

Vinanz Limited

Group Number 2073995

Annual Report – 18 month period ended 28 February 2025

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General information

The financial statements cover Vinanz Limited as a consolidated entity consisting of Vinanz Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Pound sterling, which is also the functional currency of the Group.

Vinanz Limited is a listed public Group limited by shares, incorporated and domiciled in the British Virgin Islands.

Registered office and principal place of business

Vistra Corporate Services Centre
Wichhams Cay II
Road Town
Tortola, VG 1110
British Virgin Islands

A description of the nature of the consolidated entity's operations and its principal activities are included in the strategic report.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 June 2025. The directors have the power to amend and reissue the financial statements.

Directors	David Lenigas (Chairman) Jeremy Edelman (Finance Director) Mahesh Pulandaran (Non-executive director) Robert Scott (appointed 13 May 2025)
Broker	Clear Capital Markets 6th Floor, Wilsons Corner 23-25 Wilson Street London England, EC2M 2DD
Depository	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol, BS13 8AE England
Corporate Adviser	First Sentinel Corporate Finance Limited 72 Charlotte Street London England, W1T 4QQ
Share Register	Computershare Investor Services (BVI) Limited Woodbourne Hall PO Box 3162 Road Town, Tortola British Virgin Islands VG1110
Independent Auditors	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London, E14 4HD England
Solicitors	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London, EC2A 2EW England Lucosky Brookman LLP 101 S Wood Ave Iselin NJ 08830 United States
Bankers	Turicum Private Bank Turicum House 315 Main Street PO Box 619 Gibraltar Revolut Ltd 7 Westferry Circus Canary Wharf London, E14 4HD England
Website	https://vinanz.co.uk/

Chairman's report

Vinanz Limited ("the Group") was incorporated in the British Virgin Islands on 27 August 2021 with registered number 2073995. The Group's Ordinary Shares were admitted to trading on the Access Segment of the Aquis Stock Exchange Growth Market on 21 April 2023 pursuant to its admission document dated 13 April 2023 and then transferred and admitted to the Official List (by way of a listing in the Transition Category) of the FCA and to trading on the main market ("Main Market") for listed securities of the London Stock Exchange ("LSE") on 13 January 2025.

The last financial period was a pivotal year in our Group's evolution, as we strategically reposition ourselves to become a leader in the Bitcoin mining and treasury space.

In 2024, we took decisive action to align our identity, operations, and capital strategy with our core conviction: Bitcoin represents one of the most profound technological and monetary transformations of our time, and the Group is purpose-built to capture long-term value from this shift.

Moving from the London Aquis Exchange to the London Stock Exchange Main Board in January of this year was groundbreaking and to be given the LSE ticker of "BTC.L" will become significant.

Our dual mandate is clear and deliberate: to mine as much Bitcoin in North America as profitably as possible, and to acquire and hold Bitcoin in treasury as a strategic asset for long-term appreciation, as Bitcoin is seen by the Group as a store of wealth and complements our fiat currency holdings. Bitcoin is our preferred currency, and our plans are to be over-weight Bitcoin versus other currencies. This focused strategy underpins every decision we make, and it is the lens through which we assess operational performance, capital allocation, and growth planning.

This financial period was a pivotal and transformative year for the Group. In the months following our financial period-end, we undertook several post-period strategic initiatives that underscore our commitment to our Bitcoin-focused model:

- **Corporate Rebranding:** Our intention to change the name to The London BTC Group Limited was more than symbolic—it was a definitive statement of purpose. It reflects our sharpened identity and commitment to becoming one of the UK's premier publicly traded vehicles for direct Bitcoin exposure through mining and treasury holdings. We will often be trading under the banner of the London Bitcoin Group.
- **The Group has secured the services of investment advisory and brokerage professionals in New York, namely Dominari Securities LLC** who are advising the Group on both its potential Nasdaq listing and capital raising. The Group believes that North America will provide both capital and liquidity for the Group stock.
- **US\$4 Million Loan Facility:** Of the \$4 million secured, we prudently deployed \$2 million to acquire our first Bitcoin directly into treasury. This strategic move not only strengthened our balance sheet with a hard-capped, highly liquid digital asset but also demonstrated our tactical agility in capitalizing on attractive entry points in the market.
- **£3.6 Million Equity Raise:** Successfully completed post year-end, this capital infusion further enhances our financial flexibility. The proceeds are earmarked to expand mining infrastructure, increase our hash rate capacity, and dramatically expanding our Bitcoin currency reserves—all in line with our disciplined growth roadmap.

Mining Operations: Efficiency, Expansion, and Scale

- **Our North American Bitcoin mining operations serve as the foundation of our revenue-generating engine.** In 2024, we laid the groundwork for scaling operations with a clear emphasis on efficiency and profitability:
- **Operational Improvements:** We initiated upgrades to our mining fleet, targeting newer-generation ASIC units that deliver significantly higher efficiency per joule of electricity consumed. These investments improve our cost base and position us to remain profitable across varying bitcoin price cycles.
- **Capacity Expansion:** With infrastructure planning well underway, we anticipate an increase in installed hash rate capacity through 2025/2026 year-end. We are actively negotiating hosting and energy contracts that offer both competitive electricity pricing and scalability, giving us optionality to rapidly deploy additional mining units.
- **Strategic Procurement:** Our disciplined approach to hardware procurement and deployment is designed to maximize return on capital while maintaining operational flexibility in a fast-moving sector.

Our long-term objective is to continue growing our North American mining output, ensuring we remain a low-cost producer and a reliable source of Bitcoin generation, even in volatile markets.

Treasury Strategy: Accumulating Bitcoin with Precision

- Our Bitcoin treasury holdings are a core component of our value proposition to shareholders, and we expect to rapidly grow this important component of our business. We do not view Bitcoin as a speculative asset; we regard it as a long-duration, globally portable store of value with unique properties unmatched in the traditional financial system in recent times. As such, we have adopted a deliberate, long-term aggressive accumulation strategy. This store of Bitcoin in treasury will empower of mining expansion and provide significant capital to acquire bigger and better ASIC miners.
- Direct Acquisitions: The use of equity and debt capital to purchase Bitcoin post-year-end is a strong demonstration of our belief in Bitcoin's asymmetric upside. We expect to continue allocating capital opportunistically to expand treasury holdings when market conditions are favourable.

Self-Mined Bitcoin: All Bitcoin mined in excess of operational needs is retained in treasury unless otherwise strategically deployed with operating costs or miner purchases. This approach compounds the value of mining operations by turning mined Bitcoin into an appreciating treasury asset.

As our treasury grows, so does our strategic optionality—be it collateral for future financing, protection against fiat inflation, or value accrual from Bitcoin's continued monetization on the global stage. We also signed into Fidelity Digital Assets to manage and act as custodian of our Bitcoin treasury.

Market Outlook & Strategic Vision

The broader industry tailwinds for Bitcoin adoption, institutional engagement, and infrastructure investment remain robust. The halving event in 2024 has increased the scarcity of new bitcoin issuance, which historically has correlated with stronger price performance in the ensuing quarters leading to the next halving event. Additionally, regulatory clarity and institutional adoption are strengthening Bitcoin's position as a mainstream financial asset.

Against this backdrop, the Group is well-positioned:

- We offer shareholders direct exposure to Bitcoin via both productive mining operations and on-balance-sheet holdings.
- Our leadership team brings a disciplined capital allocation framework grounded in financial prudence and deep conviction in Bitcoin's future.
- Our operations are increasingly optimized for energy efficiency, cost discipline, and scalability—key differentiators in a highly competitive mining landscape.

Looking forward, we are focused on responsibly expanding our mining footprint, aggressively growing our Bitcoin reserves, and deepening our market presence as a credible and differentiated player in the bitcoin ecosystem.

In closing, I want to express my deep gratitude to our shareholders for their continued trust and support. The opportunity before us is both rare and profound: to build a Group around the hardest monetary asset ever invented, in its earliest adoption phase, with a clear, executable strategy for value creation.

The Group is not just mining bitcoin—we are building a durable, high-conviction business that captures the full spectrum of value Bitcoin has to offer. Our commitment is unwavering, our strategy is disciplined, and our ambition is to become a cornerstone institution in the global Bitcoin economy.

David Lenigas
Chairman



24 June 2025
London, United Kingdom

Key commercial activities of the Group

The Group is a blockchain technology Group focused on the mining of Bitcoin. The Group mines Bitcoin using purpose-built mining machines to solve complex cryptographic algorithms on the blockchain in exchange for rewards (in the form of Bitcoin). The Group's strategy is to cost effectively acquire and deploy mining machines in North America at third party hosted facilities that utilise renewable and inexpensive electricity. As at the date of this Document the Group has operations in two jurisdictions, Canada and the United States and owns 665 mining machines with a combined computing capacity of 60.2 petahash.

The Group aims to provide a listed UK platform which offers access to a technology and cryptocurrency business in the Bitcoin mining sector. The Group focuses on the development of its Bitcoin cryptocurrency mining operations. In the long term the Group may seek to expand its existing operations.

The Directors present their Strategic Report and Corporate Governance Report of Vinanz Limited for the 18 month period ending 28 February 2025.

Purpose, Strategy and Business Model

The Group's purpose is to generate an attractive rate of return for Shareholders, predominantly through capital appreciation, by expanding its Bitcoin mining operations. The Directors are responsible for carrying out this objective, implementing the Group's business strategy and conducting its overall supervision.

The Group's business plan is to grow its existing Bitcoin mining operations through acquiring additional Bitcoin mining machines and/or investing in companies in the Bitcoin mining sector and/or entering into partnerships and/or joint ventures with companies in the Bitcoin mining sector. The Group does not own its own facilities, instead it has entered into arrangements with third party providers in respect of Bitcoin mining hosting facilities pursuant to which the Group has access to facilities in the US and Canada in respect of its Bitcoin mining operations. Typically, the Group owns its own mining machines, which it installs at the hosted facilities. The Group generates Bitcoin in respect of its Bitcoin mining operations. The Group's strategy is to hold the Bitcoin it has mined but it may liquidate its Bitcoin holdings from time to time to generate further working capital. The Group believes the focus on third party hosting facilities is less capital intensive (given there is no cost to acquire and maintain property) and provides a source of more reliable power (given the supply of power and other services are typically included in the hosting arrangements that the Group enters into). The Group has partnered with Luxor Technology in respect of the Luxor Technology mining pool pursuant to which the Group combines its processing power with other miners, increasing their chances of solving a block and getting paid by the network, as well as provide ancillary services such as dashboard and other monitoring software.

The Group has chosen to operate in Canada and the United States as a result of:

- advances in internet connection speeds which have resulted in a reduction of the need to have data centres close to the population they serve;
- the climate resulting in lower cooling requirements;
- lower staffing costs as a result of being outside major towns and cities, and
- skilled work force available as a result of good education levels amongst the general population.

Over 90% of the power used in the Group's mining operations is generated from renewable power sources in Canada through Quebec Hydro. This concept of not owning or running the costly infrastructure that houses Bitcoin miners is fundamentally core to the Group's business model and its expansion philosophy. Ultimately, the Group's strategy is to operate clusters of ASIC miners operating in separate and decentralised clusters in multiple data centres throughout the USA and Canada hosted by third-party operators. The Directors believe this model should keep its corporate and operational overheads low and maximise the profitability per Bitcoin mined.

The Group does not currently engage any employees and the Group is therefore reliant on the Directors to deliver the Group's business plan and strategy.

The Directors have existing relationships across the cryptocurrency markets. The Group will seek to exploit the Directors' contacts and relationships to advance the Group's business plan and strategy. Between them, the Directors have over 57 years of experience in public companies and capital markets.

Review of Business and Operations

Vinanz Limited ("the Group") was incorporated in the British Virgin Islands on 27 August 2021 with registered number 2073995. The Group's Ordinary Shares were admitted to trading on the Access Segment of the Aquis Stock Exchange Growth Market on 21 April 2023 pursuant to its admission document dated 13 April 2023 and then transferred and admitted to the Official List (by way of a listing in the Transition Category) of the FCA and to trading on the main market ("Main Market") for listed securities of the London Stock Exchange ("LSE") on 13 January 2025.

