend on continued growth of their custom, and this is subject, inter alia, to those customers own financial positions.
- **Technology risks:** Alloyed has a substantial and multi-component technology portfolio which is not subject to any over-riding project risks, and it is highly unlikely that the whole technology portfolio will be rendered obsolete or otherwise uncompetitive by any customer or competitor development. However, its current revenues relate substantially to laser powder bed fusion (a particular form of additive manufacture), and it is possible that "left-field" technologies could emerge which narrow the sectors to which laser powder bed fusion appeals. Further, individual projects do face specific technology risks which mean they may not meet the ambitions of Alloyed or the relevant customers.
- **Scale-up and manufacturing risks:** Alloyed will be subject to the practical, organisational, recruitment and logistical risks normally attendant on entry into volume manufacture.

ALLOYED LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025


• **Regulatory and certification risk:**

- During the year Alloyed has maintained AS9100D certification for its manufacturing operation in the United States and is in the process of extending this certification into the UK, indeed the manufacturing and distribution elements of the UK supply chain were certified in May 2025.
- The company has also divested its medical implants business along with the accompanying ISO-13485 certification.
- A growing minority of Alloyed's business is covered by US or UK export control regulation, and Alloyed will need to be scrupulous in the application of processes to prevent inadvertent contravention of this regulation. Alloyed currently conducts no business in countries which are the strategic adversaries of the countries in which it operates.

Other Financial risks include:

- **Cash Investment risks:** Alloyed banks with HSBC and Barclays and has opted to invest unused cash reserves in AAA rated money market funds in order to appropriately balance security while optimising investment returns.
- **Interest rate risk:** Alloyed currently finances the majority of its Additive manufacturing machine fleet through finance leasing, generally on five year fixed rate terms, mitigating any exposure to short term interest rate fluctuations.
- **Foreign Exchange rate risk:** Alloyed's major customers are US based, and invoiced in USD, creating a foreign exchange exposure. We have currently not engaged in hedging activities while the timing of the foreign currency income remains materially variable.

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



Mr M Holmes
Director

Date:12th December 2025.....

ALLOYED LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the or of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ALLOYED LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the group continued to be that of the licensing and sale of advanced alloys and alloy components, and the sale of services relating to those activities. It develops and operates a computational and experimental platform for the rapid design of new alloys, with a scope which it is expanding from its origins in nickel and titanium alloys for the aerospace and gas turbine sectors to a wider range of alloys for a number of industrial, medical, and consumer markets.

Branches

The group has two subsidiaries, one in Japan and one in the United States.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Dr F Adziman	(Resigned 26 November 2025)
W Goodlad	
Mr M Holmes	
M King	
K Nose	
Prof. R Reed	
K Marukawa	
Z Faizal-Khoo	(Resigned 21 May 2025)
C Freed	(Appointed 26 May 2025)

Research and development

SME qualifying Research and Development expenditure of £5,448,476 were incurred during the year (2024 - £4,943,760).

Auditor

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

Matters covered in the Strategic Report

The group's business activities, factors likely to affect its future development, performance and position and disclosure of the group's principal and financial risks are set out in the Strategic Report.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the group's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditor is aware of that information.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

ALLOYED LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

Michael Holmes

.....
Mr M Holmes
Director

Date:12th December 2025.....

ALLOYED LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLOYED LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2025 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Alloyed Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise Group profit and loss account, Group statement of comprehensive income, Group balance sheet, Company balance sheet, Group statement of changes in equity, Company statement of changes in equity, Group statement of cash flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and 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.

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 or 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.

ALLOYED LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ALLOYED LIMITED

Other information

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

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the 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 Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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, 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's 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 either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

ALLOYED LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ALLOYED 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be the applicable accounting framework.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Companies Act 2006, Corporate and VAT legislation, Employment Taxes, Health and Safety and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including revenue contracts in progress at year end.

