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This document comprises a prospectus relating to Vinanz Limited (the "**Company**" or "**Vinanz**") prepared in accordance with the UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") and approved by the Financial Conduct Authority (the "**FCA**") as competent authority under the UK Prospectus Regulation. This Prospectus has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the UK Prospectus Regulation. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this prospectus or an endorsement of the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Application has been made to the FCA for all of the ordinary share capital of the Company (the "**Ordinary Shares**") to be 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 PLC ("**London Stock Exchange**") (together, "**Admission**"). It is expected that Admission will become effective, and that dealings in the Ordinary Shares will commence, at 8:00 a.m. on 13 January 2025. All dealings in Ordinary Shares prior to the commencement of unconditional dealings will be on a "when issued" basis and will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.

The Directors, whose names appear on page 29 of this Prospectus, and the Company, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

**THE WHOLE OF THE TEXT OF THIS DOCUMENT, AND DOCUMENTS INCORPORATED BY REFERENCE INTO THIS DOCUMENT, SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION OF THIS DOCUMENT ENTITLED "RISK FACTORS".**



**Vinanz Limited**

*(Incorporated in the British Virgin Islands with company number 2073995)*

**Placing and Subscription of 10,344,828 new Ordinary Shares at a price of 14.5 pence and Admission of the Enlarged Share Capital to the Equity Shares (Transition) Category of the Official List and to trading on the London Stock Exchange's main market for listed securities.**



**First Sentinel Corporate Finance Limited**  
**Financial Adviser**



**Clear Capital Markets Limited**  
**Broker**

First Sentinel Corporate Finance Limited ("**First Sentinel**"), which is authorised and regulated in the United Kingdom by the FCA in the conduct of investment business, is acting as financial adviser exclusively for the Company and is not acting for any other person (including any recipient of this Document) in connection with the

Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of First Sentinel or for providing advice in relation to the contents of this Document or any transaction, matter or arrangement referred to in it.

Clear Capital Markets Limited ("**Clear Capital**"), which is authorised and regulated in the United Kingdom by the FCA in the conduct of investment business, is acting as broker exclusively for the Company and is not acting for any other person (including any recipient of this Document) in connection with the Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Clear Capital or for providing advice in relation to the contents of this Document or any transaction, matter or arrangement referred to in it.

Neither First Sentinel nor Clear Capital are making any representation as to the past or the future (without limiting the statutory rights of any person to whom this Document is issued), express or implied, as to the contents of this Document, for which the Company and the Directors are solely responsible. Without limiting the statutory rights of any person to whom this Document is issued, no liability whatsoever is accepted by First Sentinel or Clear Capital for the accuracy of any information or opinions contained in this Document or for any omission of information, for which the Company and the Directors are solely responsible. The information contained in this Document has been prepared solely for the purpose of the Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them. Neither First Sentinel nor Clear Capital seek to limit or exclude their responsibilities and liabilities which may arise under FSMA or the regulatory regime established thereunder.

This Document does not constitute an offer to sell, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, Japan or the Republic of South Africa.

Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, Australia, the Republic of South Africa, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States.

The distribution of this Document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Ordinary Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

**An application has been made for the Enlarged Share Capital to be admitted to the Equity Shares (Transition) Category of the Official List. The Equity Shares (Transition) Category will afford investors in the Company a lower level of regulatory protection than that afforded to investors in the Equity Shares (Commercial Companies) categorisation of the Official List, which are subject to additional obligations under the Listing Rules.**

This prospectus is dated 24 December 2024.

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## SUMMARY

<b>Introduction and warnings</b>																					
Introduction	The legal and commercial name of the issuer is Vinanz Limited, a BVI business company with its registered office address at Vistra Corporate Services Centre Wickhams Cay II, Road Town Tortola VG1110 British Virgin Islands and telephone number +44 7881 825378. In respect of the Company's Ordinary Shares, the Company's International Securities Identification Number (ISIN) is VGG9520B1004 and its legal entity identifier (LEI) is 9845006607892CED8456. This Document was approved on 24 December 2024 by the Financial Conduct Authority (whose address is at 12 Endeavour Square, London, E20 1JN, United Kingdom and telephone number is 020 7066 1000), as competent authority in the United Kingdom under Regulation (EU) 2017/1129.																				
Warnings	This summary should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole. Civil liability attaches only to those persons who have tabled this summary, including any translation thereof, but only where this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document, or where this summary does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in the Ordinary Shares. Investors could lose all or part of their invested capital.																				
<b>Key Information on the Issuer</b>																					
Who is the issuer of the securities?																					
Legal and commercial name	The legal and commercial name of the issuer is Vinanz Limited.																				
Domicile, legal form, legislation and country of incorporation	The Company was incorporated and registered in the British Virgin Islands on 27 August 2021 with company number 2073995 as a BVI business company under the BVI Act with the name Vinanz Limited. The Company is domiciled in the British Virgin Islands.																				
Principal Activities / Current operations and markets	<p>The Company aims to provide a listed UK platform which offers access to a technology and cryptocurrency business in the Bitcoin mining sector. The Company's strategy 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 in the Bitcoin mining sector.</p> <p>The Company's initial focus is on installing clusters of Bitcoin miners within multiple facilities throughout the US and Canada through third-party cryptocurrency mining service providers such as Compass Mining, Hut 8 Mining and BlockLab. In the future the Company may expand its existing operations into jurisdictions outside Canada and the US.</p> <p>The Company's existing operations are based in Canada and the United States of America. As at the date of this Document the Company has 548 Bitcoin mining machines with a combined computing capacity of 60.2 petahash.</p>																				
Major shareholders	<p>As at the Last Practicable Date, the Company is aware of the following persons who are interested and who, immediately following Admission, are expected to be interested, directly or indirectly, in three per cent. or more of the Company's capital or voting rights:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: center;">Number of Ordinary Shares as at date of this Document</th> <th style="text-align: center;">% of Existing Ordinary Share Capital</th> <th style="text-align: center;">Number of Ordinary Shares as at Admission</th> <th style="text-align: center;">% of the Enlarged Ordinary Share Capital</th> </tr> </thead> <tbody> <tr> <td>Valereum</td> <td style="text-align: right;">27,325,171</td> <td style="text-align: center;">11.23%</td> <td style="text-align: right;">27,325,171</td> <td style="text-align: center;">10.77%</td> </tr> <tr> <td>Clear Capital Markets Limited</td> <td style="text-align: right;">31,409,257</td> <td style="text-align: center;">12.91%</td> <td style="text-align: right;">31,409,257</td> <td style="text-align: center;">12.38%</td> </tr> <tr> <td>Jeremy Edelman</td> <td style="text-align: right;">55,188,976</td> <td style="text-align: center;">22.68%</td> <td style="text-align: right;">55,188,976</td> <td style="text-align: center;">21.75%</td> </tr> </tbody> </table>	Name	Number of Ordinary Shares as at date of this Document	% of Existing Ordinary Share Capital	Number of Ordinary Shares as at Admission	% of the Enlarged Ordinary Share Capital	Valereum	27,325,171	11.23%	27,325,171	10.77%	Clear Capital Markets Limited	31,409,257	12.91%	31,409,257	12.38%	Jeremy Edelman	55,188,976	22.68%	55,188,976	21.75%
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Key Managing Directors	The directors of the Company are David Lenigas (Executive Chairman), Jeremy Edelman (Finance Director), Mahesh Pulandaran (Independent Non-Executive Director).																																																							
Statutory Auditors	The Company's statutory auditors are Pointon Young Limited, having its registered office at 33 Ludgate Hill, Birmingham, West Midlands, B3 1EH and being registered under the Statutory Audit Directive, Register of Statutory Auditors number C003175017.																																																							
<b>What is the key financial information regarding the issuer?</b>																																																								
Selected key historical financial information	<p>Selected key historical financial information relating to the Group is set out in the tables below. The information has been presented in accordance with Annex I of European Commission Delegated Regulation (EU) 2019/979.</p> <p><b>Table 1: Income statement for the Group</b></p> <table border="1"> <thead> <tr> <th></th> <th>Period from 27 August 2021 to 31 August 2022 £000</th> <th>Six months ended 28 February 2023 (unaudited) £000</th> <th>Year ended 31 August 2023 £000</th> <th>Six months ended 29 February 2024 (unaudited) £000</th> </tr> </thead> <tbody> <tr> <td>Other income</td> <td>-</td> <td>-</td> <td>41</td> <td>200</td> </tr> <tr> <td>Operating profit / (loss)</td> <td>-</td> <td>-</td> <td>(81)</td> <td>-</td> </tr> <tr> <td>Net profit / (loss)</td> <td>(38)</td> <td>(4.8)</td> <td>(2,508)</td> <td>175</td> </tr> <tr> <td>Operating profit margin</td> <td>-</td> <td>-</td> <td>(1,976)</td> <td>-</td> </tr> <tr> <td>Net profit margin %</td> <td>-</td> <td>-</td> <td>-</td> <td>88%</td> </tr> <tr> <td>Earnings per share in pence **</td> <td>-</td> <td>(4.8p)</td> <td>(5.58p)</td> <td>(0.18p)</td> </tr> </tbody> </table> <p><b>Table 2: Balance sheet for the Group</b></p> <table border="1"> <thead> <tr> <th></th> <th>Period from 27 August 2021 to 31 August 2022 £000</th> <th>Six months ended 28 February 2023 (unaudited) £000</th> <th>Year ended 31 August 2023 £000</th> <th>Six months ended 29 February 2024 (unaudited) £000</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td>-</td> <td>-</td> <td>-</td> <td>1,571</td> </tr> <tr> <td>Total equity</td> <td>(38)</td> <td>(48)</td> <td>572</td> <td>1,503</td> </tr> <tr> <td>Net financial debt (long term debt plus short-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		Period from 27 August 2021 to 31 August 2022 £000	Six months ended 28 February 2023 (unaudited) £000	Year ended 31 August 2023 £000	Six months ended 29 February 2024 (unaudited) £000	Other income	-	-	41	200	Operating profit / (loss)	-	-	(81)	-	Net profit / (loss)	(38)	(4.8)	(2,508)	175	Operating profit margin	-	-	(1,976)	-	Net profit margin %	-	-	-	88%	Earnings per share in pence **	-	(4.8p)	(5.58p)	(0.18p)		Period from 27 August 2021 to 31 August 2022 £000	Six months ended 28 February 2023 (unaudited) £000	Year ended 31 August 2023 £000	Six months ended 29 February 2024 (unaudited) £000	Total assets	-	-	-	1,571	Total equity	(38)	(48)	572	1,503	Net financial debt (long term debt plus short-	-	-	-	-
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	term debt minus cash)				
<b>Table 3: Cash flow statement for the Group</b>					
		<b>Period from 27 August 2021 to 31 August 2022 £</b>	<b>Six months ended 28 February 2023 (unaudited) £</b>	<b>Year ended 31 August 2023 £</b>	<b>Six months ended 29 February 2024 (unaudited)</b>
	Net cash used in operating activities	(38)	5	(2,564)	(299)
	Net cash used in investing activities	-	10	(113)	(56)
	Net cash inflows from financing activities	23	(9)	2,832	309
Pro forma financial information	Not applicable. No pro forma financial information is included in this prospectus.				
Audit Qualifications	There are no qualifications in the audit opinions on the historical financial information which are incorporated by reference.				
<b>What are the key risks that are specific to the issuer?</b>					
Key risks specific to the Company or the mining industry	<ol style="list-style-type: none"> <li>1. The Company's other income and cash flow is substantially dependent on the market value of digital assets (in particular Bitcoin) and the volume of digital assets received from the Company's mining operations. There is no assurance that any digital asset, including Bitcoin, will maintain its value or that there will be meaningful levels of trading activities to support markets in any digital asset. A decline in the market value of digital assets or in the demand for trading digital assets could lead to a corresponding decline in the value of the Company's cryptocurrency assets, the number of transactions on the relevant blockchain network, and the Company's returns on investments in mining machines, and could adversely affect the Company's business, operating results and financial condition.</li> <li>2. All of the Company's other income is currently derived from its Bitcoin operations. If demand for Bitcoin declines and is not replaced by new demand for cryptocurrencies the Company is able to mine, the Company's business, operating results and financial condition could be adversely affected.</li> <li>3. The emergence or growth of other digital assets, including those with significant private or public sector backing, could have a negative impact on the price of Bitcoin and adversely affect the Company's business.</li> <li>4. The Company will continue to make acquisitions and investments, which could require significant management time, result in dilution to existing Shareholders, increase the Company's debt or cause it to incur significant expenses.</li> <li>5. The Company may be unable to raise additional capital needed to grow its business. As at the date of this Document, the Company is of the opinion that the working capital available to the Group, taking into account the Net Proceeds of the Fundraise is sufficient for the Group's present requirements (that is, for at least the next twelve months from the date of this Document) ("Working Capital Period"). The Company may need to raise additional capital outside of the Working Capital Period to respond to competitive pressures or unanticipated working capital requirements. In the future, the Company may not be able to obtain equity or debt financing on favourable terms, if at all, which could impair its growth and adversely affect its existing operations.</li> <li>6. The Company is reliant on a number of third-party service providers in relation to its mining operations in particular in relation to its third party facility hosting arrangements. There are a number of risks associated to relying on a third-party service provider such as Compass Mining and other third-party facility providers in relation to facility hosting. These risks include limited control and transparency over the service providers services which can make it difficult to know whether the mining operations are running efficiently and optimally providing the best returns on investment.</li> <li>7. Bitcoin mining machines are specialised computer systems designed to solve complex mathematical problems to generate new Bitcoins. However, like all computer systems, these machines are prone to hardware malfunctions, which may lead to significant financial losses for the miner. Such malfunctions for Bitcoin mining machines, which can</li> </ol>				