Set out below is a short summary of the key operational updates which have been announced by the Group in the last 18 month period:

- On 29 September 2023 the Group provided an operational update confirming that its existing Bitcoin mining machines are operating at a combined operating rate of approximately 12 petahash per second. The total Bitcoin in the Group's combined cryptocurrency wallet increased from 5.01 Bitcoin to 7.84 Bitcoin as at 29 September 2023
- On 9 November 2023 the Group announced that it raised £350,000 gross proceeds at a price of 3 pence per share. The placing proceeds will primarily be used to acquire an additional 250 Bitcoin mining machines which will approximately triple the size of the Group's current Bitcoin mining operations.
- On 15 November 2023 the Group announced that it has entered into an agreement to acquire a further 171 Bitmain Antminer S19J Pro AISIC miners. The machines are already installed in the existing Labrador data hosting facility which shortened the period for the machines to become fully operational.
- On 20 November 2023 the Group announced that it has entered into a strategic partnership with US-based Luxor Technology Corporation ("Luxor Technology") to increase the Group's Bitcoin mining operational efficiencies, mining hashrate, and operating margins on its North American mining fleet by installing Luxor Technology's proprietary firmware on the Group's fleet of machines. On 23 January 2024 the Group announced that the Luxor firmware is in the process of being installed on its existing Bitcoin mining fleet and that over-clocking of its existing Bitcoin mining fleet is underway.
- On 28 February 2024 the Group announced that it has raised £447,750 gross proceeds at 12 pence per share. The proceeds of the fundraising will primarily be used to raise awareness in the US of its OTCQB listing and to acquire additional Bitcoin mining machines
- On 13 March 2024 the Group announced that it has acquired 10 S21 Bitmain Antminer 200 Terahash miners. The Antminer S21 series are amongst the fastest Bitcoin mining machines in the world today and will be brought in to test the speed of the machines. They will replace some of the Group's older and slower machines and will be added to its existing fleet to expand the total number of miners in operation.
- On 30 May 2024 the Group announced that it has expanded its operations into Iowa by acquiring 20 mining machines which will be hosted by a third party and will be connected to the Luxor Technology mining pool.
- On 15 July 2024 the Group announced that it has expanded its operations into Nebraska by acquiring 130 mining machines which will be hosted by a third party and will be connected to the Luxor Technology mining pool.
- On 23 August 2024 the Group announced that it has expanded its operations into Texas by acquiring 3 mining machines which will be hosted by a third party.
- On 27 September 2024, the Group announced that it had completed a placing of new Ordinary Shares to raise gross funds of £608,300.
- On 10 October 2024, the Group announced that it had increased its bitcoin miner fleet in Nebraska with the addition of five Bitmain Antminer S21 Pro 234 Terahash (TH/s) machines
- On 4 December 2024, the Group announced that it intended to apply for Admission. In anticipation of Admission, the Group conducted a review of its capital structure with a view to eliminating all unlisted options and warrants and other incentives in its capital structure by replacing them with Ordinary Shares.
- On 9 December 2024, the Group announced that it had received firm commitments to raise £1.5 million (gross) at 14.5 pence per share subject to Admission.
- On 13 January 2025, the Group announced that it been admitted to the Official List (by way of a listing on the Transition Category) of the Financial Conduct Authority ("FCA") and to trading on the main market ("Main Market") for listed securities of the London Stock Exchange.
- On 15 January 2025, the Group announced it had signed a purchase order to increase its Nebraska US Bitcoin mining fleet to 100 miners and its plans to expand in Texas.
- On 30 January 2025, the Group announced it had acquired its first Whatsminer M50S++ Bitcoin miners for its Nebraska Bitcoin mining fleet, increasing its overall inventory with Basic Mining to 120 miners with plans to add more miners there in the coming months.
- On 19 February 2025, the Group announced that it had ordered its first ever USA made Bitcoin miners - manufactured and supplied by California based Auradine Inc.
- On 25 February 2025, the Group announces that it has today fast tracked its expansion plans (as announced last week) for Indiana USA and immediately increased its Bitcoin mining fleet there from 20 to 120 operational miners, which is 2-3 months ahead of schedule, by acquiring 100 already hashing Bitmain Antminer S19J Pro miners.
- On 27 February 2025, the Group announced that it had changed its accounting reference date from 31 August to 28 February with immediate effect. Accordingly, the Group's next audited financial statements will be prepared for the 18 month period ending 28 February 2025 and will be required to be published on or before 30 June 2025.

Financial review and key performance indicators ("KPI")

The Group recorded a pre-tax loss of £16.0 million for the 18 month period, compared to a loss of £2.5 million in the prior 12 month period. This loss included share based payment expenses of £14 million. If this expense is excluded, this reduction in loss was mainly due to the commencement of Bitcoin mining which brought in revenue of £1.0 million compared with £41,422 in the prior period.

The Group's operating loss for the period was £15.7 million (2023: £2.5 million).

Cashflow and financing

During the 18 month period (compared to 12 months in the prior period), net cash outflow from operating activities was £1.4 million (2023: £0.9 million).

The Group raised approximately £2.5 million through a placement of new ordinary shares. Payments to suppliers and employees increased from £0.9 million to £1.4m due to increased operational activities and additionally, it paid approximately £0.4 million to acquire new mining machines in the period (2023: £0.1m).

As a result, the Group recorded a net cash increase of £0.7m at year-end, with a year-end cash balance of £0.9m (2023: £0.2m).

Principal risks and uncertainties

As a Group operating in the dynamic and rapidly evolving digital asset mining sector, Vinanz Limited faces a range of risks and uncertainties that could impact its business, financial condition, and future prospects. The Board is committed to identifying, managing, and mitigating these risks to support the Group's sustainable growth. The principal risks and uncertainties faced by the Group include, but are not limited to, the following:

Description	Impact	Mitigation
Strategic risks	High	
<i>Revenue Dependence on Bitcoin</i> The Group's income is heavily reliant on the market value and volume of Bitcoin mined. Any drop in Bitcoin's value or market activity could negatively impact revenue and profitability.		Board is aware of this risk and once the current strategy is embedded will seek to diversify this risk by investing in and developing commercial opportunities in the digital asset sector.
<i>Competition from Other Digital Assets</i> The rise of other cryptocurrencies, especially those backed by major institutions, could reduce Bitcoin's value and harm the Group's performance.		The Group has a supportive shareholder base and will look to raise further finance as and when new opportunities present themselves.
<i>Dependence on Third-Party Hosting Providers</i> Reliance on external mining facility providers (e.g., Compass Mining) introduces operational risks due to limited oversight and transparency		The Group has good relations with its third party providers to ensure operational risk is reduced
<i>Private Key Security</i> Loss or compromise of private keys to digital wallets could result in permanent loss of assets, damaging the Group's finances and reputation.		All treasury bitcoin are placed at Fidelity Digital Assets for safe custody
Bitcoin price volatility risk	Medium	
Cryptocurrency mining is exposed to the cyclical nature of the cryptocurrency mining sector. The cryptocurrency mining sector is affected by a wide array of factors that may consequently affect the Group, including but not limited to price volatility, mining difficulty, energy costs, hardware costs, evolving crypto-currency algorithms, the regulatory environment and recent negative attitude towards cryptocurrencies.		The Group monitors pricing trends to ensure new opportunities are regularly reassessed in light of expected price movements to ensure these opportunities continue to offer good value.
The cryptocurrency market is constantly changing and evolving, particularly in relation to new technologies to meet the needs and expectations of new generations of miners. Failure to invest in and keep ahead of such developments could have a materially adverse effect on the business of the Group.		The Group constantly reviews the industry and where necessary invests in updated technology and updates its business model.
Political risk in a very dynamic works has impact on the price of Bitcoin and increases its volatility		Political unrest and the change in the political environment are regularly assessed to understand how this will impact Group operations.
Financial risks	High	
<i>Capital Raising Risk</i> While current capital is sufficient for 12 months, future funding may be needed. There's no guarantee the Group can secure financing on favourable terms, which could hinder growth.		Regular review of cashflow, working capital and funding options are performed by the Board to ensure the Group remains a Going Concern.
<i>Mining Hardware Risks</i> The long-term viability of digital currencies is uncertain, and values may decline, affecting the Group's prospects.		Build strong and sustainable relationships with shareholders and other investors.
<i>Insufficient availability of low cost energy</i> The Group's business is dependent on low-cost reliable energy.		The Board perform regular reviews of their asset base to ensure no impairment is necessary.
		The Group have identified and is currently operating in jurisdictions where energy is low-cost and is reliable. This may, however, change in the future as a result of regulatory changes to energy available to cryptocurrency mining operations and macro-economic challenges. The Group mitigates this risk by spreading its operations over multiple jurisdictions and will continue to identify future suitable jurisdictions.

Description	Impact	Mitigation
Environmental, social and governance risks (“ESG”)	Medium	
ESG reporting is constantly evolving and is a risk for the Group due to its high energy usage. The Group must also seek to improve diversity, equity and inclusion as well as be aware of the urgent priorities to address climate change. All stakeholders have increased expectations of the Group’s ESG reporting and the Group must meet these demands.		ESG is part of the Group’s longer-term, more strategic view and the Board will consider ESG at board meetings and understand how their decisions will meet the various stakeholder demands.
		Policies and processes are being further enhanced to ensure there is a more rigorous reporting cycle in which requirements are identified and met before giving rise to any issues.
Legal and compliance risks	Medium	
The Group may face complex, evolving, and extensive global regulations. Compliance could increase costs, require significant management effort, and impact operations or share prices.		The Group believes by spreading its mining operations over multiple jurisdictions and by not owning the facilities in which it operates its mining machines will mitigate against the risk that the regulatory environment changes and does not allow mining or is prohibitively onerous.
Bribery and corruption.		The Group has adopted the QCA code of corporate governance and this is set out in this annual report and accounts. The Group also has the various policies in place which are overseen by the Audit Committee and reviewed on a regular basis:
London Stock Exchange or the Financial Conduct Authority Rule breaches		1. Anti Bribery and Corruption Policy
		2. Whistle Blowing Policy
		3. Anti Money Laundering Policy

Corporate governance

Introduction:

The Directors recognise the importance of sound corporate governance and seek to apply The Quoted Companies Alliance Corporate Governance Code for Small and Medium size Companies (2023) (the ‘QCA Code’), which they believe is the most appropriate recognised governance code for a Group of the Group’s size and with a Listing on the London Stock Exchange. The Directors believe that the QCA Code will provide the Group with the framework to help ensure that a strong level of governance is developed and maintained, enabling the Group to embed a governance culture into its organisation. A copy of the QCA Code is available at <https://theqca.com/corporate-governance/>.

The QCA’s ten principles of corporate governance are set out below, along with a description of the Group’s approach to the relevant principle, including where applicable any deviation from those principles.

Principle One: Establish a purpose, strategy and business model which promotes long-term value for shareholders.

The Group is an operating Group. Its sole subsidiary, which operates as a treasury Group, makes up the Group. The business is involved in Bitcoin mining operations including holding the assets.

The Group’s strategy for growth is to:

- (1) Mine and invest profitably;
- (2) Acquire profitable businesses within the sectors we operate;
- (3) Leverage the internal skills that it has and where necessary bring in the appropriate skills;
- (4) Ensure the underlying business has access to sufficient growth capital while being aware of the actual cost of capital and the returns that are required to be generated; and
- (5) Create a Group that engages all our people with a common set of values and goals.

Our can-do culture feeds into our strategy, which is being pursued both organically and, as opportunities arise, by relevant acquisitions.

Principle Two: Promote a corporate culture that is based on ethical values and behaviours.

The Board promotes a corporate culture that is based on sound ethical values and behaviours. The Board has a clear understanding of the business's culture and works to ensure that these sound ethical values are reflected throughout the organisation.

The Group has policies in place covering key matters such as ethical conduct; anti-bribery and corruption; data protection, equality, diversity and inclusion; and whistleblowing. These are communicated to all and rigorously enforced.

The policy outcomes are reflected in the actions and decisions of the Board and staff within the Group.

Principle Three: Seek to understand and meet shareholder needs and expectations.

The Group is committed to listening and communicating frankly and honestly with its shareholders and stakeholders to ensure that its strategy, business model and performance are clearly understood. Communication with shareholders and stakeholders is undertaken through press releases, general presentations, the release of the annual and interim results, meetings and the website.

There is regular dialogue with shareholders to ensure that the members of the Board develop an understanding of their views and concerns. The AGM is also a forum for dialogue between investors and the Board. Copies of these and other information for shareholders is provided on our website.

Principle Four: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success.

The Group has acknowledged that its customers, suppliers, professional advisers and most specifically its team have been instrumental in the growth and success of the business to date.

The Group prides itself on its high standard of service. It further relies on a number of suppliers to provide its mining facilities and services and develops strong relationships with these suppliers.

The Group works closely with relevant regulatory and statutory bodies as they shape policy to prevent harm to consumers and businesses and the environment within which the Group operates.

The Group is committed to engaging with the communities in which it operates.

Principle Five: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.

The Board has ultimate responsibility for the Group's system of internal controls and for reviewing its effectiveness. The Group operates a robust structure for risk management in each area of the business which is designed to identify actual and potential risks that may impact the Group's strategy and the daily operation of the business.

This process includes the identification, evaluation and scoring of risks based on the likelihood of occurrence, the potential impact, and the adequacy of the mitigation or control actions in place.

The Group's principal risks are listed in on page 8.

The Group has an established framework of internal financial controls, the effectiveness of which is reviewed by the Audit Committee and the Board.

Financial controls

The Board is responsible for reviewing and signing off the overall Group strategy, including approving revenue, profit and capital budgets. Regular detailed board packs are provided to and discussed by the Board, which includes amongst other things:

- (1) the financial results of the Group (income statements, cash flows, capital expenditure and balance sheets); and
- (2) monthly variances to budget and prior year. Forecasts for the current financial year are regularly revised and presented to the Board, in light of actual performance, to ensure that information is up to date and any risks in meeting year-end numbers can be identified and mitigated as soon as possible.

The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal financial controls.

There is a comprehensive annual budgeting process, producing a detailed integrated profit and loss, balance sheet and cash flow, which is approved by the Board.

Non-financial controls

The principal elements of the Group's internal non-financial controls include:

- (1) close management of the day-to-day activities of the Group by the Executive Directors and the Board;
- (2) an organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while minimising risks; and
- (3) existence of a business risk register. Risks facing the business are periodically re-assessed, and mitigating actions are considered and implemented when necessary to help protect the business.

Principle Six: Establish and maintain the board as a well-functioning, balanced team led by the chair.

The Board comprises four Directors (three at year end), one of whom is an Non-Executive Director and three of whom are Executive Directors. This reflects an appropriate blend of different experience and backgrounds. As there are limited staff the board believes its appropriate to have a majority Executive Board. Further details on the Board of Directors including their biographies are set out below and are also on our website. Details of the Board and Committee meetings attendance are also detailed below.