ALLOYED LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ALLOYED LIMITED

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Alex Stansbury

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Alex Stansbury (Senior Statutory Auditor)
For and on behalf of BDO LLP,
Statutory Auditor
Southampton, UK

Date: 12 December 2025
Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

ALLOYED LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Continuing operations	Discontinued operations	31 March 2025	Continuing operations	Discontinued operations	31 March 2024 as restated
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	3	15,766	398	16,164	10,101	245	10,346
Cost of sales		(10,149)	(152)	(10,301)	(6,956)	(361)	(7,317)
Gross profit		5,617	246	5,863	3,145	(116)	3,029
Administrative expenses		(18,086)	(467)	(18,553)	(17,507)	(839)	(18,346)
Other operating income		2,577	-	2,577	2,592	-	2,592
Operating loss	6	(9,892)	(221)	(10,113)	(11,770)	(955)	(12,725)
Interest receivable and similar income	7	269	-	269	223	-	223
Interest payable and similar expenses	8	(657)	(1)	(658)	(1,042)	(4)	(1,046)
Amounts written off investments		-	-	-	86	30	116
Loss before taxation		(10,280)	(222)	(10,502)	(12,503)	(929)	(13,432)
Tax on loss		876	-	876	698	-	698
Loss for the financial year		(9,404)	(222)	(9,626)	(11,805)	(929)	(12,734)

Loss for the financial year is all attributable to the owners of the parent company.

ALLOYED LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	2025 £'000	2024 £'000
Loss for the year	(9,626)	(12,734)
Other comprehensive income		
Currency translation gain arising in the year	28	11
Total comprehensive loss for the year	<u>(9,598)</u>	<u>(12,723)</u>

Total comprehensive loss for the year is all attributable to the owners of the parent company.

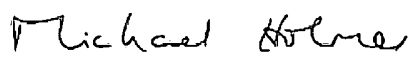
ALLOYED LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets			70		39
Tangible assets	11		9,352		10,132
Investments	12		2,342		-
			<u>11,764</u>		<u>10,171</u>
Current assets					
Stocks	15	1,170		1,086	
Debtors	16	4,629		3,538	
Cash at bank and in hand		8,111		3,459	
Investments: Cash held on deposit		18,733		6,500	
		<u>32,643</u>		<u>14,583</u>	
Creditors: amounts falling due within one year	17	(4,870)		(14,633)	
Net current assets/(liabilities)			<u>27,773</u>		<u>(50)</u>
Total assets less current liabilities			<u>39,537</u>		<u>10,121</u>
Creditors: amounts falling due after more than one year	18		(4,110)		(4,693)
Net assets			<u>35,427</u>		<u>5,428</u>
Capital and reserves					
Called up share capital	20		19		11
Share premium account			84,567		46,442
Other reserves			12,613		11,121
Profit and loss reserves			(61,772)		(52,146)
Total equity			<u>35,427</u>		<u>5,428</u>

The financial statements were approved by the board of directors and authorised for issue on 12th December 2025 and are signed on its behalf by:



Mr M Holmes
Director

Company registration number 10687859 (England and Wales)

ALLOYED LIMITED

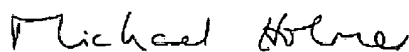
COMPANY BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets			71		40
Tangible assets	11		7,139		9,110
Investments	12		2,383		41
			<u>9,593</u>		<u>9,191</u>
Current assets					
Stocks	15	1,144		1,086	
Debtors	16	7,506		5,528	
Cash at bank and in hand		7,711		3,411	
Investments: Cash held on deposit		18,733		6,500	
		<u>35,094</u>		<u>16,525</u>	
Creditors: amounts falling due within one year	17	<u>(4,190)</u>		<u>(14,493)</u>	
Net current assets			<u>30,904</u>		<u>2,032</u>
Total assets less current liabilities			<u>40,497</u>		<u>11,223</u>
Creditors: amounts falling due after more than one year	18		<u>(3,047)</u>		<u>(4,304)</u>
Net assets			<u><u>37,450</u></u>		<u><u>6,919</u></u>
Capital and reserves					
Called up share capital	20		19		11
Share premium account			84,567		46,442
Other reserves			9,249		7,785
Profit and loss reserves			<u>(56,385)</u>		<u>(47,319)</u>
Total equity			<u><u>37,450</u></u>		<u><u>6,919</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £9,060,874 (2024 - £11,615,431).