	<p>result in downtime, reduced hash rate, replacement costs, maintenance costs can lead to a significant loss of other income for the Company and consequently its share price.</p> <p>8. Since digital currency is still a relatively new concept, there is significant uncertainty as to whether any further growth in digital currencies will occur and the market price of Bitcoin and other cryptocurrencies may even decline.</p> <p>9. Digital assets are generally controllable only by the possessor of the unique private key relating to the digital wallet in which the digital assets are held. While blockchain protocols typically require public addresses to be published when used in a transaction, private keys must be safeguarded and kept private in order to prevent a third party from accessing the digital assets held in such a wallet. To the extent that any of the private keys relating to any hot or cold wallets containing the Company's digital assets is lost, destroyed, or otherwise compromised or unavailable, and no backup of the private key is accessible, the Company will be unable to access the digital assets held in the related wallet and, in most cases, the private key will not be capable of being restored. Any loss or misappropriation of the private keys used to control the Company's digital assets could result in significant losses, hurt the Company's brand and reputation, and potentially the value of any Bitcoin or other digital assets the Company mine, otherwise acquire or hold.</p> <p>10. The Company's business may be or may become subject to extensive laws, rules, regulations, policies, orders, determinations, directives, treaties, and legal and regulatory interpretations and guidance in the markets in which it operates or in the United Kingdom, the jurisdiction of its listing, including those typically applied to financial services and banking, securities, commodities, the exchange, and transfer of digital assets, cross-border and domestic money and cryptocurrency transmission businesses, as well as those governing data privacy, data governance, data protection, cybersecurity, fraud detection, payment services (including payment processing and settlement services), consumer protection, antitrust and competition, bankruptcy, tax, anti-bribery, economic and trade sanctions, anti-money laundering, and counter-terrorist financing. Due to the Company's business activities, if laws or regulations or their respective interpretation change, the Company may become subject to ongoing examinations, oversight, and reviews by U.S. federal and state regulators and foreign financial service regulators, including the UK Financial Conduct Authority, which would have broad discretion to audit and examine the Company's business if the Company were to become subject to their oversight. Any such activities could have a significant impact on the Company's operating costs and/or the use of management time, both of which could negatively impact the Company's business and/or share price.</p>
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**KEY INFORMATION ON THE SECURITIES**

**What are the main features of the securities?**

Type, Class and ISIN of the securities	The Company has one class of shares, being the Ordinary Shares. Application will be made for the Ordinary Shares to be admitted to the Equity Shares (Transition) Category of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange. The Ordinary Shares are registered with ISIN VGG9520B1004, SEDOL code BPK4C11 and TIDM BTC.
Currency denomination, par value number and term of the securities.	<p>The Fundraise Price of the Fundraise Shares is payable in sterling. The Ordinary Shares have no par value.</p> <p>As at the date of this Document, the Company has 243,356,194 Ordinary Shares of no par value in issue, all fully paid up. The term of the securities is perpetual.</p>
Rights attaching to the securities	<p>Section thirty four (34) of the BVI Act deals with the voting and distribution rights of shareholders. This section provides that except as provided in a company's memorandum or articles, all shares have one vote. There are no contrary provisions to section thirty four (34) of the BVI Act in the Company's Articles which in turn provide that each share confers upon the Shareholder:</p> <ul style="list-style-type: none"> <li>• the right to one vote at a meeting of the shareholders or on any resolution of shareholders;</li> <li>• the right to an equal share in any dividend paid by the Company; and</li> <li>• the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.</li> </ul> <p>Under the Company's Articles, the Directors may within any one 12 month period, the first such period commencing on AQSE Admission or the period between consecutive annual general meetings, issue any further number of Ordinary Shares on such terms as the Directors shall determine up to such maximum number as representing 50 per cent (50%) of the number</p>

	<p>of Ordinary Shares as was in issue at the commencement of that period, issue any Ordinary Shares or other securities for consideration other than cash and issue any Ordinary Shares or other securities pursuant to an employee share scheme, share option plan, employee benefit trust or other arrangement established for the benefit of employees or consultants of the Company.</p> <p>With the approval of 75% of the votes cast by those entitled to vote at a general meeting of the Company, the Directors may issue any number of further Ordinary Shares or other securities as they shall in their discretion determine.</p> <p>Subject to the passing of a resolution of the Directors, Ordinary Shares may be issued for consideration in any form, including money, a promissory note or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.</p>
The relative seniority of the securities.	On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's net assets after liabilities and borrowings.
Restrictions on free transferability	<p>Subject to the provisions of the Articles below, the Ordinary Shares are freely transferrable and there are no restrictions on transfers. Each Shareholder may transfer all or any of their Ordinary Shares held in certificated form by means of an instrument of transfer (in such a form approved by the Directors).</p> <p>The Directors may refuse to register a transfer of Ordinary Shares which is in certificated form, unless the instrument of transfer (i) is in respect of only one class of share; (ii) is in favour of not more than four joint transferees; (iii) is duly stamped (if required); and (iv) is lodged at the Company's registered office or such other place as the board may decide accompanied by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person to whom no certificate was issued) and such evidence to prove the title of the transferor to the shares and the due execution by them of the transfer.</p> <p>Shareholders may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e. the CREST System) in such manner provided for, and subject as provided in the CREST Regulations. The Board may refuse to register a transfer of an uncertificated share in any circumstances permitted by the London Stock Exchange or the CREST Regulations if the exercise of such power does not disturb the market in the shares.</p>
Dividend Policy	The Directors' current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.
Guarantee	Not Applicable. There is no guarantee attached to the securities.
<b>Where will the securities be traded?</b>	
Where will the securities be traded	Application will be made for the Enlarged Share Capital to be admitted to trading on the Main Market of the London Stock exchange.
<b>What are the key risks that are specific to the securities?</b>	
What are the key risks that are specific to the securities	<ol style="list-style-type: none"> <li>1. The Company's categorisation under the UK Listing Rules affords investors a lower level of regulatory protection than that afforded to investors in a company with an Equity Shares (Commercial Companies) categorisation, which is subject to additional obligations under the UK Listing Rules. The Company's categorisation also does not permit the Company to gain a FTSE indexation, which may have an adverse effect on the liquidity of the Ordinary Shares.</li> <li>2. Substantial sales of Ordinary Shares could cause the price of Ordinary Shares to decline. There can be no assurance that certain Directors or substantial Shareholders will not elect to sell their Ordinary Shares following the expiry of contractual lock-in and orderly marketing arrangements in place. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur.</li> <li>3. Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements.</li> </ol>



<b>Key information on admission to trading.</b>																	
<b>Under which conditions and timetable can I invest in this security?</b>																	
Terms and Conditions of the Offer	<p>This Prospectus does not constitute an offer or an invitation to any person to subscribe for or purchase any shares in the Company. The new Ordinary Shares are not being offered to the public.</p> <p>Subject to and conditional upon Admission occurring by 8.30 a.m. on or before 13 January 2025 (or such later date agreed between the Investors provided that such date is not later than the Long Stop Date) (the “<b>Admission Condition</b>”), the Company will raise gross proceeds of £1,500,000 from the issue and allotment of 10,344,828 new Ordinary Shares at the Fundraise Price. The terms of the Fundraise are briefly summarised below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 20%; text-align: center;">Ordinary Shares Issued on Admission</th> <th style="width: 20%; text-align: center;">Fundraise Price</th> <th style="width: 30%; text-align: center;">Gross Proceeds raised (£)</th> </tr> </thead> <tbody> <tr> <td>Subscription</td> <td style="text-align: center;">2,965,518</td> <td style="text-align: center;">14.5 pence</td> <td style="text-align: center;">430,000</td> </tr> <tr> <td>Placing</td> <td style="text-align: center;">7,379,310</td> <td style="text-align: center;">14.5 pence</td> <td style="text-align: center;">1,070,000</td> </tr> <tr> <td style="text-align: right;"><b>Total:</b></td> <td style="text-align: center;"><b>10,344,828</b></td> <td style="text-align: center;">-</td> <td style="text-align: center;"><b>1,500,000</b></td> </tr> </tbody> </table> <p>The Investors have irrevocably agreed to subscribe for the Fundraise Shares subject to and conditional upon the Admission Condition. In the event that these conditions are not satisfied or waived (where capable of waiver), the Fundraise will be revoked and will not proceed. In such circumstances, application monies will be returned without payment of interest, as soon as practicable thereafter, to investors participating in the Fundraise. The Fundraise Shares issued pursuant to the Fundraise shall rank parri passu with all Existing Ordinary Shares.</p>		Ordinary Shares Issued on Admission	Fundraise Price	Gross Proceeds raised (£)	Subscription	2,965,518	14.5 pence	430,000	Placing	7,379,310	14.5 pence	1,070,000	<b>Total:</b>	<b>10,344,828</b>	-	<b>1,500,000</b>
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Costs and Expenses	<p>The total costs (including fees and commissions) (exclusive of VAT) payable by the Company in connection with the Fundraise and Admission are estimated to amount to approximately £200,000.</p> <p>No expenses will be charged by the Company to investors in connection with the Fundraise.</p>																
Dilution	<p>The issue of the Fundraise Shares will result in the Existing Ordinary Shares being diluted. On Admission, the Fundraise Shares will represent approximately 4.08 per cent. of the Enlarged Ordinary Share Capital.</p>																
<b>Why is this prospectus being produced?</b>																	
Reasons for Fundraise and estimated proceeds	<p>The Prospectus will facilitate the Existing Ordinary Shares and Fundraise Shares being admitted to trading on the Main Market for listed securities. The Directors believe that the admission to the Main Market will:</p> <ul style="list-style-type: none"> <li>• further enhance the Company’s profile;</li> <li>• extend the Company’s shareholder base to a wider group;</li> <li>• assist in the recruitment, retention and incentivisation of employees; and</li> <li>• support the Company’s growth strategy.</li> </ul> <p>The net proceeds of the Fundraise of approximately £1,300,000 will be applied to the Company’s working capital and in respect of the Company’s stated business strategy.</p>																

Underwriting	The Fundraise is not underwritten but each investor participating in the Fundraise has provided a legally binding commitment to irrevocably subscribe for Fundraise Shares subject to and conditional upon Admission occurring by 8:30 a.m. on or before 13 January 2025 (or such later date as agreed in writing between the parties, provided such date is not later than 28 February 2025).
Material Interests	<p>Save as disclosed herein, there are no interests, including any conflicting interests, known to the Company that are material to the Company or the Fundraise.</p> <p>The direct and indirect interests of the Directors represent, in aggregate, approximately 45.56 per cent. of the total issued share capital of the Company as at the date of this Document and they will represent, in aggregate, approximately 43.70 per cent. of the total issued share capital of the Company on Admission.</p> <p>Save as set out above, it is not expected that any Director or senior manager will have any interest in the share capital of the Company on Admission or have any conflict of interest between his duties to the Company and any private interests or other duties.</p>

## RISK FACTORS

The investment detailed in this Document may not be suitable for all its recipients and involves a higher than normal degree of risk. Before making an investment decision, prospective investors are advised to consult an investment adviser authorised under the FSMA who specialises in investments of the kind described in this Document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

Before deciding whether to invest in Ordinary Shares, prospective investors should carefully consider the risks described below together with all other information contained in this Document.