David Lenigas (Executive Chairman) (Aged 64)

Mr Lenigas has a Bachelor of Applied Science (Mining Engineering) from Curtin University's Kalgoorlie School of Mines and holds a Western Australian First Class Mine Manager Certificate of Competency. Mr Lenigas has significant global corporate experience, having served as Executive Chairman, Chairman, and a Non-Executive Director of many public listed companies in London, Canada, Johannesburg, and Australia. In recent years, Mr Lenigas was the Executive Chairman of London's Pan-African conglomerate Lonrho Plc, and currently serves as Chairman of a number of resources companies listed on the Australian Securities Exchange.

Jeremy Samuel Edelman (Finance Director) (Aged 57)

Mr Edelman holds bachelor's degrees in commerce and law together with a Master's degree in Applied Finance. Admitted as a Solicitor to the Supreme Courts of Western Australia and New South Wales, he worked for some of the world's leading investment banks, including Bankers Trust and UBS Warburg in debt and acquisition finance. He is currently the Chairman of AIM London Stock Exchange listed Group, Reabold Resources PLC.

Mahesh Pulandaran (Independent Non-Executive Director) (Aged 52)

Mr Pulandaran has been in Financial Services for 20 years having begun his career in audit and assurances in the UK before moving to Asia with Deloitte. Mr Pulandaran has advised various blue chip companies including Microsoft and Caterpillar. He moved to offshore banking with HSBC covering the South Asian emerging markets before joining Coutts and Co International. Mr Pulandaran now leads the Trust Division of CorPa Asia Advisory Pte Ltd in Asia, as the Regional Head based in Singapore. In his various roles within the financial services, he has added value both upstream and down, bringing about value to stakeholders across all industries. Mr Pulandaran is currently a director of Main Market listed Fragrant Prosperity Holdings Limited and AQSE listed VVV Resources Limited.

Robert Scott (Executive Director) (Aged 57) (Appointed 13 May 2025)

Mr Scott began his career and qualified as a Chartered Accountant (CA(SA)) with Deloitte & Touche (South Africa) after obtaining his Certificate of Theory of Accounting (CTA) from the University of Cape Town. Mr Scott is currently a non-executive Director of LSE listed Group Everest Global PLC and as such will be a valuable addition to the Group's senior management team and Board of Directors.

Attendance at Board and Committee Meetings

Directors meet formally and informally both in person and by telephone. There have been four formal Board meetings during the period, and the volume and frequency of such meetings is expected to continue at this rate.

Director	Number of formal board meetings with possible attendance record in 18 month period ending 28 February 2025
David Lenigas	3/4 Board meetings 0/2 Audit Committee, 3/3 Remuneration Committee
Jeremy Edelman	4/4 Board meetings 2/2 Audit Committee, 3/3 Remuneration Committee
Mahesh Pulandaran	3/4 Board meetings 2/2 Audit Committee, 0/3 Remuneration Committee

The Group has effective procedures in place to address conflicts of interest. The Board is aware of the other commitments and interests of its Directors and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

Principle Seven: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

Board of Directors

The role of the Board of Directors is to promote the long-term success of the Group and sustainably grow shareholder value. The Board has responsibility for the management, direction and performance of the Group and for ensuring that appropriate resources are in place to achieve its strategy. The Board directs and reviews the Group's operations within an agreed framework of controls. This allows risk to be assessed and managed within agreed parameters. There is a clear division of responsibility across the Board:

- (1) the Board is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction; and
- (2) the Executive Chairman is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Group.

The Board has established an Audit Committee and a Remuneration Committee both of which are currently comprised of Mahesh Pulandaran and Jeremy Edelman. As the Group grows, it is the Board's intention that the committees will comprise Non-Executive Directors only, a majority of which will be independent. Both the Audit Committee and the Remuneration Committee are currently chaired by Mahesh Pulandaran being the Board's only independent Non-Executive Director.

Audit Committee: The Audit Committee, which also encompasses the monitoring of risks posed to the Group on an ongoing basis, has responsibility for, among other things, the monitoring of the financial integrity of the Group's financial statements and the involvement of its auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of internal financial controls is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board.

The Audit Committee meets no less than twice a year at the appropriate times in the reporting and audit cycle. It also meets on an 'as necessary' basis. The responsibilities of the committee covered in its terms of reference include external audit, internal audit, financial reporting and internal controls.

Remuneration Committee: The Remuneration Committee has responsibility, subject to any necessary Shareholder approval, for the determination of the terms and conditions of employment, remuneration and benefits of the Executive Directors and certain other senior executives, including pension rights and any compensation payments. It also recommends and monitors the level and structure of remuneration for senior management and the implementation of share option or other performance-related schemes.

The Remuneration Committee meets at least twice a year. The responsibilities of the committee covered in its terms of reference include determining and monitoring policy on and setting levels of remuneration, termination, performance-related pay, pension arrangements, reporting and disclosure, share incentive plans and the appointment of remuneration consultants. The terms of reference also set out the reporting responsibilities and the authority of the committee to carry out its responsibilities.

Matters Reserved for the Board

There is a formal schedule of Matters Reserved for the Board. The Board is responsible for overall group strategy and management, financial reporting and controls, group structure and capital, corporate governance and the role of a nomination committee. As part of its role of nomination committee it is primarily responsible for: leading the process and making recommendations to the Board for the appointment of new Directors; regularly reviewing the Board structure, size and composition (including the skills, knowledge, independence, experience and diversity), recommending any necessary changes and considering plans for orderly succession; making recommendations to the Board about suitable candidates for membership of the various committees.

Principle Eight: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.

The Group has an annual performance evaluation for the Board, its committees and individual Directors. The Board and its committees are satisfied that they are operating effectively.

Performance evaluations are conducted annually and the method for such reviews continue to be reviewed by the Board to optimise the process.

Principle Nine: Establish a remuneration policy which is supportive of long-term value creation and the Group's purpose, strategy and culture.

It is the Board's responsibility to establish an effective remuneration policy which is aligned with the Group's purpose, strategy and culture, as well as its stage of development. The remuneration policy ensures that the Board and management's remuneration is aligned to the strategic objectives of the business, both in short term and long-term goals. Over and above pure financial goals Board and management are remunerated according to pre-agreed corporate cultures and behaviours.

Remuneration goals are Specific, Measurable, Attainable, Realistic and Time Based. The Remuneration Committee is responsible for different remuneration structures depending on target behaviour required. Where not mandated to be put to a binding vote, remuneration policies should at least be put to an advisory vote.

Principle Ten: Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Group communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the AGM, and one-to-one meetings with large existing or potential new shareholders. A range of corporate information (including all Group announcements and presentations) is also available to shareholders, investors and the public on the Group's corporate website.

Historical annual reports are available on request where there they are not available on the website. All governance related policies are on the website.

As soon as practicable after the AGM has finished, the results of the meeting are released through a regulatory news service. The announcement also provides details of the total number of votes in favour of each resolution.

Report of the Audit Committee

This report is prepared in accordance with the Quoted Companies Alliance (QCA) corporate governance code for small and mid-sized quoted companies, revised in 2023. A summary of the Committee's role and membership can be found in the Corporate Governance section of this Annual Report. Committee meetings are held at least twice a year, and the external accountant is invited to attend together with the external auditor. 2 meetings of the Committee were held during the year, and the following significant issues were considered:

Significant issue	Summary of significant issue	Actions and Conclusion
<i>Going concern</i>	<p>The Group's ability to continue as a going concern is a significant risk, requiring careful assessment as part of the financial statement preparation.</p> <p>This involves evaluating whether the Group has sufficient resources to meet its obligations for a period of at least 12 months from the date the financial statements are signed. Given the inherent uncertainties in forecasting, especially in a volatile sector such as cryptocurrency mining, this area demands close scrutiny by the Audit Committee.</p>	<p>The Committee noted that the Group has funded its operations during the period through an equity raise of £1.5 million (gross).</p> <p>In addition to this funding, post year end the Group raised a further \$4m to be utilised in two tranches. The first tranche of US\$2 million is being used to assist the Group in growing its Bitcoin assets prior to a potential NASDAQ dual listing. The second tranche of US\$2 million may be drawn down in the future subject to certain conditions having been satisfied.</p> <p>The Committee agreed with management's assessment that the Group has enough funding to continue as a going concern for at least 12 months from the date of signing the financial statements.</p>
<i>Valuation/impairment of tangible assets (mining machines)</i>	<p>The Group holds a material value of mining machines, which are subject to significant estimation uncertainty due to the following factors:</p> <ol style="list-style-type: none"> 1) Mining machines represent a substantial portion of total assets (£614,000). 2) A significant impairment charge was recorded during the interim period, with several indicators of potential further impairment under IAS 36. 3) Estimation around depreciation, valuation, and future cash flows involve management judgement. 	<p>The Committee examined the methodology, key assumptions, and inputs used in the impairment assessment, including cash flow forecasts and discount rates.</p> <p>The Committee evaluated the rationale behind the impairment recognised in the interim results and assessed whether further adjustments were necessary at year-end.</p> <p>The Committee concluded that management's impairment review was reasonable and appropriately reflected the risks and uncertainties in the valuation of the mining machines. The disclosures in the financial statements were considered adequate and in compliance with IAS 36.</p>
<i>Revenue recognition</i>	<p>Revenue recognition is considered an inherent risk, given the decentralised nature of blockchain, which increases the risk of manipulation and challenges around verification. Revenue includes both block rewards and transaction fees, but as these cannot be separately identified within mining pools, they are treated as a single performance obligation under IFRS 15. The fair value of crypto assets received is highly volatile, leading to significant risk of misstatement in the measurement and timing of revenue, while accuracy and completeness rely on complex blockchain data.</p>	<p>The Committee reviewed and challenged management's revenue recognition policy, including the treatment of mining pool rewards and valuation of crypto assets. It assessed the use of blockchain data to support revenue accuracy and completeness, and considered the auditor's work on fraud risk and pricing validation. The Committee concluded that the approach and disclosures were appropriate and in line with relevant accounting standards.</p>

Appointment of External Auditor

On 3 March 2025, the Group announced the resignation of its auditors, Pointon Young Chartered Accountants, and the appointment of PKF Littlejohn LLP ("PKF"). The Committee recommended this change as they felt PKF has a broader global reach and extensive experience in dealing with North American businesses, where the Group has its operations.

The Committee has recommended to the Board the re-appointment of PKF as Auditor at the forthcoming 2025 annual general meeting (AGM), and PKF has expressed its willingness to continue in office.

Objectivity and Independence

The Committee continues to monitor the Auditor's objectivity and independence and is satisfied that PKF and the Group have appropriate policies and procedures in place to ensure that these requirements are not compromised.

Internal controls/audit

The Directors acknowledge their responsibility for the Group's system of internal control and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and ensure the reliability of financial information for both internal use and external publication. Whilst the Directors are aware no system can provide absolute assurance against material misstatement or loss, regular review or internal controls are undertaken to ensure that they are adequate and effective.

The Group does not currently have an internal audit function due to the small size of the Group and limited resources available. To date, the Committee has decided that an internal audit function is not required but will continue to assess the situation on a regular basis.

Going Concern

The financial statements have been prepared on a going concern basis, supported by recent fundraising and a \$4 million bridging loan secured post year-end; however, as the loan remains repayable, a material uncertainty exists. See Note 1 of the financial statements for further details.

Environment, Social and Governance Statement

As a digital asset Group focused on Bitcoin-related activities, we acknowledge the importance of Environmental, Social and Governance (ESG) considerations in delivering long-term value and maintaining the trust of our stakeholders. Following our recent move to the Main Market of the London Stock Exchange, we remain committed to transparent and responsible business practices aligned with evolving investor expectations.

Environmental: We recognise the environmental concerns associated with the energy consumption of Bitcoin-related operations. While our business model relies on outsourced infrastructure and has a limited direct environmental footprint, we are committed to transparency in how we assess and manage climate-related risks and opportunities. Our approach, including metrics and mitigation strategies, is detailed in our TCFD-aligned disclosures.

Social: As a lean organisation with no employees beyond the Board of Directors, our direct social impact is currently minimal. However, we are mindful of our broader responsibilities and seek to work with partners and suppliers who uphold high standards on ethical labour practices, inclusion, and social responsibility. As our operations evolve, we will develop appropriate policies and frameworks to ensure positive social impact.

Governance: Strong governance is important to the Group. Oversight of ESG risks and opportunities sits with the Board, which sets the tone for ethical conduct, regulatory compliance, and responsible risk management. Our governance framework, including Board composition, internal controls, and risk oversight, is detailed in the Corporate Governance Report.

As we scale, we will continue to evolve our ESG approach, building on industry best practices and aligning with stakeholder expectations, including those of regulators, investors, and the communities in which we operate.

Climate-Related Financial Disclosures

The Group recognises that climate change represents one of the most significant challenges facing the world today. Under the Listing Rules compliance with the Task Force on Climate-Related Financial Disclosures (TCFD) is required for all listed companies on a comply or disclose basis.

TCFD Purpose

In contrast to the Streamlined Energy and Carbon Reporting (SECR) disclosures which requires listed companies to disclose their greenhouse gases emissions, CO₂ and energy usage, TCFD is primarily designed to protect shareholders from the impacts of climate change by ensuring companies adapt to the risks and opportunities that climate change presents. The most significant risk in this context for the industry is the high energy consumption of Bitcoin mining, especially when powered by fossil fuels, as this places the industry at odds with evolving global and national climate policies aimed at decarbonisation.

TCFD adherence requires disclosure of Greenhouse Gas (GHG) emissions as part of the Metrics and Targets section. This creates a degree of overlap with SECR requirements, however TCFD's main focus on emissions is to understand how GHG emissions may expose a Group to future changes in law or legal challenges, regulation or market dynamics which penalise higher polluting industry sectors, sub sectors or companies.

Climate Change Risks and Opportunities

The following table includes our TCFD disclosures and where necessary explanations why the Group has not fully met and the Board's plans to implement these in future.