The financial statements were approved by the board of directors and authorised for issue on 12th December 2025 and are signed on its behalf by:



Mr M Holmes
Director

Company registration number 10687859 (England and Wales)

ALLOYED LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £'000	Share premium account £'000	Share based payments reserve £'000	Currency translation reserve £'000	Profit and loss reserves £'000	Total £'000
As restated for the period ended 31 March 2024:							
Balance at 1 April 2023		11	46,442	8,123	(8)	(39,412)	15,156
Year ended 31 March 2024:							
Loss for the year		-	-	-	-	(12,734)	(12,734)
Other comprehensive income:							
Currency translation differences		-	-	-	11	-	11
Total comprehensive income		-	-	-	11	(12,734)	(12,723)
Share based payments charge		-	-	2,995	-	-	2,995
Balance at 31 March 2024		11	46,442	11,118	3	(52,146)	5,428
Year ended 31 March 2025:							
Loss for the year		-	-	-	-	(9,626)	(9,626)
Other comprehensive income:							
Currency translation differences		-	-	-	28	-	28
Total comprehensive income		-	-	-	28	(9,626)	(9,598)
Issue of share capital	20	8	38,125	-	-	-	38,133
Share based payments charge		-	-	1,464	-	-	1,464
Balance at 31 March 2025		19	84,567	12,582	31	(61,772)	35,427

ALLOYED LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £'000	Share premium account £'000	Share based payments reserve £'000	Impairment reserve £'000	Profit and loss reserves £'000	Total £'000
As restated for the period ended 31 March 2024:							
Balance at 1 April 2023		11	46,442	8,123	(3,333)	(35,704)	15,539
Year ended 31 March 2024:							
Loss and total comprehensive income for the year		-	-	-	-	(11,615)	(11,615)
Share based payment charge		-	-	2,995	-	-	2,995
Balance at 31 March 2024		11	46,442	11,118	(3,333)	(47,319)	6,919
Year ended 31 March 2025:							
Profit and total comprehensive income		-	-	-	-	(9,066)	(9,066)
Issue of share capital	20	8	38,125	-	-	-	38,133
Share based payment charge		-	-	1,464	-	-	1,464
Balance at 31 March 2025		19	84,567	12,582	(3,333)	(56,385)	37,450

ALLOYED LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Cash absorbed by operations	31	(4,974)	(6,198)
Interest paid		(378)	(355)
Income taxes (paid)/refunded		(8)	1,054
Net cash outflow from operating activities		(5,360)	(5,499)
Investing activities			
Purchase of intangible assets		(61)	(32)
Purchase of tangible fixed assets		(1,520)	(1,654)
Proceeds from disposal of tangible fixed assets		3	7
Purchase of investments		(2,342)	-
Interest received		269	223
Net cash used in investing activities		(3,651)	(1,456)
Financing activities			
Proceeds from issue of shares		26,841	-
Issue of convertible loans		1,000	9,500
Payment of finance leases obligations		(1,945)	(1,807)
Net cash generated from financing activities		25,896	7,693
Net increase in cash and cash equivalents		16,885	738
Cash and cash equivalents at beginning of year		9,959	9,221
Cash and cash equivalents at end of year		26,844	9,959
Cash and cash equivalents comprise:			
Cash at bank and in hand		8,111	3,459
Investments: cash held on deposit		18,733	6,500
		<u>26,844</u>	<u>9,959</u>

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Company information

Alloyed Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 15 Pioneer Park, Mead Road, Yarnton, Oxfordshire, OX5 1JT.

The group consists of Alloyed Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the group financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Investments in subsidiaries are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Alloyed Limited together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 March 2025. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Turnover

Turnover is stated net of sales/value added tax, returns, rebates and discounts. Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and it is recorded at the value of the consideration due. Where a contract has only been partially completed at the Balance Sheet date, turnover represents the value of work performed to the Balance Sheet date. The company uses the percentage of completion method based on the actual costs incurred as a percentage of the total projected costs. Where payments are received from customers in advance of services provided, these amounts are recorded as deferred income and included within creditors. Where services are provided before payments are received from customers, these amounts are recorded as accrued income and included within debtors. Where a contract has a projected loss, the full loss is recognised.

Turnover from the sale of goods is recognised on dispatch to the customer.

1.6 Research and development expenditure

Research and development expenditure is charged to the statement of comprehensive income in the period in which it is incurred. Research and development tax credits for small and medium enterprises are claimed on qualifying expenditure and are included within taxation in the statement of comprehensive income. Where unpaid, research and development tax credits are included as receivables at the year end can be demonstrated.