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. The risk factors described below are not an exhaustive list or explanation of all risks which prospective investors may face when making an investment in the Ordinary Shares and should be used as guidance only. Additional risks and uncertainties relating to the Company that are not currently known to the Directors or the Company, or that are currently deemed immaterial, may also have an adverse effect on the Company's business. If this occurs the price of the Ordinary Shares may decline and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Document headed "Summary" are the risks that the Company and the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.

### RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY'S BUSINESS AND OPERATIONS

#### ***The Company's other income and cash flow is substantially dependent on the market value of digital assets (in particular Bitcoin) and the volume of digital assets received from the Company's mining operations***

The Company currently generates substantially all of its other income from its Bitcoin operations. The Company's business strategy is to hold the Bitcoin it has mined however the Company may from time to time liquidate some or all of its Bitcoin holdings in order to generate operating cash flows. The Company's ability to generate sufficient operating cash flows from the sale of its Bitcoin holdings is therefore dependent on the underlying value of the Bitcoin it holds and market liquidity. Therefore, any decline in the amount of Bitcoin (or other cryptocurrency) the Company successfully mines, a decline in the market value of the Bitcoin the Company holds pursuant to its business strategy, the price the Company receives from the sale of such cryptocurrencies (in the event it elects to liquidate some or all of its Bitcoin holdings to generate operating cash flows) or market liquidity for cryptocurrencies and digital assets may have a material adverse effect on the Company's business, operating results and financial condition.

The price of cryptocurrencies and digital assets and associated demand for buying, selling and trading cryptocurrencies and digital assets have historically been subject to significant volatility. For example, the closing price of one Bitcoin on 1 January 2023 was \$16,625.52, the price of one Bitcoin on the Last Practicable Date was \$92,960.40.

There is no assurance that any digital asset, including Bitcoin, will maintain its value or that there will be meaningful levels of trading activities to support markets in any digital asset. A decline in the market value of digital assets or in the demand for trading digital assets could lead to a corresponding decline in the value of the Company's cryptocurrency assets, the number of transactions on the relevant blockchain network, and the Company's returns on investments in mining machines, and could adversely affect the Company's business, operating results and financial condition. Further, to the extent that investors perceive investment in the Ordinary Shares as a proxy for exposure to the digital asset industry more generally, volatility in the value of cryptocurrencies could have immediate and substantial effects on the price of the Company's Shares, irrespective of the actual effect on the Company's business.

Digital assets may be subject to momentum pricing due to speculation regarding future appreciation or depreciation in value, leading to greater volatility. Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for future changes in value. It is possible that momentum pricing of digital assets has resulted, and may continue to result, in speculation regarding future changes in the value of digital assets, making digital assets' prices more volatile. As a result, digital assets may be more likely to fluctuate in value due to changing investor confidence, which could impact future appreciation or depreciation in digital asset prices. As a result, Company's business, operating results and financial condition could be adversely affected.

***All of the Company's other income is currently derived from its Bitcoin operations. If demand for Bitcoin declines and is not replaced by new demand for cryptocurrencies the Company is able to mine, the Company's business, operating results and financial condition could be adversely affected***

For the six months ended 29 August 2024 the Company derived the majority of its other income from its Bitcoin operations. As such, in addition to the factors impacting the broader blockchain ecosystem and the prices of digital assets described in this section, the Company's business may be adversely affected if the market for Bitcoin deteriorates or if its price declines, including as a result of the following factors:

- the reduction in mining rewards of Bitcoin, including block rewards halving events, which are events that occur after a specific period of time which reduce the block rewards earned by miners;
- disruptions, hacks, splits in the underlying network also known as "forks", attacks by malicious actors who control a significant proportion of the network's hashrate such as "double-spend" or "51% attacks" or other similar incidents affecting the Bitcoin network;
- hard "forks" resulting in the creation of, and divergence into, multiple networks, such as Bitcoin Cash;
- the informal governance of the Bitcoin network, which evolves over time largely based on self-determined participation, which may result in revisions to the underlying source code or inaction, that affects the Bitcoin network's speed, scalability, security, usability or value;
- the ability for the Bitcoin network to resolve significant scaling challenges and increase the volume and speed of transactions;
- the ability to attract and retain developers to maintain and update the Bitcoin network;
- the ability to attract and retain market participants to use Bitcoin for payment, store of value, unit of accounting and other intended uses;
- transaction congestion and fees associated with processing transactions on the Bitcoin network;
- negative perception of Bitcoin, including with respect to the power consumption of its proof-of-work consensus mechanism;
- developments in mathematics or technology, including in digital computing, algebraic geometry and quantum computing, that could result in the cryptography being used by Bitcoin becoming insecure or ineffective; and
- laws and regulations affecting the Bitcoin network or access to this network, including a determination that Bitcoin constitutes a security or other regulated financial instrument under the laws of any jurisdiction.

***The emergence or growth of other digital assets, including those with significant private or public sector backing, could have a negative impact on the price of Bitcoin and adversely affect the Company's business***

The Company's business strategy is substantially dependent on the market price of Bitcoin. As at the Last Practicable Date, Bitcoin was the largest digital asset by market capitalisation and had the largest user base and largest combined mining power. Despite this first to market advantage, as at the Last Practicable Date, there were more than 10,000 alternative digital assets tracked by CoinMarketCap.com, and the total market capitalisation of digital assets was approximately \$3.28 trillion (including the approximately \$1.85 trillion market capitalisation of Bitcoin), as calculated using market prices and total available supply of each digital asset.

Many entities, including consortiums and financial institutions are also researching and investing resources into private or permissioned blockchain platforms rather than open platforms like the Bitcoin network. At the same time, central banks have introduced digital forms of legal tender ("CBDCs"). China's CBDC project, known as Digital Currency Electronic Payment, has reportedly been tested in a live pilot program conducted in multiple cities in China. A recent study published by the Bank for International Settlements estimated that at least 36 central banks, including the U.S. Federal Reserve, have published retail or wholesale CBDC work ranging from research to pilot projects. Whether or not they incorporate blockchain or similar technology, CBDCs, as legal tender in the issuing jurisdiction, could have an advantage in competing with, or replace, Bitcoin and other cryptocurrencies as a medium of exchange or store of value.

The emergence or growth of alternative digital assets could have a negative impact on the demand for, and price of, Bitcoin. If the Company were unable to transition its mining operations to a replacement digital asset, the reduction in the popularity of Bitcoin could have an adverse impact on the Company's operations and thereby adversely affect an investment in the Ordinary Shares.

***The Company will continue to make acquisitions and investments, which could require significant management time, result in dilution to existing Shareholders, increase the Company's debt or cause it to incur significant expenses***

The Company will consider strategic opportunities with the support of its external advisors. However, the Company cannot offer any assurance that acquisitions of businesses, assets and/or entering into strategic alliances or joint ventures will be made or, if made, will be successful. The Company may not be able to find suitable partners or acquisition candidates and may not be able to complete such transactions on favourable terms, if at all. If the Company makes any acquisitions, it may not be able to integrate these acquisitions successfully into the existing

business and could assume unknown or contingent liabilities. Any future acquisitions also could result in liabilities or future write-offs of intangible assets or goodwill, any of which could have a negative impact on the Company's cash flows, financial condition and results of operations. Integration of an acquired company may also disrupt ongoing operations and require management resources that otherwise would be focused on developing and expanding the Company's existing business. The Company may experience losses related to potential investments in other companies, which could harm its financial condition and results of operations. Further, it may not realize the anticipated benefits of any acquisition, strategic alliance or joint venture if such investments do not materialize. To finance any acquisitions or joint ventures, the Company may choose to issue ordinary shares, preferred shares or a combination of debt and equity as consideration, which could significantly dilute the ownership of existing Shareholders or provide rights to such preferred shareholders in priority over existing Shareholders. Additional funds may not be available on terms that are favourable to the Company, or at all. If the price of the Company's Ordinary Shares is low or volatile, it may not be able to acquire other companies or fund a joint venture project using Ordinary Shares as consideration.

#### ***The Company may be unable to raise additional capital needed to grow its business***

As at the date of this Document, the Company is of the opinion that the working capital available to the Group, taking into account the Net Proceeds of the Fundraise is sufficient for the Group's present requirements (that is, for at least the next twelve months from the date of this Document) ("**Working Capital Period**"). The Company may need to raise additional capital outside of the Working Capital Period to respond to competitive pressures or unanticipated working capital requirements. In the future, the Company may not be able to obtain equity or debt financing on favourable terms, if at all, which could impair its growth and adversely affect its existing operations. If the Company raises additional equity financing, existing Shareholders may experience significant dilution, and the share price of the Ordinary Shares could decline. If the Company incurs debt financing, the holders of the debt likely would have priority over Shareholders on order of payment preference. The Company may be required to accept terms that restrict its ability to incur additional indebtedness or take other actions including terms that require the Company to maintain specific liquidity or other ratios that could otherwise not be in the interest of investors.

#### ***Reliance on third-party providers in respect of the Company's hosting facilities***

The Company is reliant on a number of third party service providers in relation to its mining operations in particular in relation to its third party facility hosting arrangements. There are a number of risks associated to relying on a third-party service provider such as Compass Mining and other third party facility providers in relation to facility hosting. These risks include limited control and transparency over the service providers services which can make it difficult to know whether the mining operations are running efficiently and optimally providing the best returns on investment. If Compass Mining or any other third party service provider the Company engages in respect of facility hosting experiences financial difficulty or becomes insolvent the Company's operations may be materially adversely affected in that its mining operations in respect of the third party facility provider the subject of financial difficulty or insolvency may temporarily or permanently be suspended or creditors of the third party facility provider may exercise a lien over assets at the applicable facility. There might also be reputational risk if Compass Mining or other third parties experiences operational or financial difficulties, as it could impact the reputation of the Company indirectly. Lastly, some third-party providers (including Compass Mining) reserve the right to alter their rates upon material changes in any of their operating costs, including without limitation, power rates, leasing rates, tax rates or increased regulatory compliance costs which could negatively impact the long-term profitability of the Company's mining operations and could have a material adverse effect on the Company's financial position or results of operations.

#### ***Hardware Malfunctioning***

Bitcoin mining machines are specialised computer systems designed to solve complex mathematical problems to generate new Bitcoins. However, like all computer systems, these machines are prone to hardware malfunctions, which may lead to significant financial losses for the miner. Some of the potential risks associated with hardware malfunction in Bitcoin mining machines are:

- **Component Failure leading to downtime:** Component failures can cause Bitcoin mining machines to stop working, resulting in downtime or complete failure for the miner. During this time, the miner is unable to generate new Bitcoins and may lose out on potential profits.
- **Overheating:** Bitcoin mining machines generate a lot of heat, and if not adequately cooled, they can overheat and cause damage to the hardware components. Overheating can also result in a decrease in the machine's performance, leading to reduced mining performance.
- **Reduced Hash Rate:** Hardware malfunctions can also lead to a reduced hash rate, which is the speed at which the miner's machine can solve complex mathematical problems. This can result in a lower yield of new Bitcoins and reduced profitability for the miner.