Vinanz's Governance, Strategy, Risk Management, Metrics and Targets

Governance	
Board of directors oversight	<p>The Group does not currently have a risk or climate risk committee although climate risk is discussed at board meetings when relevant and is the direct responsibility of the CEO.</p> <p>A climate risk committee will be implemented as the growth of the Group allows for more members to lead a separate committee.</p> <p>Our strategy and business plan is to ensure our facilities are located on low carbon emission grids and to be built as efficient as possible. Location and source of energy are key to the implementation of this strategy.</p>
Assessment and management	<p>Climate related issues identified and discussed during the period include the challenges faced by the industry to align Group policy with expectations of our stakeholders. We are currently developing this policy and will be able to report on this in the next period to show how our strategy is aligned with the risk of climate change.</p>
Strategy	
Risks and opportunities (transition and physical)	<p>Climate related issues identified and discussed include:</p> <p>1) Increased costs for energy from carbon pricing</p> <p>In the medium term, the directors believe the cost of energy will increase and that the success of the business will depend on the Group being able to source renewable electricity that is not dependent on any individual grid. The Group will also use this as an opportunity to improve resource efficiency and move to 100% renewable energy procurement.</p> <p>2) Increased costs of mining machines</p> <p>The Group recently acquired new hardware which is more efficient and therefore uses less energy than its old hardware. In the long term the Group will need to ensure that suitable replacement equipment is sourced and budgeted for, to reduce the risk of disruption to operations.</p> <p>3) Reputational damage</p> <p>The Group is aware that its stakeholders are becoming increasingly climate conscious and will focus on ensuring that its policies meet these expectations. This will give the Group the opportunity to become an industry leader in the transition to a low carbon economy.</p> <p>4) Physical risks</p> <p>Extreme weather events have the potential to lead to power outages or damage to operations. The Group will endeavour to locate existing and new facilities in locations which have a lower risk of these acute events taking place.</p>
Impact of risks and opportunities	<p>The Group is in the process of defining its climate related goals and ambitions with the objective of becoming a carbon neutral Group. However, it is aware that this needs to be balanced with its purpose of providing its shareholders with an attractive rate of return.</p>
Resilience of the Group's strategy	<p>The Group is yet to conduct a climate-related scenario analysis and therefore cannot disclose further information on its resilience to climate change.</p>
Risk Management	
Risk identification	<p>The Group has identified key climate change related risks as follows:</p> <p>1) Potential for higher input costs, notably for power generated by fossil fuels and supplier costs for facilities, due to an increase in materials such as concrete and raw materials.</p>

	2) Competition for renewable energy and new hardware.
	3) Competition for equity capital between similar companies in the industry.
	4) Climate change physical impacts on jurisdiction and regions where facilities are located.
	5) Reduced demand for mined Bitcoin which have been mined using higher than average GHG emissions energy.
	6) Increased regulatory guidance and legislation leading to higher underlying costs.
Processes and management	The Group identifies and assesses climate-related risks that apply to the industry. While the Group has not yet formalised a method for assessing the relative significance of climate-related risks compared to other principal risks, a range of processes are used to monitor and evaluate potential impacts.
	These include: 1) Monitoring regulatory and policy developments at national and international levels; 2) Observing market and technological shifts that may affect costs or industry perception; and 3) Drawing on internal and external insights, including industry reports, peer benchmarking, and regulatory guidance.
	Risk management is overseen by the Board of Directors, which recognises climate change as a financial risk. Climate change is treated as a Principal Risk within the Group's broader risk management programme, given the energy-intensive nature of Bitcoin mining, and is also embedded in related risk areas such as energy supply and price volatility, and technological change.
Metrics and Targets	
GHG metrics	The Group's greenhouse gas emissions have not been captured in the period. However, the Group is undergoing a review to address this non-compliance and will set up a process that will internally track and monitor climate-related metrics and KPIs. During the period under review the main GHG emitters were: 1) Electricity consumption(kWh) 2) Renewable energy consumption (kWh) 3) International flights 4) Employee / contractor accommodation and associated energy use. During 2025/26 the Group will implement improved GHG data collection methodology at the Group to enable it to report on Scope 1-3 emissions.

The Board will ensure that in its strategic plans climate related risks and opportunities are identified over the short, medium and long term and the impact of these risks are included in financial and scenario planning.

Governance will be strengthened to ensure reporting on these climate related risks is meaningful and transparent. Risk Management will include a process for identifying, assessing, and managing climate-related risks and the Group will establish various metrics and targets to assess climate-related risks and opportunities.

Streamlined Energy and Carbon Reporting

Vinanz is a quoted Group which has consumed more than 40MWh of energy, and as such is required to report its emissions, energy usage and calculation methodologies. The SECR guidelines require the discloser to produce a base year of emissions against which subsequent years may be compared.

However, this information is not available at year end and therefore cannot be reported. The Group intends to publish GHG and energy emissions data in line with the SECR regulations as soon as the data is available and will continue to improve these processes throughout the Group during 2025.

Whistleblowing

The Group has adopted a formal whistleblowing policy which aims to promote a very open dialogue with all its employees which gives every opportunity for employees to raise concerns about possible improprieties in financial reporting or other matters.

Diversity

The Board are aware of its lack of diversity in its Board. It has an all-male white Board. Therefore, the Group does not meet the board diversity targets as detailed out in Policy Statement PS 22/3 of the Listing Rules and DTR requirements, on gender or ethnicity. The Board will seek to address these issues going forward, however, the Board is conscious that the Group is small, with no employees except Directors and the recruitment of a diverse Board in the immediate future may not be feasible owing to the necessary expertise required.

Market Abuse Regulation, share dealing code and social media policy

The Group has adopted policies and procedures so as to manage and control inside information, and to avoid the unlawful disclosure of inside information. The Group and the Directors are aware of their obligations under the Market Abuse Regulation, and the Group has adopted a share dealing code consistent with the provisions of the Market Abuse Regulation and a social media policy.

This report is made in accordance with a resolution of directors.

On behalf of the directors



David Lenigas
Chairman

24 June 2025
London, United Kingdom

The Directors present their report, together with audited consolidated financial statements for the 18 month period ending 28 February 2025 (with comparative figures for the twelve-month period ended 31 August 2023). The results are comparing an 18 month period to a 12 month period and also a period of startup to one of a maturing business so the results are not directly comparable.

Vinanz Limited ("the Group") was incorporated in the British Virgin Islands on 27 August 2021 with registered number 2073995. The Group's Ordinary Shares were admitted to trading on the Access Segment of the Aquis Stock Exchange Growth Market on 21 April 2023 pursuant to its admission document dated 13 April 2023 and then transferred and admitted to the Official List (by way of a listing in the Transition Category) of the FCA and to trading on the main market ("Main Market") for listed securities of the London Stock Exchange ("LSE") on 13 January 2025.

Principal activities

The Group will continue to operate in the crypto currency space by both mining and investing in the sector as detailed in the Strategic Report.

Results Dividends

The Directors do not recommend the payment of a dividend (2023: £Nil). The nature of the Group's business means that it is unlikely that the Directors will recommend a dividend in the coming years. The Directors believe the Group should seek to generate capital growth for its Shareholders. The Group may recommend distributions at some future date when it becomes commercially prudent to do so, having regard to the availability of the Group's distributable profits and the retention of funds required to finance future growth.

Business Review, Future Developments and Key Performance Indicators

A review of the business, future developments and key performance indicators are outlined in the Strategic and Corporate Governance Report.

Board of Directors

The Directors who held office during the period under review, and as at the date of this report, were as follows:

David Lenigas	Chairman
Jeremy Edelman	Director
Mahesh Pulamdarán	Independent Non-Executive Directors
Robert Scott	Finance Director

Directors' Interests

The Directors' interests in the Group are set out in the Remuneration Report on pages 24 to 27.

Post Balance Sheet Event

Subsequent to year end the Group appointed a Financial Director and a Chief executive Officer. In addition it raised \$4 million in 2 tranches of \$2 million each by way of Convertible Loan Notes. These funds were used primarily to acquire Bitcoin. The Company also raised an amount of £3.029 million pursuant to a WRAP Retail Offer as well as a direct subscription for a placing totaling £550,000. This was completed during the week ending 20 June 2025.

No other matter or circumstance has arisen since 28 February 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Substantial Shareholdings

The list of substantial shareholders, including Directors disclosed above, in the Group as at 28 February 2025.

Shareholder	No. of shares	%
David Lenigas	55,668,976	18.29
Jeremy Edelman	55,188,976	18.13
Vinanz Limited Employee Benefit Trust	50,740,204	16.67
Clear Capital Markets Limited	31,40,257	10.32
Valereum Plc	27,325,171	8.98
Black Swan FZE	10,000,000	3.28
First Sentinel Corporate Finance Limited	10,000,000	3.28

Total shares in issue	304,441,226	
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Directors' Remuneration

Directors' remuneration is disclosed in the Directors' Remuneration Report on pages 25 to 28.

Going Concern

The directors have prepared the financial statements on a going concern basis, which assumes the company will continue in operation for the foreseeable future. This assessment has considered the company's financial performance, liquidity, debt obligations, and cash flow projections. Based on these factors, the directors have a reasonable expectation that the company will be able to meet its liabilities as they fall due.

Financial Risk Management

These are detailed out in notes 33 - 38 to the financial statements.

Disclosure of Information to the Auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the consolidated entity's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

PKF Littlejohn LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Corporate Governance

A report on Corporate Governance is set out in the Strategic Report.

Annual General Meeting

The Group will hold its Annual General Meeting in 2025 at its registered offices. The date of this will be communicated separately to shareholders.

Streamlined Energy and Carbon Reporting

This is referred to in the Strategic and Governance Report on pages 5 to 19.

Charitable and Political Donations

No charitable or political donations were made during the year.

This report is made in accordance with a resolution of directors.

On behalf of the directors

David Lenigas
Chairman



24 June 2025
London, United Kingdom

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

BVI Group law requires the directors to keep reliable accounting records which correctly explain the transactions of the Group, enable the financial position of the Group to be determined with reasonable accuracy at any time and allow financial statements to be prepared. The shareholders have resolved, in accordance with the BVI Business Companies Act, 2004 (as amended) and the Articles of Association, that the Directors prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of its profit or loss for that period.

On this basis, the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group, and of the profit or loss of the Group for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ('IFRS') have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with applicable laws and regulations. They are also responsible for safeguarding the assets of the Group and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom and the BVI governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Directors' Responsibility Statement Pursuant to Disclosure and Transparent Rules

Each of the Directors, whose names and functions are listed on page 21 confirm that, to the best of their knowledge and belief:

- The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- The Annual Report and Financial Statements, including the Strategy Report, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that they face.

This report was approved and authorised for issue by the Board on 13 June 2025 and signed on its behalf by:



David Lenigas
Chairman

24 June 2025
London, United Kingdom

The Group's auditors, PKF Littlejohn LLP are required by law to audit certain disclosures and where disclosures have been audited, they are indicated as such.

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In consultation with external remuneration consultants, the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Relative Importance of Spend on Pay' below for details of the earnings and total shareholders return for the last five years.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

EBT Scheme

The Directors recognise the importance of the role that staff play in contributing to a Group's overall success and the importance of the Group's ability to incentivise and motivate its current and future people. Therefore, the Directors believe that certain directors, employees and consultants should be given the opportunity to participate and take a financial interest in the success of the Group. In order to facilitate this, the Group's long-term incentive plan ("LTIP") was established in 2024. The LTIP aims to incentivise officers, employees and consultants of the Group by the award of Ordinary Shares at such times and in such quantities as may be recommended by the Group from time to time (subject to the approval of the Remuneration Committee). Ordinary Shares under this plan will not exceed 20 per cent. of the Group's issued share capital from time to time without the prior approval of shareholders of the Group.

In order to implement the use of the LTIP, in 2024 the Group also established an employee benefit trust called the Vinanz Employee Benefit Trust ("EBT"). The EBT is a discretionary trust for the benefit of directors, employees and consultants of the Group and its subsidiaries. Pursuant to an agreement entered into between the trustee of the EBT and the Group, the Group shall, issue and allot Ordinary Shares from time to time to the EBT to be awarded to eligible employees, directors and consultants of the Group pursuant to the terms of the LTIP and for such other purposes relating to the ongoing recruitment, retention and incentivisation of employees as may be recommended by the Group from time to time (subject to the approval of the Remuneration Committee). The Ordinary Shares held in the EBT from time to time shall not exceed 20 per cent. of the Group's issued share capital from time to time. Ordinary shares were issued to the EBT post year end. See note 24 for further details.

Payment for Loss of Office

Directors have no entitlement to termination payments in the event of removal for misconduct.

Service contracts/Letter of Appointment

Name	Contract Commenced	Contract length/ termination period	Amount £
David Lenigas	13 April 2023	6 months written notice Initial fixed term of 24 months	36,000
Jeremy Edelman	13 April 2023	with 6 months written notice	36,000
Mahesh Pulandaran	13 April 2023	Immediate effect	15,000

The terms of all Directors' appointments are subject to their re-election by the Group's shareholders at any Annual General Meeting at which the Directors stand for re-election on rotation.