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 Intangible fixed assets other than goodwill

Patents and Software are shown at historical cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life of 3 years on a straight line basis, with trademarks, patents and licenses amortised over 5 years on a straight line basis. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks, patents & licences	20% straight line basis
Software	33% straight line basis
Website	33% straight line basis

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	33% straight line basis
Machinery	33% straight line basis
Computer and other office equipment	20% straight line basis
Computers and other office equipment	33% straight line basis
Assets under construction	Nil

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.10 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Other equity investments where the group and company are not considered to have a significant influence are initially measured at cost and subsequently measured at cost less accumulated impairment losses.

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first out (FIFO) method.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held with maturities of less than three months. Bank overdrafts are shown within borrowings in current liabilities.

1.14 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Convertible loan notes

Convertible loan notes are recognised wholly within liabilities on the basis that they convert into a variable number of shares. The liability is measured at fair value on the basis of the present value of the instruments to be issued in settlement. Any movements in fair value are recognised in profit and loss.

The coupon rate of interest and imputed interest relating to the discount to the share price provided to the loan note holders is recognised as a finance cost.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are receivable or deductible in other years and it further excludes items that are never receivable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Share-based payments

The parent company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. Options vest using the grading method from the date of grant. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated with reference to actual prices achieved in fundraising and business progress at the grant date, using the Black Scholes method. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. No options were exercised during the year. Non-exercised share options are held within other reserves.

As at 31 March 2025 2,748,052 (2024 -2,748,052) share options remain to be exercised.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.20 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.21 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.22 Foreign exchange

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses from the translation of the results of subsidiaries denominated in foreign currencies are recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Share based payments

The Directors determine the costs of the share-based payments plan on the basis of the equity instrument at grant date. Determining the fair value assumes choosing the most suitable valuation model, the Black Scholes model, for these equity instruments by which characteristics of the grant have a decisive influence. This assumes also the input into the valuation model of some relevant judgements like the estimated expected life of the option, volatility and share price.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Share based payments

The ordinary share price at the date of issue is a key estimate. In making this estimate, the directors consider that the ordinary share value equates to that of the preference shares and that share value increases accrue evenly between funding rounds. Had the directors determined that the ordinary shares had lower value than the preference shares, the share based payment charge would be lower.

Revenue contracts in progress at the year end

In estimating the extent to which turnover is to be recognised at the year end, the Directors make certain assumptions based on expected costs to complete the contracts in progress. Such assumptions have a significant impact on revenue, operating profit and accrued and deferred income.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2025 £'000	2024 £'000
Turnover analysed by class of business		
Contract development fees	11,365	7,523
License fees	74	47
Components	4,725	2,628
Powder	-	148
	<u>16,164</u>	<u>10,346</u>
	2025 £'000	2024 £'000
Other revenue		
Interest income	269	223
Royalty income	7	-
Grants received	2,570	2,368
	<u>2,846</u>	<u>2,591</u>

4 Auditor's remuneration

	2025 £'000	2024 £'000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	53	49
	<u>53</u>	<u>49</u>
For other services		
Other assurance services	16	15
	<u>16</u>	<u>15</u>

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2025 Number	2024 Number	Company 2025 Number	2024 Number
Engineering	88	84	85	81
Operations	49	41	46	40
Management & Administration	16	15	15	15
Total	<u>153</u>	<u>140</u>	<u>146</u>	<u>136</u>

Their aggregate remuneration comprised:

	Group 2025 £'000	2024 £'000	Company 2025 £'000	2024 £'000
Wages and salaries	10,818	11,395	10,127	10,916
Social security costs	959	888	959	888
Pension costs	806	717	806	717
	<u>12,583</u>	<u>13,000</u>	<u>11,892</u>	<u>12,521</u>

6 Operating loss

	2025 £'000	2024 £'000
Operating loss for the year is stated after charging/(crediting):		
Research and development costs	590	467
Government grants	(2,570)	(2,368)
Depreciation of owned tangible fixed assets	1,869	1,369
Depreciation of tangible fixed assets held under finance leases	2,073	1,936
(Profit)/loss on disposal of tangible fixed assets	(8)	96
Amortisation of intangible assets	30	26
Share-based payments	1,464	2,995
Operating lease charges	997	725
	<u> </u>	<u> </u>

7 Interest receivable and similar income

	2025 £'000	2024 £'000
Interest income		
Interest on bank deposits	269	223
	<u> </u>	<u> </u>

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7	Interest receivable and similar income	(Continued)	
		2025	2024
		£'000	£'000
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	269	223
		<u>269</u>	<u>223</u>
8	Interest payable and similar expenses	2025	2024
		£'000	£'000
	Interest on financial liabilities measured at amortised cost:		
	Interest on convertible loan notes	228	565
	Other finance costs:		
	Interest on finance leases and hire purchase contracts	378	355
	Foreign currency losses	52	126
		<u>378</u>	<u>355</u>
		<u>52</u>	<u>126</u>
	Total finance costs	<u>658</u>	<u>1,046</u>

9 Taxation

The corporation tax rate effective during the year is 25% (2024 - 25%).