- **Power Supply Failure:** Bitcoin mining machines require a constant and reliable power supply. Any disruption to the power supply can cause damage to the hardware components or lead to data loss, which can result in a significant financial loss.
- **Replacement Costs:** In some cases, hardware malfunctions may require the miner to replace the faulty components or even the entire machine. This can be a significant expense for the miner, particularly if the machine is out of warranty or no longer supported by the manufacturer.
- **Hardware Compatibility:** Bitcoin mining hardware is continually evolving, and new models may require different software or hardware components, making them incompatible with existing equipment.

If a significant number of the Company's Bitcoin mining machines were to malfunction as described above, it could result in a loss of other income for the Company which could have a material adverse effect on the Company's operations and financial position

***Acceptance and/or widespread use of digital assets is uncertain***

Since digital currency is still a relatively new concept, there is significant uncertainty as to whether any further growth in digital currencies will occur and the market price of Bitcoin and other cryptocurrencies may even decline. Interest in cryptocurrency and digital currency products may be adversely affected if there is a significant fall in the prices of Bitcoin and/or other digital currencies. This would have an adverse effect on the Company and the value of its Ordinary Shares. Cryptocurrencies, and the blockchain on which they are based, are experimental and are, in most cases, actively being developed. Although these become less experimental as usage grows, they are nevertheless new inventions which are attempting to achieve things which have not been done before. As such the future of these technologies is uncertain, and should they not prosper in the manner anticipated, the Company's financial position and financial prospects could be adversely affected.

***The loss or destruction of any private keys required to access the Company's digital assets may be irreversible. If the Company is unable to access its private keys (whether due to a security incident or otherwise), it could cause direct financial loss, regulatory scrutiny and reputational harm***

Digital assets are generally controllable only by the possessor of the unique private key relating to the digital wallet in which the digital assets are held. While blockchain protocols typically require public addresses to be published when used in a transaction, private keys must be safeguarded and kept private in order to prevent a third party from accessing the digital assets held in such a wallet. To the extent that any of the private keys relating to any hot or cold wallets containing the Company's digital assets is lost, destroyed, or otherwise compromised or unavailable, and no backup of the private key is accessible, the Company will be unable to access the digital assets held in the related wallet and, in most cases, the private key will not be capable of being restored. The loss or destruction of a private key required to access digital assets may be irreversible. Further, the Company cannot provide assurance that any wallet holding its digital assets, either maintained directly by the Company or on its behalf, will not be hacked or compromised. Digital assets, related technologies, and digital asset service providers such as custodians and trading platforms have been, and may in the future be, subject to security breaches, hacking, or other malicious activities. As such, any loss or misappropriation of the private keys used to control the Company's digital assets due to a hack, employee or service provider misconduct or error, or other compromise by third parties could result in significant losses, hurt the Company's brand and reputation, and potentially the value of any Bitcoin or other digital assets the Company mine or otherwise acquire or hold for its own account, and adversely impact its business.

The Company has sought to mitigate the above risks by having in place systems and controls to safeguard private keys. The Company uses cold wallets (encrypted USB drives) for the majority of its Bitcoin holdings and hot wallets (wallets held via online trading platforms) in respect of a small portion of its Bitcoin holdings. In respect of the Company's cold wallets, private keys are securely stored in an encrypted format, utilising encrypted USB drives. These devices ensure a high level of security against unauthorised access. Additionally, access to the private keys requires two-factor authentication (2FA) at the application level, retrieving or using the private keys involves a process requiring the physical USB device and a one-time password as secondary authentication factor. In respect of hot wallets, the Company keeps a smaller portion of its Bitcoin holdings in a multi-signature wallet. The multi-signature wallets require two approvals from separate authorised personnel before any transaction can be executed.

***There are risks related to technological obsolescence, the vulnerability of the global supply chain for cryptocurrency mining hardware to disruption, and difficulty in obtaining new hardware which may have a negative effect on the Company's business.***

The Company's mining operations can only be successful and ultimately profitable if the costs, including hardware and electricity costs, associated with mining cryptocurrencies, including Bitcoin, are lower than the other income the Company is able to earn from mining such cryptocurrencies. Over the course of its mining operations, the Company's mining machines experience ordinary wear and tear, and may also face more significant malfunctions caused by a number of extraneous factors beyond the Company's control. In addition, advances in mining

technology will require the Company to, over time, replace those mining machines which are no longer profitable. These repair and upgrading processes require substantial and continuous capital investment, and the Company may face challenges in doing so on a timely and cost-effective basis. In addition, there is no guarantee that the Company's mining machines will be free from defect or failure, and any such failures or defects could require the Company to seek replacements for newly acquired mining machines.

The Company faces competition in acquiring mining machines from major manufacturers, and at a given time, mining machines may only be available for pre-order months in advance. The Company has mitigated this risk by entering into arrangements with manufacturers and suppliers for the supply of mining machines. However, if the Company is unable to acquire new mining machines, or if the cost for new mining machines is excessively high, the Company may not be able to keep up with its competitors, which may materially and adversely affect the Company's business and results of operations. In some periods, the industry has experienced, and the Company expects may experience again in the future, a scarcity of advanced mining machines, as few manufacturers are capable of producing a sufficient number of mining machines of adequate quality to meet demand. The Company has acquired, and may continue to acquire in the future, mining machines through third-party hosting providers that have relationships with equipment suppliers. Such orders are typically in "bulk" and therefore there is no guarantee that the Company will receive its full allocation of mining machines if the supplier does not deliver the full order. As a result of intense competition for the latest generation mining machines, or if the Company unexpectedly needs to replace its mining machines due to a faulty shipment or other failure, it may not be able to secure replacement machines at reasonable costs or on a timely basis.

***The facilities in which the Company's mining operations are conducted and its mining equipment may experience damages, including damages that are not covered by insurance***

The facilities in which the Company's mining operations are operated in Canada and the United States are, any future mining facilities that the Company operates from, will be subject to a variety of risks relating to physical condition and operation including:

- the presence of construction or repair defects or other structural or building damage;
- any noncompliance with, or liabilities under, applicable environmental, health or safety regulations or requirements or building permit requirements;
- any damage resulting from natural disasters, such as hurricanes, earthquakes, fires, floods and windstorms;

For example, the facilities the Company uses could be rendered inoperable, temporarily or permanently, as a result of a fire or other natural disaster or by a terrorist or other attack on the facility or infrastructure on which it relies. The security and other measures the Company takes to protect against these risks may not be sufficient or may be outside of its control. Additionally, the Company's hosted facilities could be materially adversely affected by local or regional failures in infrastructure, a power outage or loss of access to the electrical grid or loss by the grid of cost-effective sources of electrical power generating capacity (including but not limited to increased charges or costs applicable to specific sectors in line with national or regional policies). Given the power requirement, it would not be feasible to run the Company's mining machines on back-up power generators in the event of a power outage. As such should the facilities the Company uses be rendered inoperable, temporarily or permanently, the Company's financial position and financial prospects could be adversely affected.

***The Company relies on third party mining pool operators such as Luxor Technologies to pay it rewards, the failure of which would have a negative impact on the Company's operations***

The Company currently participates in mining pools organised by third parties, in particular its arrangement with Luxor Technologies, to receive mining rewards. As at the six months ended 29 February 2024 the Company generated 6.488 Bitcoin from its mining pool operations which represents 95% of the aggregate Bitcoin generated by the Company in that period. Mining pools allow miners to combine their processing power, 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 rewards are collected by the pool operator and then distributed by the pool operator to each miner in the pool, proportionally to a miner's contribution to the pool's overall mining power, used to generate each block.

If the pool operator's system suffers downtime due to a cyberattack, software malfunction or other similar issue, it will negatively impact the Company's ability to mine and receive other income. Furthermore, the Company is dependent on the accuracy of the mining pool operator's record keeping to accurately record the total processing power provided to the pool for a given Bitcoin or other cryptocurrency mining application in order to assess the proportion of that total processing power which the Company provided. Whilst the Company tracks the processing power provided to a mining pool, typically the mining pool operator would use its own methodology to determine the mining pool operators' allocation of rewards. The Company may have limited recourse against a mining pool operator should it fail to receive a proportion of a reward or should it determine that the proportion of its reward is not correct, other than leaving the mining pool. Additionally, if the pool operator ceases to provide services (whether related to a cyberattack, software malfunction or other similar issue) or discovers a shortfall in the digital assets held by the pool, the other income generated by the Company from the pool may never be paid to the Company,

and the Company may have little means of recourse against the mining pool operator. Although the majority of the Company's Bitcoin are generated by the Company's pooling operations with Luxor Technologies (95% as at the six months ended 29 February 2024), there are various companies offering commensurate pooling services and, should it need to, the Company is confident that it would be able to replace Luxor Technologies with an alternative provider.

### ***Bitcoin is subject to halving***

Halving is a process designed to control the overall supply and reduce the risk of inflation in cryptocurrencies using a proof-of-work consensus algorithm. At a predetermined block, the mining reward is cut in half, hence the term "halving." For Bitcoin, the reward was initially set at 50 Bitcoin currency rewards per block and this was cut in half to 25 on November 28, 2012 at block 210,000, again to 12.5 on July 9, 2016 at block 420,000 and again to 6.25 on May 11, 2020 at block 630,000. The most recent halving for Bitcoin occurred on April 19, 2024 at block 840,000, when the reward was reduced to 3.125. This process will reoccur until the total amount of Bitcoin currency rewards issued reaches 21 million, which is expected around 2140. As of December 31, 2023, the total number of Bitcoin currency rewards issued was approximately 19.6 million. While Bitcoin has had a history of price fluctuations around the halving of its block reward, there is no guarantee that the price change will be favourable or would compensate for the reduction in mining reward. If a corresponding and proportionate increase in the trading price of Bitcoin does not follow these anticipated halving events, the other income the Company earns from its mining operations would see a corresponding decrease, which would have a material adverse effect on the Company's business and operations.

### ***The Company is subject to an extensive and rapidly evolving regulatory landscape***

The Company's business may be or may become subject to extensive laws, rules, regulations, policies, orders, determinations, directives, treaties, and legal and regulatory interpretations and guidance in the markets in which it operates or in the United Kingdom, the jurisdiction of its listing, including those typically applied to financial services and banking, securities, commodities, the exchange, and transfer of digital assets, cross-border and domestic money and cryptocurrency transmission businesses, as well as those governing data privacy, data governance, data protection, cybersecurity, fraud detection, payment services (including payment processing and settlement services), consumer protection, antitrust and competition, bankruptcy, tax, anti-bribery, economic and trade sanctions, anti-money laundering, and counter-terrorist financing. Many of these legal and regulatory regimes were adopted prior to the advent of the internet, mobile technologies, digital assets, and related technologies. As a result, they often do not contemplate or address unique issues associated with digital assets, are subject to significant uncertainty, and vary widely across U.S. federal, state, and local and international jurisdictions. These legal and regulatory regimes, including the laws, rules, and regulations thereunder, evolve frequently and may be modified, interpreted, and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another. Moreover, the relative novelty and evolving nature of the Company's business and the significant uncertainty surrounding the regulation of digital assets requires the Company to exercise its judgment as to whether certain laws, rules, and regulations apply to it, and it is possible that governmental bodies and regulators may disagree with the Company's conclusions. To the extent the Company has not complied with such laws, rules, and regulations, the Company could be subject to significant fines, limitations on the Company's business, reputational harm, and other regulatory consequences, as well as criminal penalties, each of which may be significant and could adversely affect the Company's business, operating results and financial condition.