Director's Remuneration - (audited)

The table below sets out the remuneration received by the Directors for the period ended 28 February 2025 and 31 August 2023:

	18 Months ended 28 February 2025	18 Months ended 28 February 2025	18 Months ended 28 February 2025	18 Months ended 28 February 2025	Year ended 31 August 2023	
	Salary/Fees £	Bitcoin Bonus £	Share based payment £	TOTAL £	TOTAL £	%
Executive directors:						
David Lenigas	66,000	66,000	4,726,967	4,858,967	658,390	638.20%
Jeremy Edelman	66,000	66,000	4,726,967	4,858,967	658,390	638.20%
	<u>132,000</u>	<u>132,000</u>	<u>9,453,934</u>	<u>9,717,934</u>	<u>1,316,780</u>	

	18 Months ended 28 February 2025	18 Months ended 28 February 2025	18 Months ended 28 February 2025	18 Months ended 28 February 2025	Year ended 31 August 2023	
	Salary/ Fees £	Bitcoin Bonus £	Share based payment £	TOTAL £	TOTAL £	%
Non-executive directors:						
Mahesh Pulandaran ²	28,663	-	-	28,663	16,667	71.98%

¹Recalculated to take account of the different period lengths.

²Mahesh Pulandaran is director fee services are paid into Corpa Asia Advisory Pte Ltd.

Statement of Directors' Shareholding and Share Interests (audited)

The beneficial interests of the Directors who held office at any time during the period and their connected parties in the share capital of the Group is shown below:

	28 February 2025	28 February 2025	31 August 2023	31 August 2023
Name of Director	Number of Ordinary Shares	Percentage of issued Ordinary Share Capital %	Number of Ordinary Shares	Percentage of issued Ordinary Share Capital %
David Lenigas	55,668,976	21.94%	20,480,000	15.16%
Jeremy Edelman	55,188,976	21.75%	20,000,001	17.17%
	<u>110,857,952</u>		<u>40,480,001</u>	

Share-based compensation

Issue of shares

There were shares issued to directors as part of compensation during the year ended 28 February 2025. Refer to note 25.

Options

There were options issued to directors which were forfeited during the period. Refer to note 25.

Relative Importance of Spend on Pay

The table below illustrates the year-on-year change in total remuneration compared to distributions to shareholders and operational cash flow for the financial periods ended 28 February 2025 and 31 August 2023:

	Distributions to shareholders	Total Directors pay	Operational cash outflow	Revenue
	£	£	£	£
18 Month ended 28 February 2025	-	292,663	1,409,140	963,816
Year ended 31 August 2023	-	40,667	914,474	41,422
	-	333,330	2,323,614	1,005,238

Revenue and operational cash outflow has been shown in the table above as income and cash flow monitoring and forecasting is an important consideration for the Remuneration Committee and Board of Directors when determining cash-based remuneration for directors and employees.

Historical Share Price Performance Comparison

The Directors have considered the requirement for a UK performance graph comparing the Group's relative shareholder return with that of a comparable indicator and have concluded that it would not give a meaningful comparison as the Group has only been trading on the London Stock Exchange since 13 January 2025.

Consideration of Shareholder Views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Group's annual policy on remuneration.

This report is made in accordance with a resolution of directors.

On behalf of the directors



David Lenigas
Chairman - Remuneration Committee

24 June 2025
London, United Kingdom

Vinanz Limited
Statement of profit or loss and other comprehensive income
For the period ended 28 February 2025

VINANZ.

		Consolidated	
	Note	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Revenue			
Bitcoin mined	4	957,473	41,422
Cost of sales			
Power and hosting costs	5	(656,074)	(60,285)
Depreciation and amortisation expense	11	(129,690)	(30,635)
		<u>(785,764)</u>	<u>(90,920)</u>
Gross profit		171,709	(49,498)
Administration expenditure			
Administration expenditure	6	(1,887,254)	(484,393)
Share based payment	18	(14,007,856)	(1,974,170)
Total operating expenses		<u>(15,895,110)</u>	<u>(2,458,563)</u>
Operating loss		(15,723,401)	(2,508,061)
Realised gain on disposal of Bitcoin	7	160,900	-
Non-operational impairment	8	(35,084)	-
Loss before income tax benefit		(15,597,585)	(2,508,061)
Income tax benefit	9	3,125	-
Loss after income tax benefit for the year attributable to the owners of Vinanz Limited	20	(15,594,460)	(2,508,061)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of the intangible assets at fair value through other comprehensive income, net of tax		176,784	-
Other comprehensive income for the year, net of tax		<u>176,784</u>	<u>-</u>
Total comprehensive income for the year attributable to the owners of Vinanz Limited		<u>(15,417,676)</u>	<u>(2,508,061)</u>
		Pence	Pence
Basic earnings per share	8	(25.05)	(5.58)
Diluted earnings per share	8	(25.05)	(5.58)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Vinanz Limited
Statement of financial position
As at 28 February 2025

VINANZ.

		Consolidated	
		28 February	31 August
		2025 (18	2023 (12
		month	month
	Note	period)	period)
		£	£
Non-current assets			
Intangibles - digital assets	10	398,954	146,959
Property, plant and equipment	11	624,349	235,236
Deferred tax	12	3,125	-
Security deposits	13	96,022	-
Total non-current assets		<u>1,122,450</u>	<u>382,195</u>
Current assets			
Prepayments	14	68,031	109,266
Cash and cash equivalents	15	855,484	155,840
Total current assets		<u>923,515</u>	<u>265,106</u>
Current liabilities			
Trade and other payables	16	240,292	75,312
Total current liabilities		<u>240,292</u>	<u>75,312</u>
Net current assets		<u>683,223</u>	<u>189,794</u>
Total assets less current liabilities		<u>1,805,673</u>	<u>571,989</u>
Net assets		<u>1,805,673</u>	<u>571,989</u>
Equity			
Issued capital	17	19,701,636	1,178,880
Share based payment reserve	18	-	1,939,170
Revaluation reserve	19	176,784	-
Accumulated losses	20	<u>(18,072,747)</u>	<u>(2,546,061)</u>
Total equity		<u>1,805,673</u>	<u>571,989</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Vinanz Limited
Statement of changes in equity
For the period ended 28 February 2025

VINANZ.

	Issued capital £	Revaluation reserves £	Share based payment reserve £	Retained profits £	Total equity £
Consolidated					
Balance at 1 September 2022	-	-	-	(38,000)	(38,000)
Loss after income tax expense for the year	-	-	-	(2,508,061)	(2,508,061)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(2,508,061)	(2,508,061)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 17)	1,143,880	-	-	-	1,143,880
Share-based payments (note 18)	35,000	-	1,939,170	-	1,974,170
Balance at 31 August 2023	1,178,880	-	1,939,170	(2,546,061)	571,989
	Issued	Revaluation	Share based	Retained	
Consolidated	capital	Reserves	payment	profits	Total equity
	£	£	reserve	£	£
Balance at 1 September 2023	1,178,880	-	1,939,170	(2,546,061)	571,989
Loss after income tax benefit for the period	-	-	-	(15,594,460)	(15,594,460)
Other comprehensive income for the period, net of tax	-	176,784	-	-	176,784
Total comprehensive income for the period	-	176,784	-	(15,594,460)	(15,417,676)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 17)	2,643,504	-	-	-	2,643,504
Share-based payments (note 18)	15,879,252	-	(1,939,170)	67,774	14,007,856
Balance at 28 February 2025	19,701,636	176,784	-	(18,072,747)	1,805,673

The above statement of changes in equity should be read in conjunction with the accompanying notes

		Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Note			
Cash flows from operating activities			
	Payments to suppliers and employees	(1,517,450)	(2,564,764)
	Net cash used in operating activities	(1,517,450)	(2,564,764)
Cash flows from investing activities			
11	Payments for property, plant and equipment	(384,103)	(113,244)
10	Proceeds from disposal of intangibles	81,026	-
	Net cash used in investing activities	(303,077)	(113,244)
Cash flows from financing activities			
7	Proceeds from issue of shares, net of transaction costs	2,520,121	855,000
	Share option expense	-	1,292,780
	Share warrant expense	-	646,390
	Share based payment expense	-	35,000
	Proceeds from borrowings	50	4,678
	Net cash from financing activities	2,520,171	2,833,848
	Net increase in cash and cash equivalents	699,644	155,840
	Cash and cash equivalents at the beginning of the financial year	155,840	-
15	Cash and cash equivalents at the end of the financial year	855,484	155,840

Financial period September 2023 to February 2025

Material non-cash items

- **Bitcoin Mined:** £957,473 (net of internal transfers [note 10]) in Bitcoin was received as block rewards during the year. As no fiat cash was received at the time of mining, this amount has been excluded from operating cash inflows.
- **Bitcoin Used to Settle Supplier Invoices:** £1,012,373 (net of internal transfers [note 10]) of trade payables were settled via transfer of Bitcoin. This non-cash operating cost is excluded from cash outflows.
- **Depreciation and Impairment:** Non-cash charges of £129,690 and £35,084 respectively were recorded against property, plant and equipment
- **Share-Based Payments:** Non-cash expense of £14,007,856 was recognised for equity instruments granted to directors and advisors.
- **Realised Gain on Bitcoin:** A non-cash realised gain of £160,900 on disposal of digital assets was recognised in profit or loss.
- **Deferred Tax Credit:** A non-cash tax credit of £3,125 was recognised, not involving cash movement.

Financial period September 2022 to August 2023

Material non-cash items

- **Bitcoin Mined:** £41,422 (net of internal transfers [note 10]) in Bitcoin was received as block rewards during the previous period. As no fiat cash was received at the time of mining, this amount has been excluded from operating cash inflows.
- **Depreciation and Impairment:** Non-cash charges of £30,635 recorded against property, plant and equipment
- **Share-Based Payments:** Non-cash expense of £1,974,169 was recognised for equity instruments granted to directors and advisors. The £1,974,169, contrast to operating activities of £2,564,764, net cash operating activities £590,595.
- **Realised Gain on Bitcoin:** A non-cash realised loss of £5,716 on disposal of digital assets was recognised in profit or loss.

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the UK. The financial statements also comply with the provisions of the BVI Business Companies Act, 2004 (as amended) and the BVI Business Companies (Financial Return) Order, 2023.

The financial statements have been prepared on a going concern basis,, except where otherwise stated. The Group's functional and presentation currency is Pounds Sterling (GBP).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, and intangible assets at fair value through other comprehensive income.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going Concern

The Directors acknowledge the losses incurred by the Group for the period ended 28 February 2025. Since year-end, the Group has raised additional funds to support its operations and has secured a USD \$4 million bridging loan, to be drawn in two tranches and an additional capital raise of GBP 3.6 million on 17 June 2025. These actions provide financing for the next 12 months, including the repayment of the bridging loan which remains repayable 7 April 2026. The company is able to dispose of its digital assets for fiat cash to settle liabilities where required, which is considered as part of management going concern assessment. No adjustments have been made that would be required if the Group were unable to continue as a going concern.

Employee Benefit Trust

The Group operates an Employee Benefit Trust ("EBT") for the purpose of holding and delivering shares to employees and directors in connection with share-based payment arrangements. The EBT is controlled by the Group and is therefore consolidated in accordance with the requirements of IFRS 10 *Consolidated Financial Statements*.

The shares held by EBT are treated as treasury shares and are not valued until they are received by the employees and/or directors. Shares are not acquired through cash contributions but are awarded based on performance conditions being met under the terms of the relevant share-based payment scheme.

Once the shares are received by employees or directors, the fair value of the shares is recognised as an expense in profit or loss, with a corresponding increase in equity through ordinary share capital and, where applicable, share premium.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Vinanz Limited ('Group' or 'parent entity') as at 28 February 2025 and the results of all subsidiaries for the period then ended. Vinanz Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or "Group".

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Note 1. Material accounting policy information (continued)

Intergroup transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition

Revenue is derived solely from the mining of Bitcoin by the Group's owned mining machines.

Revenue is recognised at the point in time when the Group obtains control of the Bitcoin reward, which occurs when the mining process has been successfully completed and the Bitcoin is received in the Group's designated digital wallet. At this point, the Group has the ability to access, retain, and direct the use of the Bitcoin, thereby satisfying the criteria for control under IFRS 15 *Revenue from Contracts with Customers* and the IFRS Conceptual Framework for non-contractual income.

Revenue is measured at the fair value of the Bitcoin received, determined by reference to the spot exchange rate in GBP on the date and time the Bitcoin enters the Group's wallet. The spot price is obtained from a principal market (such as Coinbase or Binance), and represents a Level 1 input in accordance with IFRS 13 *Fair Value Measurement*.

Wallet Pooling Methodology

The Group utilises a wallet pooling methodology for operational efficiency and custodial oversight. Bitcoin mined across multiple mining locations is consolidated into a pooled wallet environment. While the digital assets are physically pooled, the Group maintains detailed off-chain records to track the origin and timing of each Bitcoin reward. These records ensure traceability, accurate revenue recognition, and reconciliation between individual mining activity and pooled wallet balances. This system enables the Group to reliably determine the fair value of each unit of Bitcoin at the time it is mined and received.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other income comprises realised gains on the disposal of digital assets, excluding Bitcoin mining rewards. Such gains are recognised at the point in time when control of the digital asset transfers to the buyer and the significant risks and rewards of ownership have passed. Income is measured at the fair value of the consideration received or receivable and is recognised only when it is probable that the economic benefits will flow to the Group and the amount can be reliably measured. This policy is applied in accordance with IFRS 15 *Revenue from Contracts with Customers* and relevant guidance under the IFRS Conceptual Framework.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Material accounting policy information (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Property, plant and equipment - bitcoin mining machines

Classification

Bitcoin mining machines are classified as Property, Plant and Equipment (PPE) under IAS 16 *Property, Plant and Equipment*. These are tangible assets held for use in the Group's cryptocurrency mining operations and are expected to be used over multiple periods.

Initial Recognition and Measurement

Mining machines are initially measured at **cost**, which includes:

1. The purchase price (net of any trade discounts),
2. Import duties and non-refundable taxes,
3. Costs directly attributable to bringing the asset to its working condition and location (e.g. shipping, customs, installation),
4. Any estimated dismantling and site restoration obligations.