Tax adjusted losses have been included within appropriate deferred tax calculations as disclosed in note 16. The effective tax rate for deferred tax is 25%.

The parent company has undertaken research and development tax credit claims resulting in an amount payable of £883k (2024 - £869k).

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Intangible fixed assets

Group	Goodwill	Trademarks, patents & licences	Software	Website	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	4,996	120	135	20	5,271
Additions - internally developed	-	-	61	-	61
At 31 March 2025	4,996	120	196	20	5,332
Amortisation and impairment					
At 1 April 2024	4,996	120	102	14	5,232
Amortisation charged for the year	-	-	24	6	30
At 31 March 2025	4,996	120	126	20	5,262
Carrying amount					
At 31 March 2025	-	-	70	-	70
At 31 March 2024	-	-	33	6	39
Company		Trademarks, patents & licences	Software	Website	Total
		£'000	£'000	£'000	£'000
Cost					
At 1 April 2024		120	135	20	275
Additions - internally developed		-	61	-	61
At 31 March 2025		120	196	20	336
Amortisation and impairment					
At 1 April 2024		120	101	14	235
Amortisation charged for the year		-	24	6	30
At 31 March 2025		120	125	20	265
Carrying amount					
At 31 March 2025		-	71	-	71
At 31 March 2024		-	34	6	40

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets

Group	Leasehold improvements	Assets under construction	Machinery	Computer and other office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	442	232	13,828	2,190	16,692
Additions	54	186	2,095	804	3,139
Disposals	-	-	(23)	(53)	(76)
Transfers	-	(295)	295	-	-
At 31 March 2025	496	123	16,195	2,941	19,755
Depreciation and impairment					
At 1 April 2024	97	53	5,396	1,014	6,560
Depreciation charged in the year	90	-	2,980	819	3,889
Eliminated in respect of disposals	-	-	-	(46)	(46)
Transfers	-	(53)	53	-	-
At 31 March 2025	187	-	8,429	1,787	10,403
Carrying amount					
At 31 March 2025	309	123	7,766	1,154	9,352
At 31 March 2024	345	179	8,432	1,176	10,132
Company					
		Assets under construction	Machinery	Computer and other office equipment	Total
		£'000	£'000	£'000	£'000
Cost					
At 1 April 2024		73	13,067	2,188	15,328
Additions		74	764	804	1,642
Disposals		-	(23)	(53)	(76)
Transfers		(136)	136	-	-
At 31 March 2025		11	13,944	2,939	16,894
Depreciation and impairment					
At 1 April 2024		-	5,204	1,014	6,218
Depreciation charged in the year		-	2,765	818	3,583
Eliminated in respect of disposals		-	-	(46)	(46)
At 31 March 2025		-	7,969	1,786	9,755
Carrying amount					
At 31 March 2025		11	5,975	1,153	7,139
At 31 March 2024		73	7,863	1,174	9,110

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2025 £'000	2024 £'000	Company 2025 £'000	2024 £'000
Machinery	6,431	6,908	4,744	6,372

12 Fixed asset investments

	Notes	Group 2025 £'000	2024 £'000	Company 2025 £'000	2024 £'000
Investments in subsidiaries	13	-	-	41	41
Unlisted investments		2,342	-	2,342	-
		2,342	-	2,383	41

On 23 July 2024 NTT Data Japan Corporation acquired 420,121 Preferred shares in Alloyed Limited. In exchange Alloyed Limited acquired 1,176 ordinary shares in NTT Data XAM Technologies Corporation (a subsidiary of NTT Data Japan Corporation) for consideration of £2,342k. Alloyed Limited's shareholding in NTT Data XAM Technologies Corporation represents 6% of the total shares.