The Company's activities are not currently regulated in the United Kingdom as it does not engage in any regulated activities for the purposes of the UK Financial Services and Markets Act 2000 and it is not subject to any registration requirement with the UK Financial Conduct Authority in relation to anti-money laundering rules under The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as it is not a crypto asset exchange or custodian wallet provider. The Company does not offer crypto asset derivatives nor does it engage with or advertise to retail consumers. Its business is to mine crypto assets as principal, and it bears the risks and rewards of such endeavours. The Company has no current plans to engage in the offering of crypto asset derivatives or engage with retail consumers.

In addition to existing laws and regulations, various governmental and regulatory bodies, including legislative and executive bodies, in the United States and in other countries may adopt new laws and regulations, or new interpretations of existing laws and regulations may be issued by such bodies or the judiciary, which may adversely impact the development and use of digital assets as a whole, cryptocurrency mining operations, and the Company's legal and regulatory status in particular by changing how the Company's operations are regulated, and what products or services the Company and its competitors can offer, requiring changes to the Company's compliance and risk mitigation measures, imposing new licensing requirements or new costs of doing business, or imposing a total ban on certain activities or transactions with respect to digital assets, as has occurred in certain jurisdictions in the past.

Due to the Company's business activities, if laws or regulations or their respective interpretation change, the Company may become subject to ongoing examinations, oversight, and reviews by U.S. federal and state regulators and foreign financial service regulators, including the UK Financial Conduct Authority, which would have



broad discretion to audit and examine the Company's business if the Company were to become subject to their oversight.

### ***Project Development Risks***

There can be no guarantee that the Company will be able to manage effectively the expansion of its operations or that the Company's current personnel, systems, procedures and controls will be adequate to support the Company's operations. Any failure of the Board to effectively manage the Company's growth and development may have material adverse effects on the Company's business, financial condition, results and/or future operations. There is no certainty that all, or indeed any, of the elements of the Company's current strategy will develop as anticipated and that the Company will be profitable.

### ***Highly competitive market with low barriers to entry***

There are relatively low barriers to entry into the cryptocurrency mining space which may potentially lead to reduced profitability for individual miners. As the barriers to entry for cryptocurrency mining are relatively low, there can be a significant increase in the number of miners entering the market. This can lead to increased competition for block rewards, which can lower the profitability of mining, as the cost of mining equipment and electricity remain relatively constant or increase over time, while the block reward for mining a single Bitcoin decreases over time. A low barrier to entry can also lead to centralisation, as larger mining pools or operations can take advantage of economies of scale to lower their costs and outcompete smaller miners. Additionally, due to the highly competitive nature of the mining industry, competition in the market may result in the Company struggling to gain market share and develop and maintain its intended income streams. Some companies in this sector will have greater capital and other resources available to them, as well as an established market position. There is no assurance that the Company would be able to compete successfully against such competitors. Any such competition could have a material adverse effect on the Company's business, financial condition, results of operations and its future prospects.

### ***Carbon emissions***

Cryptocurrency mining has become embroiled in a growing controversy stemming from high energy usage, carbon emissions and excessive usage of water associated with blockchain transactions leading to a negative perception. As environmental concerns continue to grow, it is possible that more scrutiny and regulation will be placed on Bitcoin mining to mitigate its environmental impact, consequently, having an adverse effect on the Company's reputation and possibly its share price.

### ***The encryption on which cryptocurrencies rely could be threatened by advances in quantum computing***

Like all cryptographic systems, cryptocurrencies may be vulnerable to quantum computing. Whilst quantum computers have not been widely adopted, certain companies including IBM, have made them available to third parties. If quantum computers become more widely available, cryptocurrencies, along with the cryptography used to protect other financial institutions, may be vulnerable and therefore adversely affected unless steps are taken to secure them against such technologies. Presently, it is expected that around 25% of Bitcoins in circulation are vulnerable to a quantum computer attack. If quantum computers become more widely available and are used by malicious parties to break cryptocurrency cryptography it may have a material adverse effect on the Company's financial position and its financial prospects may be adversely affected.

### ***Banks may not provide banking services, or may cut off banking services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment***

A number of companies that operate cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks, sometimes at short notice. Banks may refuse to provide bank accounts and other banking services to cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system, and harming public perception of cryptocurrencies, or could decrease its usefulness and harm its public perception in the future.

Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of key businesses providing cryptocurrency-related services. This could decrease the market prices of cryptocurrencies and have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

### ***If a malicious actor or botnet obtains control of more than 50% of the processing power on the blockchain, such actor or botnet could manipulate the blockchain***

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on the blockchain, it may be able to alter the blockchain on which cryptocurrency transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new Bitcoins or transactions using such control. The malicious actor could "double-spend" its own Bitcoins (i.e., spend the same Bitcoins in more than one transaction) and prevent the confirmation of other users' transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the blockchain or the Bitcoin community did not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible.

Although there are no known reports of malicious activity or control of the Blockchain achieved through controlling over 50% of the processing power on the network, it is believed that certain mining pools may have exceeded the 50% threshold. The possible crossing of the 50% threshold indicates a greater risk that a single mining pool could exert authority over the validation of Bitcoin transactions. To the extent that the Bitcoin ecosystem, including the core developers and the administrators of mining pools, do not act to ensure greater decentralization of Bitcoin mining processing power, the feasibility of a malicious actor obtaining control of the processing power on the blockchain will increase, which may have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

## **RISKS RELATING TO THE COMPANY'S PERSONNEL**

### ***The Company's relationship with the Directors***

The Company is largely dependent on the performance of its Directors and its ability to attract, develop, motivate and retain highly qualified and skilled employees in the future. Qualified individuals are in high demand, and the Company may incur significant costs to attract and retain them. The loss of the services of its key personnel (through illness, death or loss to a competitor), or an inability to attract other suitably qualified persons when needed, could prevent the Company from executing on its business plan and strategy, and it may be unable to find adequate replacements on a timely basis, or at all. The Company does not currently maintain key-person insurance on the lives of any of its Directors. Loss of key personnel could therefore have a material adverse effect on the prospects of the Company.

## **RISKS ASSOCIATED WITH BEING A BVI INCORPORATED COMPANY**

The Company is a company limited by shares and was incorporated in the British Virgin Islands on 27 August 2021 under the Act. There are a number of differences between the Company and that of a public limited company incorporated under the UK Companies Act 2006 and the following is a description of the principal relevant differences:

There are statutory pre-emption rights under section 46 of the Act which only apply if a company expressly incorporates such provisions into its memorandum and articles of association. The Company has expressly excluded section 46 of the Act. This means that existing Shareholders will have no pre-emption rights with regard to securities that may be issued and therefore any issuance of Ordinary Shares may significantly dilute the value of Ordinary Shares held by existing Shareholders.

The Act does not contain provisions similar to those in the City Code which, inter alia, oblige a person or persons acquiring at least 30 per cent. of voting rights in a company to which the City Code applies to make an offer to acquire the rest of the voting rights. As a result, neither a takeover of the Company nor certain stake-building activities of a Shareholder would be governed by the City Code. Although the Company has included certain takeover provisions into its Articles which broadly reflect the provisions of Rule 9 of the City Code, the Panel will have no role in the interpretation of these provisions and therefore Shareholders will not necessarily be afforded the same level of protection as is available to a company subject to the City Code which now has the effect of law for those companies within its jurisdiction.

Under the Act, shareholders are not obliged to disclose their interests in a company in the same way as shareholders of certain public companies incorporated in the United Kingdom are required to do. In particular, the DTR introduced by the FCA does not apply. The Articles incorporate provisions equivalent to those contained in the DTRs, but may be amended by a Resolution of Shareholders or a Resolution of Directors in accordance with the Articles.

The Company has incorporated various provisions which would apply to a public limited company incorporated in England and Wales under the UK Companies Act 2006 into its Articles, although these may be amended by a Resolution of Shareholders or a Resolution of Directors (in some cases) in accordance with the Articles.

The British Virgin Islands, together with several other non-European Union jurisdictions, have also recently introduced legislation aimed at addressing concerns raised by the Council of the European Union as to offshore

structures engaged in certain activities which attract profits without real economic activity. With effect from January 1, 2019, the Economic Substance (Companies and Limited Partnerships) Act, 2018 (the "ESA") came into force in the British Virgin Islands introducing certain economic substance requirements for British Virgin Islands tax resident companies which are engaged in certain "relevant activities." However, it is not anticipated that the Company itself will be subject to any such requirements prior to any business combination and thereafter the Company may still remain out of scope of the legislation (especially if the Company remains tax resident in the UK) or else be subject to more limited substance requirements. Although it is presently anticipated that the ESA will have little material impact on the Company or its operations, if the Company is engaged in "relevant activities" it will be required to maintain an economic presence in the BVI and to satisfy economic substance requirements. The list of "relevant activities" includes carrying on as a business any one or more of: banking, insurance, fund management, financing and leasing, headquarters, shipping, distribution and service centre, intellectual property and pure equity holding entities. At present it is not envisaged that any of the activities to be conducted by the Company would constitute "relevant activities".

If the Company were required to satisfy economic substance requirements in the BVI but failed to do so, the Company could face spontaneous disclosure to competent authorities in the EU of the information filed by the entity with the BVI International Tax Authority and the BVI Financial Investigation Agency in connection with the economic substance requirements and beneficial and legal ownership of the Company and may also face financial penalties, restriction or regulation of its business activities and/or may be struck off or liquidated as a registered entity in the BVI.

## **RISKS RELATING TO THE COMPANY'S LISTING AND ORDINARY SHARES**

### ***The Company's categorisation under the UK Listing Rules afford investors a lower level of regulatory protection.***

At Admission, the Company will be categorised in the Equity Shares (Transition) category under the UK Listing Rules. The rules applicable to the Company as a result of such categorisation will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with an Equity Shares (Commercial Companies) categorisation, which is subject to additional obligations under the UK Listing Rules. The Company's categorisation also does not permit the Company to gain a FTSE indexation, which may have an adverse effect on the liquidity of the Ordinary Shares.

As the Company will be categorised in the Equity Shares (Transition) category, it is not required to comply with the provisions of, among other things:

- Chapter 4 of the UK Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the UK Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing or Admission;
- Chapter 6 of the UK Listing Rules regarding continuing obligations for a company in the Equity Shares (Commercial Companies) category;
- Chapter 7 of the UK Listing Rules relating to significant transactions;
- Chapter 8 of the Listing Rules regarding related party transactions;
- Chapter 9 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 10 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

### ***Substantial sales of Ordinary Shares could cause the price of Ordinary Shares to decline***

There can be no assurance that certain Directors or substantial Shareholders will not elect to sell their Ordinary Shares following the expiry of contractual lock-in and orderly marketing arrangements in place from Admission, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

### ***Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable***

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the price per Ordinary Share on Admission.

***Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends in the foreseeable future***

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law. Payments of such dividends will be dependent on performance of the Company's business. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any. The Company does not expect to pay dividends in the foreseeable future.

## CONSEQUENCES OF A LISTING IN THE TRANSITION CATEGORY

After careful consideration the Directors have concluded that in order to promote liquidity in the Ordinary Shares through a public listing on the Main Market of the London Stock Exchange while allowing a sufficient degree of flexibility for a company of its size and type it is appropriate for the Company's shares to be included in the Transition Category. Therefore, having met the requirements under UKLR TP 1.1R and UKLR TP 1.5R, an application has been made for the Ordinary Shares to be included in the Transition Category pursuant to Chapter 22 of the New Listing Rules, which sets out the requirements for listings in the Transition Category and does not require the Company to comply with, inter alia, the provisions of Chapters 5 to 10 of the New Listing Rules ("**Listing in the Transition Category**").

As a result, the Company's securities will not be eligible for inclusion in the UK series of the FTSE indices.

A Listing in the Transition Category affords Shareholders and investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are included in the Commercial Companies Category, which are subject to additional obligations under the Listing Rules.

The Directors recognise the importance of good corporate governance and confirm that following Admission, they will comply with the provisions of the QCA Code to the extent practicable and commensurate with the size, operations and state of development of the Company.