Subsequent Measurement

The Group uses the cost model for subsequent measurement. Assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Note 1. Material accounting policy information (continued)

Depreciation

Mining machines are depreciated on a straight-line basis over their estimated useful life of five (5) years. Depreciation is calculated daily, beginning from the invoice (purchase) date, to accurately match expense with asset usage.

Bitcoin mining machines	5 years
-------------------------	---------

Impairment

Assets are reviewed at each reporting date for indicators of impairment in accordance with IAS 36 *Impairment of Assets*. If such indicators exist, the asset's recoverable amount is estimated, and an impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Derecognition

An asset is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss on derecognition is recognised in profit or loss.

Intangible assets

Bitcoin held by the Group is classified as an intangible asset in accordance with IAS 38 *Intangible Assets*, as it is a non-monetary asset without physical substance and is not held for sale in the ordinary course of business.

Initial Recognition

Bitcoin obtained through mining activities is initially recognised at its fair value on the date the asset is received and becomes accessible to the Group. Fair value is determined using the spot exchange rate in GBP at the specific date and time of receipt, based on quoted prices in active markets from a principal exchange (e.g., Coinbase or Binance). This approach ensures compliance with IFRS 13 *Fair Value Measurement* and reflects the fair value of the asset transferred in exchange for the Group's mining efforts.

The amount recognised as the initial carrying value of the Bitcoin also corresponds to the revenue recognised in the statement of profit or loss on that date.

The Group does not capitalise mining-related operating costs into the value of the intangible asset. Instead, these are expensed as incurred, with the full fair value of the mined Bitcoin recognised as both revenue and as the initial cost of the intangible asset.

Subsequent Measurement

After initial recognition, Bitcoin is measured using the revaluation model as permitted under IAS 38. The asset is recognised at its fair value at the reporting date. Revaluation of assets held under IAS 38 are revalued through other comprehensive income.

Impairment

The carrying amount of Bitcoin is reviewed at each reporting date for indicators of impairment in accordance with IAS 36 *Impairment of Assets*. Where such indicators exist, the asset is tested for recoverable amount and written down if the carrying amount exceeds this value. Any impairment loss is recognised in profit or loss. Impairment losses are not reversed in future periods if the fair value of Bitcoin subsequently increases.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Functional Currency

The financial statements are presented in Pounds Sterling (£), which is the Group's functional and presentational currency. The functional currency is the currency of the primary economic environment in which the entity operates. In determining the functional currency, the Group considers the currency that mainly influences sales prices for goods and services, and the currency that influences labour, material and other costs of providing goods or services.

Note 1. Material accounting policy information (continued)

Presentational Currency

The financial statements are presented in Pounds Sterling (£), rounded to the nearest whole Pound, unless otherwise indicated. Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Exchange gains or losses are recognised in profit or loss.

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments. The CODM has been identified as the Board of Directors.

The Group operates a single reportable segment: Bitcoin mining and related cryptocurrency operations, with all material operations based in North America. As such, the financial information presented reflects the performance of the consolidated business.

Share-Based Payments

The Group issues equity-settled share-based payments to certain directors, employees, and advisors. These are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. Fair value is determined by using an appropriate valuation model (e.g., Black-Scholes or Monte Carlo simulation), depending on the terms and conditions of the grant.

Where share-based payments are settled by the issuance of equity instruments with no vesting conditions or service period, the fair value is expensed immediately.

The corresponding amount is recognised in the share-based payment reserve. Upon exercise or conversion of the instruments, amounts previously recognised in the share-based payment reserve are transferred to share capital and share premium as appropriate.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Note 1. Material accounting policy information (continued)

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

Revaluation reserve

The revaluation reserve arises from the remeasurement of intangible assets to fair value in accordance with IAS 38 *Intangible Assets*.

Revaluation increases are recognised in other comprehensive income and accumulated in equity under the revaluation reserve, unless they reverse a revaluation decrease of the same asset previously recognised in profit or loss. Revaluation decreases are first offset against any related credit balance in the revaluation reserve and then recognised in profit or loss.

Upon disposal or derecognition of a revalued asset, the associated balance in the revaluation reserve is transferred directly to retained earnings. This transfer is not made through profit or loss.

Share-Based Payment Reserve

The share-based payment reserve comprises the cumulative value of equity-settled share-based payment arrangements recognised in accordance with IFRS 2 *Share-based Payment*.

Equity instruments granted to employees, directors, or third parties are measured at fair value on the grant date and recognised as an expense over the vesting period, with a corresponding credit to the share-based payment reserve.

The fair value of share options and warrants is determined using an appropriate valuation model (e.g., Black-Scholes), considering all relevant terms and conditions.

Where instruments are forfeited or lapsed the corresponding amount is reclassified within profit or loss. Exercised instruments are reclassified within equity.

For equity instruments with no vesting conditions, the expense is recognised in full on the grant date.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the owners of Vinanz Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Note 1. Material accounting policy information (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 28 February 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Revisions to estimates are recognised prospectively.

Estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

Fair Value and Impairment of Cryptocurrency Holdings

Cryptocurrencies, primarily Bitcoin, are classified as intangible assets and measured at fair value at each reporting date. Fair value is determined using quoted prices from the Group's principal exchange (e.g. Coinbase), and movements are recognised through other comprehensive income. Due to the high volatility of cryptocurrency markets, significant judgement is required in selecting the valuation source and determining whether indicators of impairment exist. A material changes in market price close to or after period end may significantly impact reported carrying values. Refer to note 10.

Impairment of Mining Equipment

The Group's mining equipment is subject to impairment testing when indicators exist. Management assesses the recoverable amount of cash-generating units (CGUs) using a value-in-use model based on future expected cash flows. This requires the use of significant estimates, including assumptions regarding future Bitcoin price, network difficulty, mining efficiency, operating uptime, hosting costs, and the discount rate applied. These assumptions are subject to high volatility and estimation uncertainty, particularly given the nature of the digital asset industry. Refer to note 11.

Share-Based Payments

The Group determines the fair value of equity-settled share-based payments using valuation models such as the Black-Scholes or Binomial model. These models require subjective inputs including expected volatility, option life, risk-free interest rate, and expected dividend yield. Changes in these assumptions could materially affect the amount recognised in profit or loss and equity. Refer to note 18

Recognition of Deferred Tax Assets

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available to utilise deductible temporary differences and carried forward tax losses. The recognition involves significant judgement, particularly in relation to the assessment of future taxable income and the timing of reversal of temporary differences in a sector subject to earnings volatility and regulatory uncertainty. Refer to note 9.

Going Concern Assessment

Management's assessment of going concern is based on the Group's current financial position, forecast cash flows, and funding arrangements. This includes assumptions regarding future Bitcoin market prices, network conditions, operational performance, and cost management. Judgement is also required in evaluating the Group's ability to secure additional funding, if necessary. These assumptions are inherently uncertain, and a material adverse change in market conditions could affect the going concern conclusion.

Note 3. Operating segments

The consolidated entity operates in a single business segment, being the mining and sale of Bitcoin, and within a single geographic market. The Board of Directors, who are the Chief Operating Decision Makers ("CODM"), review financial information and allocate resources on this basis.

Revenue is derived from the conversion of mined Bitcoin via cryptocurrency platforms such as Coinbase and Binance. These platforms serve as intermediaries for the sale of Bitcoin into fiat currency but are not considered customers in the traditional sense.

The accounting policies used in the internal reporting provided to the CODM are consistent with those applied in the consolidated financial statements.

As a result, the consolidated entity has determined that it has one reportable operating segment, and no further segment disclosures are required under IFRS 8 *Operating Segments*.

Note 4. Bitcoin mined

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Coinbase deposits	933,929	-
Binance deposits	16,576	5,086
Compass deposits	6,968	-
Luxor deposits	-	36,336
	<u>957,473</u>	<u>41,422</u>

Revenue is recognised at a point in time when control of the mined Bitcoin is transferred to the Group, which is the point at which the Bitcoin is received into the Group's designated digital wallet. This represents the moment the Group has the ability to direct the use of, and obtain substantially all the remaining benefits from, the asset.

Revenue from Bitcoin mining is measured as the fair value of the Bitcoin received, translated into GBP at the spot exchange rate on the date of receipt. This approach reflects the Group's policy of recognising income based on the actual value of digital assets at the time they are earned.

Note 5. power and hosting costs

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Hosting costs - blocklab	520,584	53,544
Labour costs - blocklab	22,983	-
Hosting costs - basic mining	29,191	-
Hosting costs - miningstore	30,423	-
Hosting costs - compass mining	27,005	6,741
Hosting costs - megawatt	25,888	-
	<u>656,074</u>	<u>60,285</u>

Note 6. Administration expenditure

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Compliance	17,254	-
Cryptocurrency costs	3,290	16,640
Membership & subscription	7,256	-
Listing fees	206,693	-
Repairs & maintenance	16,867	-
Research & development	136,149	-
Investor relations	11,961	-
Advertising & marketing	231,530	19,158
Accounting fees	35,529	3,563
Share registry costs	40,349	17,403
Bank fees	28,985	7,624
Consultancy & professional services	539,579	304,030
Auditor remuneration (note 25)	83,131	30,000
General expenses	53,570	40,979
Taxes on purchases unclaimable	110,986	-
Insurance	25,766	4,329
Directors' remuneration (note 24)	292,663	40,667
Travel costs	45,696	-
Administration costs	1,887,254	484,393

There are no employees other than the directors during the current 18 months financial period and the previous 12 months financial period.

Note 7. realised gain

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Realised gains	160,900	-

The realised gain is from BTC transactions.

Note 8. non-operational impairment

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Impairment of investments	35,084	-

Note 9. Income tax benefit

Group Structure and Tax Jurisdictions

Vinanz (the “Group”) is incorporated and registered in the British Virgin Islands (BVI). Under current BVI legislation, the Group is not subject to income tax in the BVI provided it does not carry on business with BVI residents. As such, no income tax expense arises for the parent Group.

The Group includes Vinanz (UK) Limited, a wholly owned operating subsidiary registered and tax resident in the United Kingdom. Vinanz (UK) Limited is subject to UK corporation tax on its taxable profits in accordance with UK tax laws.

Note 9. Income tax benefit (continued)

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
<i>Income tax benefit</i>		
Current tax – Vinanz (UK) Limited	-	-
Deferred tax - origination and reversal of temporary differences – Vinanz (UK) Limited	(3,125)	-
Aggregate income tax benefit	(3,125)	-
Deferred tax included in income tax benefit comprises:		
Increase in deferred tax assets (note 12) – Vinanz (UK) Limited	(3,125)	-
<i>Numerical reconciliation of income tax benefit and tax at the statutory rate</i>		
Loss before income tax benefit – Vinanz Limited	(15,547,689)	(2,508,061)
Loss before income tax benefit – Vinanz (UK) Limited	(49,895)	-
Tax at the statutory tax rate of 0% – Vinanz Limited	(15,547,689)	(627,015)
Tax at the statutory tax rate of 25% – Vinanz (UK) Limited	(49,895)	-
Unrecognised deferred tax asset on trading losses relating to the subsidiary Vinanz (UK) Limited	12,462	-
Income tax benefit – Vinanz (UK) Limited	(3,125)	-

The deferred tax benefit of £3,125 has been recognised in relation to audit fees accrued but not yet deductible under UK tax law. The deferred tax asset relating to the trading loss of £49,846 has not been recognised due to uncertainty over the availability of future taxable profits. The Group Vinanz Limited operates from the British Virgin Island where the statutory tax rate is 0%.

Note 10. Non-current assets - intangibles - digital assets

The Group holds digital assets, specifically Bitcoin and Tokenomic investment, which are classified as intangible assets under IAS 38 *Intangible Assets*. These assets meet the definition of intangible assets as they are identifiable, non-monetary, and lack physical substance. They are controlled by the Group through cryptographic keys in secure digital wallets and are expected to generate future economic benefits through sale, exchange, or utilization in blockchain ecosystems.

These digital assets are accounted for using the revaluation model, as permitted under IAS 38, due to the availability of observable and reliable fair value information from active cryptocurrency exchanges and blockchain platforms. Under this model, intangible assets are carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated impairment losses.

Recognition and Measurement

On initial recognition, digital assets are measured at cost, which includes the purchase price and any directly attributable costs of acquisition. After initial recognition, the assets are remeasured at fair value at each reporting date.

- Gains arising from increases in fair value are recognised in Other Comprehensive Income (OCI) and accumulated in a revaluation reserve within equity.
- Losses arising from decreases in fair value are recognised in OCI to the extent of any existing revaluation surplus for that asset; otherwise, the loss is recognised in profit or loss.

Amortization and Impairment

Note 10. Non-current assets - intangibles - digital assets (continued)

The Bitcoin and Tokenomic holdings are considered to have indefinite useful lives and are therefore not amortized. They are, however, subject to annual impairment testing, or more frequently if events or changes in circumstances indicate that the asset may be impaired. Impairment losses, where applicable, are recognised in profit or loss.