Movements in fixed asset investments

Group	Investments £'000
Cost or valuation	
At 1 April 2024	-
Additions	2,342
At 31 March 2025	2,342
Carrying amount	
At 31 March 2025	2,342
At 31 March 2024	-

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in subsidiaries £'000	Other investments £'000	Total £'000
Cost or valuation			
At 1 April 2024	41	-	41
Additions	-	2,342	2,342
At 31 March 2025	41	2,342	2,383
Carrying amount			
At 31 March 2025	41	2,342	2,383
At 31 March 2024	41	-	41

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Alloyed KK	Japan	Development of proprietary alloys, alloy powders and alloy components.	Ordinary shares	100.00
Alloyed Inc.	USA	Development of proprietary alloys, alloy powders and alloy components.	Ordinary shares	100.00

14 Significant undertakings

The group also has significant holdings in undertakings which are not consolidated:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
NTT Data XAM Technologies Corporation	Japan	Development of and support for additive manufacturing processes	Ordinary shares	6.00

15 Stocks

	Group 2025 £'000	2024 £'000	Company 2025 £'000	2024 £'000
Raw materials and consumables	1,170	1,086	1,144	1,086

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Debtors	Group		Company	
	2025	2024	2025	2024
Amounts falling due within one year:	£'000	£'000	£'000	£'000
Trade debtors	1,229	1,199	1,001	1,200
Corporation tax recoverable	1,753	869	1,753	869
Amounts owed by group undertakings	-	-	3,176	2,048
Other debtors	17	227	-	207
Prepayments and accrued income	1,630	1,243	1,576	1,204
	<u>4,629</u>	<u>3,538</u>	<u>7,506</u>	<u>5,528</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

As at the balance sheet date, the parent company had an unrecognised deferred tax net asset relating to fixed assets, un-utilised losses and unpaid defined pension contributions totaling £7,442k (2024 - £5,800k). It is not expected that this asset will be recognised in the short term as the company is not expected to make taxable profits to offset against the losses in the near future.

17 Creditors: amounts falling due within one year	Notes	Group		Company	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
Convertible loans	19	-	10,065	-	10,065
Obligations under finance leases	22	2,022	1,826	1,539	1,714
Trade creditors		1,267	1,850	1,070	1,822
Other taxation and social security		373	268	373	268
Other creditors		212	86	212	86
Accruals and deferred income		996	538	996	538
		<u>4,870</u>	<u>14,633</u>	<u>4,190</u>	<u>14,493</u>

18 Creditors: amounts falling due after more than one year	Notes	Group		Company	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
Obligations under finance leases	22	4,110	4,693	3,047	4,304
		<u>4,110</u>	<u>4,693</u>	<u>3,047</u>	<u>4,304</u>

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Convertible loan notes

	Group 2025 £'000	2024 £'000	Company 2025 £'000	2024 £'000
Liability component of convertible loan notes	-	10,065	-	10,065

As at 1 April 2024 unsecured convertible loan notes totalling £11,500k had been issued by Alloyed Limited, towards which the company had received £9,500k. A further £1,000k was received on 28 June 2024.

On 29 October 2024 all paid up loan notes and accrued interest totalling £11,923k were converted to B Preferred shares.

20 Share capital

Group and company	2025	2024	2025	2024
Ordinary share capital	Number	Number	£'000	£'000
Issued and fully paid				
Ordinary A shares of 0.01p each	2,792,091	2,792,091	-	-
Ordinary shares of 0.1p each	2,294,825	2,294,825	2	2
Preferred shares of 0.1p each	9,126,080	8,496,992	9	9
B Preferred shares of 0.1p each	7,771,272	-	8	-
	<u>21,984,268</u>	<u>13,583,908</u>	<u>19</u>	<u>11</u>

The company has two classes of ordinary shares (Ordinary and Ordinary A shares). The holders of both classes of ordinary shares are entitled to share equally in dividends as declared against each class of share and other distributions. They are also entitled to full voting rights. All ordinary shares rank equally with regard to the company's residual assets.

The company also has two classes of preferred shares classified as equity (Preferred shares and B Preferred shares). The holders of both classes of preferred shares are entitled to share equally in dividends, and are entitled to full voting rights. These shares receive priority for payment from other distributions and with regard to the company's residual assets.

On 23 July 2024, the company issued 420,121 Preferred shares for consideration of £2,101k.

On 29 October 2024, convertible loan stock issued by the company and accrued interest totalling £11,205k were converted to shares. A total of 2,823,272 £0.001 B Preferred shares were allotted in respect of this.