### 1. LISTING RULES WHICH ARE NOT APPLICABLE TO A LISTING IN THE TRANSITION CATEGORY

Such non-applicable Listing Rules include, in particular:

- (i) Chapter 4 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint a sponsor in relation to the publication of this document or Admission;
- (ii) Chapter 9 of the Listing Rules relating to further issues of shares, issuing shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;
- (iii) Chapter 7 of the Listing Rules relating to significant transactions which requires Shareholder consent for certain acquisitions;
- (iv) Chapter 8 of the Listing Rules regarding related party transactions;
- (v) Chapter 9 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- (vi) Chapter 10 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

### 2. LISTING RULES WITH WHICH THE COMPANY MUST COMPLY UNDER A LISTING IN THE TRANSITION CATEGORY

There are a number of continuing obligations set out in Chapter 2 and Chapter 22 of the Listing Rules that will be applicable to the Company. These include requirements as to:

#### *Chapter 2 — Listing Principles*

- (i) the taking of reasonable steps to establish and maintain adequate processes, systems and controls to enable it to comply with its obligations; and
- (ii) the dealing with the FCA in an open and co-operative manner.

#### *Chapter 22 - Continuing Obligations*

- (i) the forwarding of circulars and other documentation to the FCA for publication through the document viewing facility and related notification to a regulatory information service;

- (ii) the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- (iii) the form and content of temporary and definitive documents of title;
- (iv) the appointment of a registrar;
- (v) the making of regulatory information service notifications in relation to a range of debt and equity capital issues;
- (vi) the requirement for at least 10 per cent. of the Ordinary Shares to be in public hands; and
- (vii) the requirement to comply with material related party transaction rules in DTR 7.3.

## IMPORTANT INFORMATION

In deciding whether or not to purchase Ordinary Shares, prospective investors should rely only on their own examination of the Company and/or the financial and other information contained in this Document.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company or any of its respective affiliates, officers, Directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been so authorised. Without prejudice to the Company's obligations under the FSMA, Prospectus Regulation Rules, Listing Rules and Disclosure and Transparency Rules, neither the delivery of this Document nor any subscription made pursuant to it will, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information in it is correct as at any time subsequent to its date.

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and has been approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. No arrangement has, however, been made with the competent authority in any member state of the EEA (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation to subscribe for or the solicitation of an offer to buy or subscribe for, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the UK into whose possession this Document comes are required by the Company to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of this Document under, the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or any other consent and observing any other formality prescribed in such territory.

No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action being taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares or Admission may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdictions. Any failure to comply with this restriction may constitute a violation of the securities laws of any such jurisdiction. Neither the Company nor any of the Directors accepts any responsibility for any violation of any of these restrictions by any other person.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which prospective investors should review.

## **WEBSITES**

With the exception of the audited financial information of the Company for the period from 27 August 2021 to 31 August 2022 and the period ending 31 August 2023, the unaudited interim results for the six months to 28 February 2023 and the unaudited interim results for the six months to 29 February 2024, which have been incorporated by reference, the contents of the Company's (or any other website) nor the content of any website accessible hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of the Document, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Ordinary Shares on the contents of the Prospectus alone.

## **FORWARD-LOOKING STATEMENTS**

Some of the statements under "Summary", "Risk Factors", "Part I - Information on the Company, Strategy and Market Overview" and elsewhere in this Document include forward-looking statements which reflect the Company's or, as appropriate, the Directors' current views, interpretations, beliefs or expectations with respect to the Company's financial performance, business strategy and plans and objectives of management for future operations. These statements include forward-looking statements both with respect to the Company and the sector and industry in which the Company operates. Statements which include the words "expects", "intends", "plans", "believes", "projects", "anticipates", "will", "targets", "aims", "may", "would", "could", "continue", "estimate", "future", "opportunity", "potential" or, in each case, their negatives, and similar statements of a future or forward-looking nature identify forward-looking statements.

All forward-looking statements address matters that involve risks and uncertainties because they relate to events that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Accordingly, there are or will be important factors that could cause the Company's actual results, prospects and performance to differ materially from those indicated in these statements. In addition, even if the Company's actual results, prospects and performance are consistent with the forward-looking statements contained in this Document, those results may not be indicative of results in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to implement effective growth strategies for its business;
- the Company's ability to ascertain the merits or risks of the operations of the Company's business;
- the Company's ability to deploy the funds raised on a timely basis;
- changes in economic conditions generally;
- impairments in the value of the Company's assets;
- the availability and cost of equity or debt capital for future transactions;
- changes in interest rates and currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such changes and fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Risks and uncertainties which are material and known to the Directors are listed in the section of this Document headed "Risk Factors", which should be read in conjunction with the other cautionary statements that are included in this Document.

Any forward-looking statements in this Document reflect the Company's, or as appropriate, the Directors' current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's future business, results of operations, financial conditions and growth strategy. For the avoidance of doubt, nothing in this paragraph qualifies the working capital statement set out in paragraph 17 of Part VII of this Document.

These forward-looking statements speak only as of the date of this Document. Subject to any obligations under the Prospectus Regulation Rules, the Market Abuse Regulation, the Listing Rules and the Disclosure and Transparency Rules and except as required by the FCA, the London Stock Exchange, the Takeover Code or applicable law and regulations, the Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Group or individuals acting on behalf of the Group are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this Document which could cause actual results to differ before making an investment decision.

## **THIRD-PARTY INFORMATION**

This Document contains information about the Company's markets, acquisition strategy and other information concerning its operations. Unless stated otherwise, such information is based on the Company's assessment of several different sources, including statistics and information from external industry or market reports, market surveys and publicly available information.

Where information contained in this Document has been sourced from a third-party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third-party, no facts have been omitted which would render the



reproduced information inaccurate or misleading. The information includes publicly available historical market data and industry expectations, including the size of the market in which the Company operates. The material sources of third-party information on which basis this Document has been prepared are listed, where relevant, in this Document.

The accuracy and completeness of industry and market publications is not guaranteed and has not been verified by the Company. Market information and market statistics, by nature, are forward-looking and subject to uncertainty, could be interpreted subjectively and are not necessarily reflective of actual or future market conditions. Potential investors should be aware that the financial information, market information, forecasts and estimated market information contained in this Document do not necessarily constitute reliable indicators of the Company's future results. The contents of the Company's website or any third-party websites referred to herein do not constitute part of this Document.

#### **DEFINED TERMS**

Except for certain names of natural persons and legal entities and capitalised terms that need no further explanation, the capitalised terms used in this Document, including capitalised abbreviations, are defined and/or explained in Part VI of this Document.

#### **CURRENCY AND PRESENTATION OF FINANCIAL INFORMATION**

All financial amounts are presented in Great British Pound Sterling ("GBP" or "£") unless otherwise indicated.

Unless otherwise indicated, all references in this Document to "GBP", "£", "pounds sterling", "pounds", "sterling", "pence" or "p" are to the lawful currency of the United Kingdom; all references to "\$", "US\$" or "US dollars" are to the lawful currency of the US; all references to "€" or "euro" are to the lawful currency of the Euro zone countries; and all references to "ZAR" are to the South African Rand, the lawful currency of South Africa.

Certain financial information and other information has been rounded to make the information easily comprehensible to the reader. Accordingly, the figures contained in certain columns may not tally with the total amount specified.

#### **NOTICE TO US SHAREHOLDERS AND SHAREHOLDERS IN CERTAIN RESTRICTED JURISDICTIONS**

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or the accuracy or adequacy of this Document. Any representation to the contrary is a criminal offence in the US.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of Australia, Canada, Japan, New Zealand or the Republic of South Africa, or any province or territory thereof. Subject to certain exceptions, the Ordinary Shares may not be taken up, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from, the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa or to for the account of any national, resident or citizen of the United States or any person resident in Australia, Canada, Japan, New Zealand or the Republic of South Africa. The Ordinary Shares may only be offered or sold in offshore transactions as defined in and in accordance with Regulation S promulgated under the Securities Act. Acquirers of the Ordinary Shares may not offer to sell, pledge or otherwise transfer the Ordinary Shares in the United States, or to any US Person as defined in Regulation S under the Securities Act, including resident corporations, or other entities organised under the laws of the United States, or non-US branches or agencies of such corporations unless such offer, sale, pledge or transfer is registered under the Securities Act, or an exemption from registration is available. The Company does not currently plan to register the Ordinary Shares under the Securities Act.

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The rights of Shareholders are governed by English law and by the Articles. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

#### **NOTICE TO EEA SHAREHOLDERS**

In relation to each member state of the EEA (each a "relevant member state") with effect from and including the date on which the Prospectus Regulation came into force in the relevant member state ("relevant date"), no Ordinary Shares have been offered to the public in that relevant member state prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in the relevant member state, all in accordance with the Prospectus Regulation, except that, with effect from and including the relevant date, offers of Ordinary Shares may be made to the public in that relevant member state at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose main activity is to invest in financial instruments;

- (b) to any legal entity which has two or more of: (i) a total balance sheet of more than €20 million; (ii) an annual turnover of more than €40 million; and (iii) own funds of €2 million as shown in its last annual or consolidated accounts;
- (c) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) in such relevant member state; or
- (d) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purpose of these provisions, the expression an “offer to the public” in relation to any Ordinary Shares in any relevant member state means the communication in any form and by any means of sufficient information on the terms of any Ordinary Shares to be offered so as to enable an investor to decide to purchase any Ordinary Shares, as the same may be varied in that relevant member state.

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their offer or resale in a relevant member state to qualified investors as so defined or in circumstances in which the prior consent of the Company has been obtained to each such proposed offer or resale. Each of the Company and its respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

#### **NOTICE TO OVERSEAS SHAREHOLDERS**

An Overseas Shareholder may not be able to enforce a judgement against any of the Directors and executive officers. The Company is incorporated under the laws of the British Virgin Islands. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon a Director within the Overseas Shareholder’s country of residence or to enforce against the Directors judgements of courts of the Overseas Shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgements in civil or commercial matters, or any judgements under the securities laws of countries other than the UK, against the Directors who are residents of the United Kingdom or countries other than those in which judgement is made. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

#### **DATA PROTECTION**

The Company may delegate certain administrative functions to third-parties and will require such third-parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third-party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering or anti-terrorism procedures;
- (b) carrying out the business of the Group and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate, it may be necessary for the Company (or any third-party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third-party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- (b) transfer personal data outside of the UK to countries or territories which do not offer the same level of protection for the rights or freedoms of prospective investors as the United Kingdom.

If the Company (or any third-party, functionary or agent appointed by the Company) discloses personal data to such a third-party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third-party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

#### **DEFINITIONS**

A list of defined terms used in this Document is set out in Part IX of this Document.

**GOVERNING LAW**

Unless otherwise stated, statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

**VALIDITY OF PROSPECTUS**

This Document was approved on 24 December 2024 and is valid for a period of one year from that date. This Document will therefore cease to be valid on 24 December 2025. Should a significant new factor occur, or material mistake or inaccuracy be identified during the validity period, the Company would be required to issue a supplement in accordance with the Prospectus Regulation Rules. After the period of validity has expired, the Company is no longer under an obligation to issue such a supplement.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and/or Date
Publication of this Document	24 December 2024
Existing Ordinary Shares cease to trade on AQSE	4:30 p.m. on 10 January 2025
Admission and commencement of unconditional dealings in Enlarged Share Capital	8.00 a.m. on 13 January 2025
CREST members' accounts credited in respect of the Fundraise Shares in uncertificated form	13 January 2025
Despatch of definitive share certificates in respect of the Fundraise Shares in certificated form	week commencing 20 January 2025

*\* All references to times and dates in this Document are to London time unless otherwise stated.*

## SHARE CAPITAL AND ADMISSION STATISTICS

Number of Existing Ordinary Shares	243,356,194
Number of Placing Shares	7,379,310
Number of Subscription Shares	2,965,518
Number of Fundraise Shares (representing the aggregate total of all Placing Shares and the Subscription Shares)	10,344,828
Number of Ordinary Shares in issue on Admission	253,701,021
Percentage of Enlarged Ordinary Share Capital represented by the Fundraise Shares	4.08%
Fundraise Price	14.5 pence
Gross proceeds of the Fundraise	£1,500,000
Estimated Net Proceeds receivable by the Company	£1,300,000
Estimated expenses of the Fundraise and Admission (excluding VAT)	£200,000
Market capitalisation on Admission <sup>1</sup>	£38,055,153.15
TIDM	BTC
ISIN	VGG9520B1004
SEDOL	BPK4C11
LEI	9845006607892CED8456

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<sup>1</sup> The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time and the expected market capitalisation on Admission is based on the mid-market closing price of the Ordinary Shares as traded on AQSE on the Last Practicable Date. There can be no assurance that the market price of an Ordinary Share will trade at the same price as they previously traded on AQSE.