Carrying Amounts and Revaluation Movements

The carrying values and revaluation movements of the Group's digital intangible assets are summarised below:

	Consolidated 28 February 2025 BTC	Consolidated 28 February 2025 £	Consolidated 31 August 2023 BTC	Consolidated 31 August 2023 £
Bitcoin wallet - carrying value	5.92	396,977	6.88	146,959
Tokenomic - carrying value	-	1,977	-	-
	<u>5.92</u>	<u>398,954</u>	<u>6.88</u>	<u>146,959</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated Bitcoin wallet BTC	Consolidated Bitcoin wallet £	Consolidated Tokenomic Coin	Consolidated Tokenomic £	Consolidated Total
Opening balance 1 September 2022	-	-	-	-	-
Acquired through acquisition	5.01	111,253	-	-	111,253
Mined bitcoin	1.87	41,222	-	-	41,222
Realised gains (note 7)	-	-	-	-	-
Unrealised losses	-	(5,496)	-	-	(5,496)
Closing balance 31 August 2023	<u>6.88</u>	<u>146,979</u>	<u>-</u>	<u>-</u>	<u>146,979</u>
	Consolidated Bitcoin wallet BTC	Consolidated Bitcoin wallet £	Consolidated Tokenomic Coin	Consolidated Tokenomic £	Consolidated Total
Opening balance 1 September 2023	6.88	146,979	-	-	146,979
Opening balance adjustment - fair value	-	(32,786)	-	-	(32,786)
Mined bitcoin (including internal transfers)	23.02	1,171,535	0.71	37,061	1,208,596
Bitcoin disposed (including internal transfers)	(23.97)	(1,226,435)	-	-	(1,226,435)
Impairment of intangible asset	-	-	-	(35,084)	(35,084)
Revaluation surplus reserve (note 19)	-	176,784	-	-	176,784
Realised gain (note 7)	-	160,900	-	-	160,900
Closing balance 28 February 2025	<u>5.93</u>	<u>396,977</u>	<u>0.71</u>	<u>1,977</u>	<u>398,954</u>

Management applies fair value estimation techniques consistent with IFRS 13 using quoted market prices from active exchanges as the primary input. The market is considered active due to the frequency and volume of transactions for these digital assets.

The Group continues to monitor regulatory, technological, and market developments that may affect the valuation or classification of these assets.

Note 11. Non-current assets - property, plant and equipment

Bitcoin mining machines are recognised as tangible assets under IAS 16 *Property, Plant and Equipment*. These assets are used in the Group's core cryptocurrency mining operations and are expected to provide economic benefits over their useful life.

At the reporting date, the carrying amounts of Bitcoin mining machines were as follows:

	Consolidated	
	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Bitcoin machines - at cost	784,674	265,871
Less: accumulated depreciation	(160,325)	(30,635)
	<u>624,349</u>	<u>235,236</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Bitcoin machines £	Total £
Balance at 1 September 2022	-	-
Additions	265,871	265,871
Depreciation expense	(30,635)	(30,635)
Balance at 31 August 2023	235,236	235,236
Additions	519,442	519,442
Write off of assets	(639)	(639)
Depreciation expense	(129,690)	(129,690)
Balance at 28 February 2025	<u>624,349</u>	<u>624,349</u>

Useful Life and Depreciation

- Estimated useful life: 5 years (1,825 days).
- Depreciation method: Straight-line, calculated daily.
- Depreciation begins from the invoice date of each machine.
- No residual value has been applied.

Depreciation is recognised in the income statement within "Administration Expenditure / Depreciation and amortisation expense".

Capital Additions and Disposals

During the reporting period, the Group:

- Acquired new mining machines with a total cost of £519,442.
- There was no disposed of or fully depreciated mining machines during the period.

Note 11. Non-current assets - property, plant and equipment (continued)

Impairment Review

As of the reporting date, no indicators of impairment were identified. Therefore, no impairment losses have been recognised for the current period.

The Group continually monitors technological advancements, electricity pricing, network difficulty, and market volatility to assess whether mining machines remain economically viable.

Note 12. Non-current assets - deferred tax

	Consolidated	
	28 February	31 August
	2025 (18	2023 (12
	month	month
	period)	period)
	£	£
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Amounts recognised in profit or loss:		
Accrued expenses	3,125	-
Deferred tax asset	3,125	-
Amount expected to be recovered within 12 months	3,125	-
<i>Movements:</i>		
Opening balance	-	-
Credited to profit or loss (note 9)	3,125	-
Closing balance	3,125	-

The tax losses of £49,846 (potential deferred tax asset of £12,462) have not been recognised due to uncertainty over future taxable profits.

Note 13. Non-current assets - security deposits

As at the reporting date, the Group has made non-refundable advance payments under long-term service agreements for future operating costs associated with its Bitcoin mining operations. These prepayments are classified as non-current assets as the related services are expected to be consumed beyond twelve months from the reporting date.

	Consolidated	
	28 February	31 August
	2025 (18	2023 (12
	month	month
	period)	period)
	£	£
Prepayments - hosting and mining-related operating costs	96,022	-

These prepayments primarily relate to long-term hosting, energy, and infrastructure support agreements with third-party service providers. The costs will be systematically expensed to the income statement over the term of the respective agreements, in line with the receipt of services.

The Group assesses these balances for recoverability at each reporting date, with consideration given to supplier performance, contractual enforceability, and service continuity. No impairment losses have been recognised as of the reporting date.

Note 14. Current assets - prepayments

As at the reporting date, the Group has recognised current prepayments comprising advance payments for operating and administrative costs expected to be consumed within twelve months from the reporting date. These are classified as current assets.

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Prepayments - hosting and mining-related operating costs	40,488	109,266
Prepayments - administrative costs	24,466	-
Supplier credit	3,077	-
	<u>68,031</u>	<u>109,266</u>

Prepayments relating to Bitcoin mining operations include advance payments for services such as electricity, hosting, equipment maintenance, and infrastructure fees. Administrative and operational prepayments primarily consist of upfront costs for insurance, software subscriptions, professional fees, and other contracted services.

All current prepayments are expensed to the income statement on a systematic basis, reflecting the period over which the related services are received.

As at the reporting date, the Group has not identified any indicators of impairment or non-recoverability for these prepayments.

Note 15. Current assets - cash and cash equivalents

Cash and cash equivalents include cash at bank held in operational accounts. These funds are available for immediate use in the Group's operations and are not subject to any restrictions or significant risk of changes in value.

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Cash at bank	<u>855,484</u>	<u>155,840</u>

Accounting Treatment

Cash and cash equivalents are recognised in the statement of financial position at cost, which approximates fair value due to their short-term nature. They are classified under current assets and are not subject to any significant liquidity restrictions.

Reconciliation to Statement of Cash Flows

The total cash and cash equivalents balance reconciles to the cash flows from operating, investing, and financing activities.

Note 16. Current liabilities - trade and other payables

Trade and other payables consist of amounts owed to suppliers and creditors for goods and services received in the normal course of business. These balances are classified as current liabilities as they are expected to be settled within the Group's normal operating cycle.

Trade Payables

Trade payables represent amounts due to suppliers for goods and services purchased by the Group. These are typically settled within 30 to 60 days, depending on the payment terms agreed upon with suppliers.

Note 16. Current liabilities - trade and other payables (continued)

Other Payables – Bank Credit Cards

Other payables include amounts owed to financial institutions related to bank credit card usage. These balances are typically settled within the agreed credit period, which is generally within 30 days.

	Consolidated	
	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Trade payables	153,037	54,364
Other payables	148	270
Accrued expenses	80,600	18,000
Other current liabilities	6,507	2,678
	<u>240,292</u>	<u>75,312</u>

Accounting Treatment

Trade and other payables are initially recognised at fair value, which approximates their settlement amounts. Subsequent measurement is at amortized cost, using the effective interest method if applicable.

Accrued Expenses

Accrued expenses represent costs incurred but not yet invoiced or paid as at the reporting date. These typically include professional fees, operational expenses, and other services received but unpaid.

Related Party Balances

Amounts due to related parties arise from transactions conducted on an arm's length basis to support the Group at earlier stage development. All related party transactions are disclosed in Note 24 (Related Party Transactions) and are payable with no fixed time frame for repayment.

Payment Terms and Settlement

- Trade payables are due based on standard commercial terms, typically ranging from 0 to 30 days.
- Other payables related to credit card balances are due within the financial institution's specified credit period, typically 30 days.

Refer to note 23 for further information on financial instruments.

Note 17. Equity - issued capital

The issued share capital of the Group consists of ordinary shares, which carry full voting rights and entitlement to dividends (refer to note 22) and residual assets upon winding up. All issued shares are fully paid.

	Consolidated			
	28 February 2025 (18 month period) Shares	31 August 2023 (12 month period) Shares	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Ordinary shares - fully paid	<u>253,701,022</u>	<u>116,491,839</u>	<u>19,701,636</u>	<u>1,178,880</u>

Note 17. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	£
Balance	31 August 2022	1	£0.0100	-
Issue of fully paid ordinary shares	27 March 2023	166,667	£0.0300	5,000
Issue of fully paid ordinary shares	4 April 2023	54,000,000	£0.0025	135,000
Issue of fully paid ordinary shares	6 April 2023	10,000,000	£0.0025	25,000
Issue of fully paid ordinary shares	24 April 2023	27,325,171	£0.0010	263,880
Placement of ordinary share capital	24 April 2023	25,000,000	£0.0300	755,000
Balance	31 August 2023	116,491,839		1,178,880
Issued ordinary shares as part of placement	30 November 2023	11,666,667	£0.0300	350,000
Issued ordinary shares as part of placement	4 March 2024	3,731,250	£0.1200	447,750
Issued ordinary shares as equity consideration	15 May 2024	2,000,000	£0.1300	260,000
Issued ordinary shares for the exercise of warrants	3 July 2024	2,500,000	£0.0100	25,000
Issued ordinary shares as part of placement to acquire machines	20 September 2024	4,679,230	£0.1300	608,300
Issued ordinary shares	6 December 2024	26,377,951	£0.1527	4,027,908
Issued ordinary shares as part of warrants surrender	6 December 2024	75,909,257	£0.1527	11,591,344
Issued ordinary shares as part of placement to London Stock Exchange	10 January 2025	10,344,828	£0.1450	1,500,000
Cost of Capital		-	£0.0000	(287,546)
Balance	28 February 2025	253,701,022		19,701,636

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Employee benefit trust

During the financial period, April 2024 26,377,951 ordinary shares were issued to the EBT. On the 6 December 2024, these ordinary shares were issued to David Lenigas 10,188,975, Jeremy Edelman 10,188,975 and Mr. Hewie Rattray 6,000,000. They were valued on the date they were received 6 December 2024.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

To maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or Group was seen as value adding relative to the current Group's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses to maximise synergies.

Note 17. Equity - issued capital (continued)

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 18. Equity - share based payment reserve

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

			Consolidated				
			28 February 2025 (18 month period) £	31 August 2023 (12 month period) £			
Share-based payments reserve			-	1,939,170			
			Number of options and warrants 2025	Number of options and warrants 2023			
Outstanding at the beginning of the financial period			75,000,000	£0.03 - £0.03			
Issued options			-	£0.00 50,000,000 £0.03			
Issued warrants			3,409,257	£0.03 25,000,000 £0.03			
Exercised warrants			(2,500,000)	£0.01 - £0.00			
Options surrendered			(50,000,000)	£0.03 - £0.00			
Warrants surrendered			(25,909,257)	£0.03 - £0.00			
Outstanding at the end of the financial period			-	75,000,000			
Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
24/04/2023	24/04/2028	£0.01	25,000,000	3,409,257	(2,500,000)	(25,909,257)	-
24/04/2023	24/04/2028	£0.01	50,000,000	-	-	(50,000,000)	-
			75,000,000	3,409,257	(2,500,000)	(75,909,257)	-

During the current financial period, the following options and warrants were granted, exercised and forfeited.

- During the current period, David Lenigas forfeited 25,000,000 options. In exchange David Lenigas received 25,000,000 ordinary shares as part of the settlement to listing on the London Stock Exchange.
- During the current period, Jeremy Edelman forfeited 25,000,000 options. In exchange Jeremy Edelman received 25,000,000 ordinary shares as part of the settlement to listing on the London Stock Exchange.
- During the current period, First Sentinel Corporate Finance Ltd exercised 2,500,000 warrants. Prior to admission on the London Stock Exchange, First Sentinel Corporate Finance forfeited 7,500,000 warrants. In exchange First Sentinel Corporate Finance received 7,500,000 ordinary shares as part of the settlement to listing on the London Stock Exchange.
- During the period, Clear Capital Markets were granted 2,409,257 warrants and 1,000,000 to other consultants. Prior to admission on the London Stock Exchange, Clear Capital Markets forfeited 17,409,257 and other consultants forfeited 1,000,000 warrants.

Conversion of Warrants and Options

Note 18. Equity - share based payment reserve (continued)

During the period, all outstanding warrants and share options were exercised and converted into ordinary shares. As a result, there are no outstanding warrants or options remaining at the reporting date. The conversion increased the issued share capital, depending on the nominal value of the instruments exercised.

Note 19. Equity - revaluation reserve

Reserves represent the cumulative and other equity components of the Group that arise from various transactions and accounting treatments under IFRS. The following reserves are maintained by the Group:

Revaluation Reserve

The revaluation reserve includes unrealised gains or losses arising from the revaluation of intangible assets (e.g., cryptocurrencies), where the revaluation model has been applied in accordance with IAS 38. Gains are recognised in Other Comprehensive Income (OCI) and accumulated in this reserve, except to the extent they reverse previously recognised losses through profit or loss.

This reserve is not distributable and may be transferred to retained earnings upon disposal or derecognition of the revalued asset.

Other Reserves

This include equity-settled share-based payment reserves, each with specific IFRS disclosure requirements.

	Consolidated	
	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Revaluation surplus reserve	176,784	-

Revaluation surplus reserve

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Revaluation surplus £	Total £
Balance at 1 September 2022	-	-
Balance at 31 August 2023	-	-
Revaluation surplus through OCI	176,784	176,784
Balance at 28 February 2025	176,784	176,784

Note 20. Equity - accumulated losses

Accumulated losses represent the cumulative net losses of the Group that have not been offset by profits or capital contributions. These losses arise from operations and other comprehensive income and reflect the retained deficit at the reporting date.