Also on 29 October 2024, the company issued 620,000 B Preferred shares for consideration of £3,100k.

On 20 November 2024 the company issued a further 2,580,000 B Preferred shares for consideration of £12,900k.

Also on 20 November 2024, the company issued 208,967 Preferred shares for no consideration.

On 19 February 2025, the company issued 1,748,000 B Preferred shares for consideration of £8,740k

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Share-based payment transactions Group and company

	Number of share options		Weighted average exercise price	
	2025 Number	2024 Number	2025 £'000	2024 £'000
Outstanding at 1 April 2024	2,748,052	1,968,011	0.35	0.35
Granted	-	873,791	-	0.33
Cancelled	(29,288)	(93,750)	0.35	0.35
Outstanding at 31 March 2025	<u>2,718,764</u>	<u>2,748,052</u>	<u>0.35</u>	<u>0.35</u>
Exercisable at 31 March 2025	<u>2,427,558</u>	<u>2,006,224</u>	<u>0.35</u>	<u>0.33</u>

The options outstanding at 31 March 2025 had an exercise price ranging from £0.22 to £2.16, and a remaining contractual life of up to 3 years.

Group and company

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model.

The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-vesting conditions and market conditions are taken into account when estimating the fair value of the option at grant date. Service conditions and non-market performance conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

Inputs were as follows:

	2025	2024
Weighted average share price (pence)	436	436
Weighted average exercise price (pence)	35	35
Expected volatility	50.00%	50.00%
Expected life (years)	3	3
Risk free rate	0.63%	0.63%

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Expenses recognised in the year				
Arising from equity settled share based payment transactions	<u>1,464</u>	<u>2,995</u>	<u>1,464</u>	<u>2,995</u>

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22 Finance lease obligations

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Future minimum lease payments due under finance leases:				
Within one year	2,022	1,826	1,539	1,714
In two to five years	4,063	4,693	3,000	4,304
In over five years	47	-	47	-
	<u>6,132</u>	<u>6,519</u>	<u>4,586</u>	<u>6,018</u>

The carrying amounts of the finance leases are £6,132k (2024 - £6,519k), which consists of the total gross payments due of £7,126k (2024 - £7,910k), less finance charges of £682k (2024 - £879k) and maintenance charges of £312k (2024 - £512k).

The total future gross minimum lease payments due not later than one year is £2,488k (2024 - £2,369k), and the total future gross minimum lease payments due later than one year is £4,638k (2024 - £5,541k).

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Within one year	558	553	522	492
Between two and five years	1,036	1,557	1,036	1,521
	<u>1,594</u>	<u>2,110</u>	<u>1,558</u>	<u>2,013</u>

24 Retirement benefit schemes

	2025	2024
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>806</u>	<u>717</u>

The parent company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Included in the balance sheet are unpaid pension contributions of £77k (2024 - £76k).

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Financial commitments, guarantees and contingent liabilities

Amounts disclosed in the balance sheet

Pensions

Included in the balance sheet are pensions of £77k (2024 - £76k). The parent company operates a defined contributions pension scheme for the employees. The assets of the scheme are held separately from those of the group in an independent administered fund.

Royalties

Royalties of 0.5% - 12% of revenue are due to NTT Data XAM Technologies Corporation (NTT), based on usage of IP and manufacturing techniques developed by NTT, or for customers introduced to Alloyed Ltd by NTT. Royalties paid in the year were £11k (2024 - £5k).

26 Directors' remuneration

	2025 £'000	2024 £'000
Remuneration for qualifying services	460	470
Company pension contributions to defined contribution schemes	37	37
	<u>497</u>	<u>507</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 4 (2024 - 4).

The number of directors who are entitled to receive shares under long term incentive schemes was 4 (2024 - 4).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2025 £'000	2024 £'000
Remuneration for qualifying services	306	298
Company pension contributions to defined contribution schemes	28	27
	<u>334</u>	<u>325</u>

27 Events after the reporting date

In July and August 2025, Alloyed Limited received a further £6,915k investment from a combination of existing and new shareholders.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

28 Related party transactions

Remuneration of key management personnel

Key management includes the directors and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2025	2024
	£'000	£'000
Aggregate compensation	1,341	1,343

Summary of transactions with key management:

During the year, Alloyed Limited did not grant share options to directors and shareholders of the company (2024 - options totalling £2,044k).