## DIRECTORS AND ADVISERS

Directors	David Lenigas (Executive Chairman) Jeremy Edelman (Finance Director) Mahesh Pulandaran (Independent Non-Executive Director)
	all c/o the Registered Office
Registered Office	Vistra Corporate Services Centre Wickhams Cay II, Road Town Tortola VG1110 British Virgin Islands
Company Website	<a href="http://www.vinanz.co.uk">www.vinanz.co.uk</a>
Corporate Adviser	First Sentinel Corporate Finance Limited 72 Charlotte Street London W1T 4QQ
Broker	Clear Capital Markets 6th Floor, Wilsons Corner, 23-25 Wilson Street, London, England, EC2M 2DD
Reporting Accountants and Auditor to the Company	Pointon Young Chartered Accountants 33 Ludgate Hill Birmingham B3 1EH
Solicitors to the Company as to Admission	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Registrars	Computershare Investor Services (BVI) Limited Woodbourne Hall, PO Box 3162 Road Town, Tortola VG1110 British Virgin Islands
Depositary	Computershare Investor Services Plc The Pavilions Bridgwater Road Bristol BS13 8AE

## PART I

### BUSINESS OVERVIEW

#### INFORMATION ON THE COMPANY AND FUNDRAISE

##### 1. Introduction and Background

The Company was incorporated in the British Virgin Islands on 27 August 2021 with registered number 2073995. The Company'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.

##### 2. Key commercial activities of the Company

The Company is a blockchain technology company focused on the mining of Bitcoin. The Company 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 Company'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 Company has operations in two jurisdictions, Canada and the United States and owns 548 mining machines with a combined computing capacity of 60.2 petahash.

The Company aims to provide a listed UK platform which offers access to a technology and cryptocurrency business in the Bitcoin mining sector. As at the date of this Document the Company focuses on the development of its Bitcoin cryptocurrency mining operations. In the long term the Company may seek to expand its existing operations into the mining of alternative cryptocurrencies (subject to any required regulatory approvals).

Set out below is a short summary of the key operational updates which have been announced by the Company since AQSE Admission:

- On 28 April 2023 the Company announced that it acquired 100 new Bitmain Antminer S19J Pro ASIC miners. This acquisition increased the number of Bitcoin ASIC miners the Company owns from 20 to 120 and increased the Company's combined terrahash processing power in North America by 650% to 12,000 terrahash per second (note: one terrahash is one trillion (1,000,000,000,000) hashes per second). In the context of Bitcoin mining or blockchain, the rate of hashes per second is an important measure of mining performance. The hardware is installed and operated at a data hosting site in Labrador in northeast Canada.
- On 22 May 2023 the Company announced that it intends to apply for its securities to join the OTCQB and on 5 September 2023 the Company announced that trading of its securities on the OTCQB commenced on 5 September 2023.
- On 29 September 2023 the Company 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 Company's combined cryptocurrency wallet increased from 5.01 Bitcoin to 7.84 Bitcoin as at 29 September 2023.
- On 9 November 2023 the Company 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 Company's current Bitcoin mining operations.
- On 15 November 2023 the Company 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 time period for the machines to become fully operational.
- On 20 November 2023 the Company announced that it has entered into a strategic partnership with US-based Luxor Technology Corporation ("Luxor Technology") to increase the Company'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 Company's fleet of machines. On 23 January 2024 the Company 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 Company 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 Company 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 Company'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 Company 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 Company 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 Company 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 Company announced that it had completed a placing of new Ordinary Shares to raise gross funds of £608,300.
- On 10 October 2024, the Company 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 Company announced that it intended to apply for Admission. In anticipation of Admission, the Company 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 Company announced that it had received firm commitments to raise £1.5 million (gross) at 14.5 pence per share subject to Admission.

### **3. Company's objective**

The Company's objective 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 Company's business strategy and conducting its overall supervision.

### **4. Background to the market opportunity**

#### *Introduction*

Blockchain technology was invented in 2008 as the database technology that underpins Bitcoin, the world's first cryptocurrency. Even though the technology has remained synonymous with Bitcoin and other cryptocurrencies, blockchain technologies are capable of much more than serving as a database for a decentralized digital currency. Blockchain is gaining widespread adoption and has the potential to be the backbone of a new digital world enabling automated transactions with fewer middlemen and greater efficiency.

A significant advantage to blockchain technology is that it can store data and distribute it in a decentralized manner whereby users have access to the entire data store. The decentralization of information increases security as the data is cryptographically secured but also offers additional functionality to its users. Blockchain technologies are making a significant impact in many areas of business, including but not limited to finance, information management and governance, but it is still in the early stages that present significant future opportunities.

A cryptocurrency is a form of encrypted and decentralized digital currency, transferred directly between peers across the internet, with transactions being processed, confirmed and recorded in a distributed public ledger by a process known as "mining".

Units of a cryptocurrency exist only as data on the internet, and are not issued or controlled by any single institution, authority or government. Whereas most of the world's money currently exists in the form of electronic records managed by central authorities such as banks, units of a cryptocurrency exist as electronic records in a decentralized tamper-proof transaction database called a blockchain. The ledger is publicly available to anyone and secured with public key encryption.

#### *What is a cryptocurrency and how does it work?*

Cryptocurrencies are decentralised digital currencies that enable anyone who holds a compatible wallet, anywhere in the world, to hold and transfer that cryptocurrency. Cryptocurrencies operate on an online, peer-to-peer network that hosts the public transaction ledger, known as the blockchain. The blockchain is a decentralised ledger, which records all of the transactions in that particular cryptocurrency. Each cryptocurrency has its own blockchain.

Each cryptocurrency has a source code that comprises the basis for the cryptographic and algorithmic protocols governing the blockchain. The source is commonly open source and therefore can be inspected by anyone, and is maintained on an ongoing basis through contributors proposing amendments to the protocol which are peer reviewed and adopted by consensus.

These protocols govern the ownership and transfer of the cryptocurrency, and are executed on decentralised peer-to-peer infrastructure. The peer-to-peer infrastructure on which the blockchain operates is not owned or operated by a single entity or state. Instead, the infrastructure is collectively maintained by a decentralised user base. Each peer is known as a "miner", and each miner processes transactions in accordance with the protocols of the relevant cryptocurrency.

As a result, cryptocurrency does not rely on either governmental authorities or financial institutions to create, transmit or determine the value of the coins. Rather:

1. the creation of the coins is governed by the source code (there is no central authority (for example a reserve bank issuing currency));
2. the transmission of the coins is governed by the source code and processed by the decentralised peer to peer network (there are no banks which process payments); and
3. the value of a coin is determined by the market supply of and demand for the coins, the prices set in transfers by mutual agreement or barter as well as through acceptance directly by merchants in exchange for goods and services as an alternative to fiat currencies.

Each account is identified solely by its unique public key. Other than being unique, the public key does not have any identifying features (there is no IBAN for example, which would provide details of an issuing bank and consequently the state where the account is held). The lack of identifying features making means public keys are basically anonymous.

Each account is secured with its associated private key (which is kept secret, like a password). The combination of private and public cryptographic keys constitutes a secure digital identity in the form of a digital signature. As long as the private key is kept private (i.e. confidential to the owner of the wallet) it provides strong control of ownership.

A blockchain, on which a cryptocurrency is recorded, enables market participants to make and verify transactions on a network instantaneously without a central authority (i.e., a clearinghouse in the traditional financial system). The Directors believe that blockchain, the technology behind cryptocurrencies, and the distributed ledger that is updated by miners, has the potential to disrupt multiple industries through making processes more democratic, secure, transparent and efficient. Interbank transactions which can currently take days for clearing and final settlement, especially outside of working hours can be reduced to transaction times of minutes and would be processed 24/7, unlike traditional banking transactions.

Cryptocurrencies can offer many advantages over traditional fiat currency, including —

- acting as a fraud deterrent, as cryptocurrencies are digital and cannot be counterfeited or reversed arbitrarily by sender;
- immediate settlement (though in practice users will wait for a number of subsequent blocks to be added to the blockchain to reduce the risk of the block being 'orphaned' from the main blockchain);
- eliminating counterparty risk;
- no trusted intermediary required;
- lower fees;
- identity theft prevention;
- accessible by everyone;
- transactions verified and protected through a confirmation process, which prevents the problem of double spending currencies;
- decentralization: no central authority (government or financial institution);
- universal recognition; and
- not bound by government imposed exchange rates.

Cryptocurrency can be used to pay for goods and services or can be converted to fiat currencies, such as the US dollar, at rates determined by various exchanges. Bitcoin.org lists a number of Bitcoin Exchanges, including international exchanges such as: Bitsquare and Bitstamp which are available to holders of cryptocurrency. Country-based and regional exchanges also exist, and certain third party service providers can also be used for transfers, however may charge higher fees for processing transactions.

Because cryptocurrencies are completely digital and they can be used in ways that ordinary currencies cannot; primarily, they are used like the digital equivalent of cash. Unlike credit or debit cards that are issued by banks, consumers don't need an account or good credit to use digital currencies. Further, digital currencies are becoming increasingly accepted globally by retailers and institutions.

### *Bitcoin*

The Company has decided to initially target Bitcoin in respect of its mining operations. The Company may, in future, add or remove cryptocurrencies from its operations. A brief overview of Bitcoin is set out below.

Bitcoin surfaced publicly in 2009 as the world's first decentralized cryptocurrency. The initial exchange rate (recorded on October 5, 2009) for Bitcoin was 1 BTC = US\$0.000764. In part due to its first mover advantage, Bitcoin has remained the number one cryptocurrency in terms of market capitalisation (approximately US\$1,850,000,000,000 as at the Last Practicable Date).<sup>2</sup>

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<sup>2</sup> <https://coinmarketcap.com/currencies/bitcoin/>





\* <https://coinmarketcap.com/currencies/bitcoin/>

### *Cryptocurrency Mining*

Cryptocurrency mining is the process of verifying transactions on a blockchain network and adding them to the public ledger, known as the blockchain. In return for this work, miners are rewarded with newly-created cryptocurrency.

The process of mining involves using specialised software and hardware to solve complex mathematical problems. This process requires a significant amount of computational power and energy, as the mathematical problems are designed to be difficult to solve, in order to maintain the security and integrity of the blockchain network.

Once a miner solves a mathematical problem and verifies a transaction, it is added to the blockchain and the miner is rewarded with a certain amount of cryptocurrency, which varies depending on the computational capabilities available to the network and the prevailing market conditions.

Cryptocurrency mining can be undertaken individually or as part of a mining pool, where miners combine their resources to increase their chances of solving a mathematical problem and earning a reward. However, as the difficulty of mining increases and the rewards decrease over time, it has become increasingly difficult and expensive to profitably mine certain cryptocurrencies, leading to the development of specialised mining hardware and operations.

The cryptocurrency mining industry has experienced significant growth over the past decade, as the popularity and adoption of cryptocurrencies have increased. While exact figures can be difficult to determine due to the decentralised nature of the industry, various metrics suggest that the industry has grown substantially.