Note 20. Equity - accumulated losses (continued)

	Consolidated	
	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Accumulated losses at the beginning of the financial year	(2,546,061)	(38,000)
Loss after income tax benefit for the year	(15,594,460)	(2,508,061)
Transfer from warrant reserve	67,774	-
Accumulated losses at the end of the financial year	<u>(18,072,747)</u>	<u>(2,546,061)</u>

Note 21. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Note 22. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk), and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by finance director ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
	28 February 2025 (18 month period)	31 August 2023 (12 month period)	28 February 2025 (18 month period)	31 August 2023 (12 month period)
Pound sterling				
Australian dollar	1.8734	1.8736	2.0261	1.9542
Canadian dollar	1.6790	1.6076	1.8186	1.7120
Euro	1.1495	1.1495	1.2115	1.1688
United States dollar	1.2440	1.2440	1.2575	1.2673

Price risk

The consolidated entity is not exposed to any significant price risk.

Note 22. Financial instruments (continued)

Liquidity risk

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Fair Value Measurement of Intangible Assets (IFRS 13 Disclosure)

The Group applies IFRS 13 *Fair Value Measurement* in determining and disclosing the fair value of its revalued intangible assets, namely Bitcoin and Tokenomic tokens. Fair value is defined as 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.

Valuation Techniques

The fair values of the Group's digital assets are determined using the market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets. The primary input for valuation is the quoted price on active cryptocurrency exchanges at the reporting date.

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Fair Value Hierarchy

At the reporting date, the fair value measurements of the Group's intangible digital assets fall within the following levels of the IFRS 13 fair value hierarchy:

	Level 1 £	Level 2 £	Level 3 £	Total £
Consolidated - 28 February 2025 (18 month period)				
<i>Assets</i>				
Bitcoin	396,977	-	-	396,977
Tokenomic	-	1,977	-	1,977
Total assets	396,977	1,977	-	398,954
	Level 1 £	Level 2 £	Level 3 £	Total £
Consolidated - 31 August 2023 (12 month period)				
<i>Assets</i>				
Bitcoin	146,959	-	-	146,959
Total assets	146,959	-	-	146,959

There were no transfers between levels during the financial year.

Level 3 assets and liabilities

Valuation Process

Fair value measurements are performed at each reporting date using closing prices from a selection of reputable and active cryptocurrency exchanges. In cases where tokens are thinly traded or subject to vesting, lock-up periods, or limited transferability, appropriate discounts are applied based on observable market data and internal valuation models.

Sensitivity to Changes in Fair Value

Note 23. Fair Value Measurement of Intangible Assets (IFRS 13 Disclosure) (continued)

Due to the volatility in digital asset markets, the fair value of Bitcoin and Tokenomic holdings is subject to material fluctuations. A 10% movement in market prices would result in the following changes in total fair value:

Asset Type	+10% Change (£)	-10% Change (£)
Bitcoin	436,675	357,279
Tokenomic Tokens	2,175	1,779
Total Impact	438,850	359,058

The Group continuously monitors market developments and reassesses classification within the fair value hierarchy as conditions evolve.

Note 24. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
Short-term employee benefits	292,663	40,667
Share-based payments	9,453,933	1,292,780
	9,746,596	1,333,447

- During the period the 18 months the directors received cash payment of £160,663.
- During the period the 18 months the directors received BTC payment to the value of £132,000.
- During the period David Lenigas and Jeremy Edelman forfeited a total of 50,000,000 options valued at £1,292,780 and in exchange received ordinary shares 1:1 for the forfeited options and in addition each received 10,188,975 ordinary shares for £5,373,357.

Note 25. Auditor remuneration

During the financial year the following fees were paid or payable for services provided by PKF Littlejohn LLP £77,000 and Pointon Young Chartered Accountants £7,131 (31 August 2023 (12 month period): Pointon Young Chartered Accountants £18,000), the auditor of the Group, and its associates:

	Consolidated 28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
<i>Audit services</i>		
Audit or review of the financial statements	84,131	18,000

Note 26. Related party transactions

Parent entity

Vinanz Limited is the parent entity and the ultimate controlling party.

Key management personnel

Disclosures relating to key management personnel are set out in note 25.

Transactions with related parties

The following transactions occurred with related parties:

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	28 February	31 August
	2025 (18	2023 (12
	month	month
	period)	period)
	£	£
Current borrowings:		
Loan from key management personnel	2,730	2,678

The Group entered into the following transactions with related parties during the year. Related parties include directors and other individuals with significant influence over the Group.

Related Party	Opening Balance £	Loan Advanced £	Loan Repayment £	Closing Balance £
David Lenigas	-	50	-	50
Jeremy Edelman	2,678	2	-	2,680
	<u>2,678</u>	<u>52</u>	<u>-</u>	<u>2,730</u>

The loans are unsecured, interest-free, and repayable on demand, with no fixed repayment schedule. No guarantees have been provided or received in respect of these balances.

There were no other material related party transactions during the year outside of the above.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 27. Events after the reporting period

Subsequent to year end the Group appointed a Financial Director and a Chief executive Officer. In addition it raised \$4 million in 2 tranches of \$2 million each by way of Convertible Loan Notes. These funds were used primarily to acquire Bitcoin.

On 22 May 2025, the Group announced that it intended to issue and allot 50,740,204 ordinary shares in the Group to the EBT ("EBT Shares") at nominal value, as advised in the Prospectus. These EBT shares are expected to be admitted for trading on 28 May 2025. The EBT Shares will be issued fully paid and will rank pari passu in all respects with the Group's existing Ordinary Shares. Following Admission, the total number of Ordinary Shares in the capital of the Group will be 304,441,226 with voting rights.

No other matter or circumstance has arisen since 28 February 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 28. Earnings per share

	Consolidated	
	28 February 2025 (18 month period) £	31 August 2023 (12 month period) £
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of Vinanz Limited	<u>(15,594,460)</u>	<u>(2,508,061)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	62,243,235	44,955,086
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	-	75,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>62,243,235</u>	<u>119,955,086</u>
	Pence	Pence
Basic earnings per share	(25.05)	(5.58)
Diluted earnings per share	(25.05)	(5.58)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VINANZ LIMITED

Opinion

We have audited the group financial statements of Vinanz Limited (the 'group') for the 18 month period ended 28 February 2025 which comprise the Statement of profit and loss and other comprehensive income, the Statement of financial position, the Statement of changes in equity, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 28 February 2025 and of its loss for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the BVI Business Companies Act.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- obtaining and reviewing cash flow forecasts and budgets for a period of at least 12 months from the date of signing the financial statements and the corresponding assumptions used;
- reviewing the post year end bank and digital asset balances for evidence of liquid funds available;
- Obtaining evidence of post year end fundraises and financing;
- Documenting and discussing with management future plans for the group; and
- Challenging managements key inputs and assumptions, including but not limited to the hashprice, Bitcoin price, power costs and consumption and performing sensitivity analysis thereon.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality for the group financial statements as a whole was set at £37,000, determined with reference to 1.5% of the group's total expenses at the planning stage of the audit. We consider expenses to be the most appropriate benchmark given the nature of the group's operations as a cryptocurrency mining business, where profitability may fluctuate significantly due to market volatility, but expenses provide a more stable and relevant measure of operational scale especially whilst the business is in its infancy stages.

Performance materiality was set at £22,200, representing 60% of the headline materiality. This reduction reflects our assessment of the risk of misstatement and the effectiveness of the group's control environment.

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Independent auditor's report to the members of Vinanz Limited

We agreed to report to the Audit Committee all corrected and uncorrected misstatements identified during our audit above £1,850, which represents 5% of the headline materiality, as well as any misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

The group comprises the parent company and one subsidiary. We applied the same materiality approach at the component level, ensuring consistency across the group audit. The audit work on the subsidiary was performed to a materiality level appropriate to its size and risk profile, but aligned with the group's overall materiality framework.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements, whether due to fraud or error. We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which it operates.

The group comprises the parent company and one subsidiary. We identified the group to be a single reporting component for audit purposes, and we performed a full scope audit on both the parent and the subsidiary. The audit of the subsidiary was conducted to a materiality level consistent with the group's overall approach.

Our audit approach was risk-based and responsive to the unique characteristics of the group's operations in cryptocurrency mining. This included:

- **Understanding the group's operations and control environment**, particularly in relation to the recognition and valuation of digital assets and mining revenues.
- **Evaluating the appropriateness of accounting policies** applied to cryptocurrency transactions, including the classification, measurement, and disclosure of digital assets.
- **Assessing the design and implementation of key controls** over financial reporting, including those related to the safeguarding of digital assets and the recording of mining activity.
- **Performing substantive audit procedures** over areas of higher assessed risk, including revenue recognition, impairment of mining equipment, and the valuation of cryptocurrency holdings.

We also considered the group's listing on the Main Market of the London Stock Exchange and the associated regulatory and disclosure requirements in our audit planning and execution.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Carrying value of mining machines (Note 11)	
<p>The group holds a significant value of mining machines at the period-end.</p> <p>The key assumptions underlying the value in use calculations, including the cash flow forecasts and discount rates, require judgement and estimation by management.</p> <p>There are numerous factors which indicate a</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Reviewing the technical accounting memorandum prepared by management in respect of the impairment indicators, challenging the assumptions made thereto including obtaining both corroborative and contradictory evidence of the assessment made;

<p>potential impairment under IAS 36. These factors include, but are not limited to:</p> <ul style="list-style-type: none"> • Potential damage to machines incurred during the implementation of machines in the various hosting facilities. • Volatility in the cryptocurrency market which could give rise to an adverse change in hash price. • Technological advancements and substantial investment by competitors giving rise to an adverse change in hash price. <p>Where an impairment indicator exists, management are required to prepare an assessment of the recoverable amount of said machines, being the higher of their fair value less costs to sell and the value in use.</p> <p>This area is considered a Key Audit Matter (KAM) due to the following reasons. The machines account for a large amount of the group's assets at £613k. The mining machines are expensive, but are also subjective in nature – in terms of depreciation, impairment, valuation etc.</p> <p>Additionally, crypto mining is a dynamic industry, that is prone to technological obsolescence. Crypto mining assets could become outdated quickly, as new technology enters the market. Furthermore, the crypto market is volatile, and a fall in the value of BTC could result in the mining machines becoming unprofitable. Therefore, this is a high-risk area and a KAM.</p>	<ul style="list-style-type: none"> • Evaluating the allocation of mining machines to the most appropriate CGU, together with other corporate assets where applicable; • Performing a review of the one year forecasted figures, to support the conclusions made by management that no impairment indicators exist; • Performing physical verification checks of the mining machines to assess for any indicators of impairment; • Assessing the useful life of the machines; • Reviewing the disclosures in the financial statements and ensure they comply with the requirements of IAS 36.
<p>Revenue recognition (Note 4)</p>	
<p>Under ISA (UK) 240, there is a rebuttable presumption that revenue recognition is a significant fraud risk.</p> <p>There is an inherent risk around the accuracy and completeness of revenue. Revenues are received from participation in the mining pools, which incorporate both block rewards and transaction fees, and gives risk to the completeness assertion.</p> <p>The fair value of crypto assets received are in addition subject to high levels of volatility, therefore generating a significant risk of misstatements in respect of the accuracy of revenue recognised. Income from crypto mining is split between Block rewards and transaction fees, which would normally be split between IFRS 15 revenue from contracts with customers and other income.</p> <p>However, as revenue is received as part of a mining pool this cannot be split and therefore the</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Obtaining and documenting our understanding of the information system and related controls relevant to each material income stream. • Evaluating the appropriateness of the information system and the effectiveness of the design and implementation of the related controls. • Substantive transactional testing of income recognised in the financial statements. • Documenting the contractual arrangements with the mining pools. • Testing cut-off the year-end with reference to mining rewards and wallet receipts. • Ensure disclosure in the financial statements is in accordance with IFRS 15.

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Independent auditor's report to the members of Vinanz Limited

two elements are regarded as one performance obligation. Regarding the existence assertion, reliance is placed on transactions reported within the applicable blockchain ledger. Revenue recognition is considered a Key Audit Matter (KAM) because the measurement and timing of mining revenue can be complex, particularly given the fluctuation in cryptocurrency values/prices. Furthermore, there is an additional risk of manipulation or fraudulent activity due to the decentralised nature of blockchain and cryptocurrencies.

- Verifying the completeness of the group's transactional revenue listing by tracing a sample from the group's wallets to the transactional listing.

- Reviewing management's calculations of expected revenue earned from the pools against amounts received.

- Verifying a sample of cryptocurrency sales to the blockchain and supporting bank statements in support of the accuracy of fair value calculations both throughout the year and as at year-end.

- Evaluating whether there is a clear business rationale to support any significant transactions

outside the normal course of the business of the entity, or transactions which otherwise appear to be unusual.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report¹³. 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.

Matters on which we are required to report by exception

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

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

- 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 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 company or to cease operations, or have no realistic alternative but to do so.

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

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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.

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:

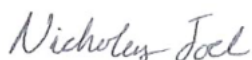
- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from BVI Business Act, Disclosure and Transparency Rules, the Financial Conduct Authority Rules, General Data Protection Regulations, BVI and local tax regulation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
 - Making enquires of management
 - Reviewing board minutes
 - Reviewing legal and professional fees and understanding the nature of the costs and the existence of any non-compliance with laws and regulations
 - Reviewing RNS publications; and
 - Reviewing accounting ledgers for any unusual journal entries which may indicate non-compliance
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in respect of the carrying value of mining machines, which has been addressed in the key audit matter section above.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included but were not limited to the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Nicholas Joel (Engagement Partner)
For and on behalf of PKF Littlejohn LLP
Registered Auditor London E14 4HD

15 Westferry Circus
Canary Wharf

24 June 2025