No directors, management or shareholders provided independent services to Alloyed Limited during the year (2024 - £nil).

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

28 Related party transactions

(Continued)

Transactions with related parties

Oxford Sciences Enterprise plc

Shareholder of Alloyed Limited

During the year Oxford Science Innovation plc provided services to Alloyed Limited totalling £5k (2024 - £6k).

On 29 October 2024 Oxford Science Innovation plc converted loan notes totalling £7,500k plus interest into 2,009,353 B Preferred shares.

On 19 November 2024 issued 33,576 Preferred shares to Oxford Science Innovation plc for no consideration.

At the balance sheet date, no balance was owed by Alloyed Limited to Oxford Science Innovation plc (2024 - £7,518k of which £7,500k were convertible loan notes).

JX Nippon Mining & Metal Corporation

Shareholder of Alloyed Limited

During the year Alloyed Limited made sales totalling £1,070k (2024 - £829k) to JX Nippon Mining & Metal Corporation, and made purchases totalling £25k (2024 - £85k).

At the balance sheet date, no balance was owed by Alloyed Limited to JX Nippon Mining & Metal Corporation (2024 - £10k).

Anglo Platinum Marketing Limited

Shareholder of Alloyed Limited

During the year Alloyed Limited made sales totalling £198k (2024 - £1,291k) to Anglo Platinum Marketing Limited, and made no purchases (2024 - £156k).

On 29 October 2024 Anglo Platinum Marketing Limited converted loan notes totalling £2,000k plus interest into 539,780 B Preferred shares.

On 19 November 2024 issued 38,586 Preferred shares to Anglo Platinum Marketing Limited for no consideration.

NTT Data Japan Corporation

Shareholder of Alloyed Limited

On 23 July 2024 NTT Data Japan Corporation acquired 420,121 Preferred shares in Alloyed Limited for consideration of £2,101k. In exchange Alloyed Limited acquired 1,176 ordinary shares in NTT Data XAM Technologies Corporation (a subsidiary of NTT Data Japan Corporation) for consideration of £2,342k. Alloyed Limited's shareholding in NTT Data XAM Technologies Corporation represents 6% of the total shares.

On 19 November 2024 Alloyed Limited issued 105,030 Preferred shares to NTT Data Japan Corporation for no consideration.

29 Controlling party

The company is considered by the directors to have no ultimate controlling party.

ALLOYED LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

30 Prior period adjustments

The directors have reviewed the allocation of costs relating to technician employees in Alloyed Ltd. These costs were previously recognised as overheads, but would be more appropriately recognised in cost of sales as this better reflects the role of these employees in the business.

Salary costs, along with an appropriate portion of premises costs and equipment depreciation, have been reclassified in the current year, and a prior period adjustment has been made to ensure the comparative figures are consistent.

Therefore costs totalling £2,056k have been reallocated from Administrative expenses to Cost of sales in the comparative year. This adjustment has no impact on profit or equity in the company or the group.

31 Cash absorbed by group operations

	2025 £'000	2024 £'000
Loss after taxation	(9,626)	(12,734)
Adjustments for:		
Taxation credited	(876)	(698)
Finance costs	658	1,046
Investment income	(269)	(223)
(Gain)/loss on disposal of tangible fixed assets	(8)	96
Amortisation and impairment of intangible assets	30	26
Depreciation and impairment of tangible fixed assets	3,889	3,305
Other gains and losses	-	(116)
Equity settled share based payment expense	1,464	2,995
Decrease in provisions	(52)	(126)
Movements in working capital:		
Increase in stocks	(84)	(439)
Increase in debtors	(206)	(143)
Increase in creditors	106	813
Cash absorbed by operations	<u>(4,974)</u>	<u>(6,198)</u>

32 Analysis of changes in net funds/(debt) - group

	1 April 2024 £'000	Cash flows £'000	New finance leases £'000	Other non-31 March 2025 cash changes £'000	31 March 2025 £'000
Cash and cash equivalents	9,959	16,885	-	-	26,844
Obligations under finance leases	(6,519)	1,972	(1,619)	34	(6,132)
Convertible loan notes	(10,065)	(1,000)	-	11,065	-
	<u>(6,625)</u>	<u>17,857</u>	<u>(1,619)</u>	<u>11,099</u>	<u>20,712</u>