According to data from Cambridge Centre for Alternative Finance, the estimated global electricity consumption connected with Bitcoin grew from around 14-terawatt hour in 2017 to almost 110-terawatt hour in 2021, indicating a significant increase in mining activity. In addition, the number of new Bitcoin mined per day decreased from approximately 1,800 in 2016 to approximately 900 in 2020, resulting in increased competition among miners. After the Bitcoin network mines 210,000 blocks—roughly every four years—the block reward given to Bitcoin miners for processing transactions is cut in half. This event is called halving because it cuts the rate at which new Bitcoins are released into circulation in half. Despite this, the Directors believe cryptocurrency mining has considerable growth potential for the foreseeable future based on the premise that mining has been a growing industry over the past decade, as the popularity and adoption of cryptocurrencies like Bitcoin have increased. As more people have become interested in Bitcoin and other cryptocurrencies, the demand for mining hardware and services has

increased, leading to the growth of the mining industry. Whilst the Company will focus initially on Bitcoin mining, it may also consider mining of other cryptocurrencies in the long term (subject to necessary regulatory approvals). The number of cryptocurrency mining pools, which allow individual miners to pool their resources and increase their chances of earning rewards, has also grown. According to Blockchain.com, the number of active Bitcoin mining pools has grown from around 20 in 2014 to nearly 100 in 2021. The Company has entered into a mining pool arrangement with Luxor Technology – further information in relation to the mining pool arrangement with Luxor Technology is set out at paragraph 15.8 of Part VII of this Document.

The cryptocurrency mining industry has also attracted significant investment, with venture capital funding and initial coin offerings raising billions of dollars in funding for blockchain startups and mining operations.

## 5. The Company's Business Plan and Strategy

The Company'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 Company 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 Company has access to facilities in the US and Canada in respect of its Bitcoin mining operations. Typically, the Company owns its own mining machines, which it installs at the hosted facilities. The Company generates Bitcoin in respect of its Bitcoin mining operations. The Company'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 Company 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 Company enters into). The Company has partnered with Luxor Technology in respect of the Luxor Technology mining pool pursuant to which the Company 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. See paragraph 15.6 of Part VI of this Document for further information in relation to the Luxor Technology pooling agreement.

In addition to the above business plan, the Company's business strategy includes:

- Third party hosted facilities. As discussed above, the Company believes third party hosted sites offer a benefit to Company owned facilities as it is less capital intensive and allows for more flexibility in terms of location of the Company's operations.
- Mining machines. The Company aims to acquire cost effective mining machines which provide a balance between processing power and energy efficiency. The Company has partnered with Luxor Technology to provide the Company with Luxor Technology's firmware on its mining machines which will increase efficiencies and reduce power requirements.
- Diversification. As with any investment (and cryptocurrency included), diversification reduces risk. In the long term, the Company intends to diversify its sources of revenue, other income and value creation by investing in and developing other commercial opportunities in the digital asset sector.
- Focus on reliable, low-cost, renewable power. Power represents the Company's highest variable direct cost for its mining operations, with electrical power required both to operate the mining machines and to dissipate the significant amount of heat generated by the machines' operation. The Company aims to deploy its mining machines at locations with access to reliable, renewable power sources, as successfully doing so should enable it to reduce power costs.
- Risk Management. Cryptocurrencies investments carry a variety of risks, including volatility, security, liquidity, and regulatory risks. The Company keeps these risks under review and deploys mitigation strategies as and when required.
- Sticking to objectives. Capital preservation and growth are priorities.
- Growth: Both organic and expansionary growth has been an ongoing objective.

The Company's operations are initially focussed on Canada and the United States, however the Directors may consider other jurisdictions in due course.

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

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

Over 90% of the power used in the Company'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 Company's business model and its expansion philosophy. Ultimately, the

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

The Directors have existing relationships across the cryptocurrency markets. The Company will seek to exploit the Directors' contacts and relationships to advance the Company's business plan and strategy. Between them, the Directors have over 57 years of experience in public companies and capital markets. Further details of the Directors' experience are set out in Part II of this Document.

The Company's business plan, including the key assumptions and sensitivity analysis below, is in respect of the next two financial years.

## 6. Key assumptions and sensitivity analysis

### **Key assumptions**

The Company expects that there will be continued demand for Bitcoin and it has assumed that:

- *Crypto currencies, and in particular Bitcoin, will continue to appreciate over the long term*  
The Directors believe that although crypto currencies may appreciate and depreciate over time, Bitcoin is likely to continue to appreciate given it has been widely adopted and is the most popular crypto currency.
- *The hardware that the company acquires will continue to be available and profitable*  
The Company's ability to generate Bitcoin from its mining operations is dependent on computing power and efficiency of its mining machines. The Company believes that it will continue to be able to acquire additional mining machines and replace any aging mining machines which have become redundant or inefficient within a reasonable period of time.
- *If regulated, cryptocurrency mining will be regulated in such a way that allows the Company to continue to operate in the jurisdictions in which it currently operates*  
The Directors believe that crypto currency regulation will continue to evolve but that it will not have an impact on crypto currency mining.
- *Reliable, low cost energy will continue to be available*  
The Company's operations rely on reliable low-cost energy. The Company is operating in jurisdictions in which reliable low-cost energy is available and expects that it will continue to be able to do so.

### **Sensitivity analysis**

- *Slowing crypto currency growth*  
The Company believes that strong growth in the crypto currency market, in particular the price of Bitcoin, will ensure the Company meets its objectives. The Directors believe although specific crypto currencies will appreciate and depreciate over time Bitcoin is likely to continue to appreciate given it is widely adopted and is the most popular crypto currency.
- *Insufficient availability of hardware*  
In order for the Company to grow its other income and to be competitive it must continue to increase the number of mining machines it owns and operates and replace any ageing hardware. As the Company grows it will need to acquire larger batches of mining machines. It may be difficult to procure the right type of hardware as there is substantial demand from other participants in the cryptocurrency market, some of whom may be willing to pay a higher price than the Company. The Company may therefore be forced to incur higher than anticipated costs in order to acquire hardware or it may be forced to acquire less efficient hardware at lower cost. The Company, however, believes that it will be able to procure a sufficient amount of hardware on the basis of its current relationships with existing hardware vendors.
- *Regulatory changes*  
The Company believes that regulatory attitudes in the countries in which the Company operates, and worldwide, to cryptocurrencies and related activities will continue to evolve. The ability to mine cryptocurrencies may, in the future, be regulated by individual countries and could be regulated in a way that does not allow the Company to continue to operate in those jurisdictions. The Company 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.
- *Insufficient availability of low cost energy*  
The Company's business is dependent on low-cost reliable energy. It has 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 Company mitigates this risk by spreading its operations over multiple jurisdictions and will continue to identify future suitable jurisdictions.

## 7. Regulatory overview

The laws and regulations applicable to cryptocurrency are evolving and subject to interpretation and change. Governments around the world have reacted differently to cryptocurrencies; certain governments have deemed them illegal, and others have allowed their use and trade without restriction, while in some jurisdictions, such as in the United States, cryptocurrencies are subject to extensive, and in some cases overlapping, unclear and evolving regulatory requirements. As cryptocurrencies have grown in both popularity and market value, the U.S. Congress and a number of U.S. federal and state agencies, including FinCEN, SEC, CFTC, Financial Industry Regulatory Authority (FINRA), the Consumer Financial Protection Bureau, the Department of Justice, the Department of Homeland Security, the Federal Bureau of Investigation, the IRS and state financial regulators, have been examining the operations of cryptocurrency networks, cryptocurrency users and cryptocurrency exchange markets, with particular focus on the extent to which cryptocurrencies can be used to launder the proceeds of illegal activities or fund criminal or terrorist enterprises and the safety and soundness and consumer-protective safeguards of exchanges or other service-providers that hold, transfer, trade or exchange digital assets for users. Many of these state and federal agencies have issued consumer advisories regarding the risks posed by cryptocurrencies to investors. In addition, federal and state agencies, and other countries have issued rules or guidance about the treatment of cryptocurrency transactions or requirements for businesses engaged in activities related to cryptocurrencies. Depending on the regulatory characterisation of the cryptocurrencies the Company mines, the markets for those cryptocurrencies in general, and the Company's activities in particular, may be subject to one or more regulators in the United States and globally. On-going and future regulatory actions may alter, perhaps to a materially adverse extent, the nature of cryptocurrency markets and the Company's cryptocurrency operations. Additionally, U.S. state and federal, and foreign regulators and legislatures have taken action against cryptocurrency businesses, enacted restrictive regimes in response to adverse publicity arising from hacks, consumer harm, or criminal activity stemming from cryptocurrency activity or have taken actions that make it more difficult for cryptocurrency companies to obtain banking services. There is also increasing attention being paid by U.S. federal and state energy regulatory authorities as the total load of crypto-mining grows and potentially alters the supply and dispatch functionality of the wholesale grid and retail distribution systems. Many state legislative bodies are also actively reviewing the impact of crypto-mining in their respective states.

The Company is unable to predict the effect that any future regulatory change, or any overlapping or unclear regulations, may have on it, but such change, overlap or lack of clarity could be substantial and make it difficult for the Company to operate its business or materially impact the market for cryptocurrencies that it mines or may mine in the future. FinCEN has issued guidance stating its position that it does not differentiate between fiat currency (which FinCEN calls "real currency") and cryptocurrencies that are convertible into fiat currency or other forms of convertible virtual currencies (which FinCEN calls "virtual currency") for purposes of determining whether a person or entity is engaging in "money transmission services." Persons and entities engaging in virtual currency activities that amount to "money transmission services," or otherwise cause them to be deemed a "money services business" under FinCEN's regulations, must register as a money services business, implement an "effective" anti-money laundering program and comply with FinCEN's reporting and recordkeeping requirements.

In May 2019, FinCEN issued guidance relating to how the U.S. Bank Secrecy Act ("BSA") and its implementing regulations relating to money services businesses apply to certain businesses that transact in convertible virtual currencies. Although the guidance generally indicates that certain mining and mining pool operations will not be treated as money transmission, the guidance also addresses when certain activities, including certain services offered in connection with operating mining pools such as hosting convertible virtual currency wallets on behalf of pool members or purchasers of computer mining power, may be subject to regulation. Although the Company believes that its mining activities does not presently trigger FinCEN registration requirements under the BSA, if the Company's activities cause it to be deemed a "money transmitter," "money services business" or equivalent designation, under federal law, the Company may be required to register at the federal level and comply with laws that may include the implementation of anti-money laundering programs, reporting and recordkeeping regimes, and other operational requirements. In such an event, to the extent the Company decides to proceed with some or all of its operations, the required registration and regulatory compliance steps may result in extraordinary, non-recurring expenses to the Company, as well as on-going recurring compliance costs, possibly affecting an investment in the Ordinary Shares, operating results or financial condition in a material and adverse manner. Failure to comply with these requirements may expose the Company to fines, penalties and/or interruptions in its operations that could have a material adverse effect on the Company's financial position, results of operations and cash flows.

According to the CFTC, at least some cryptocurrencies, including Bitcoin, fall within the definition of a "commodity" under the U.S. Commodities Exchange Act of 1936, as amended (the "CEA"). Under the CEA, the CFTC has broad enforcement authority to police market manipulation and fraud in spot cryptocurrency markets in which the Company may transact. Beyond instances of fraud or manipulation, the CFTC generally does not oversee cash or spot market exchanges or transactions involving cryptocurrencies that do not utilise margin, leverage, or financing. The National Futures Association ("NFA") is the self-regulatory agency for the U.S. futures industry, and as such has jurisdiction over Bitcoin futures contracts and certain other cryptocurrency derivatives. However, the NFA does not have regulatory oversight authority for the cash or spot market for cryptocurrency trading or transactions. In addition, CFTC regulations and CFTC oversight and enforcement authority apply with respect to futures, swaps,

other derivative products, and certain retail leveraged commodity transactions involving cryptocurrencies, including the markets on which these products trade.

The SEC has taken the position that many cryptocurrencies may be securities under U.S. federal securities laws. Some senior members of the staff of the SEC have expressed the view that Bitcoin and Ethereum are not securities under U.S. federal securities laws. However, such statements are not official policy statements by the SEC and reflect only the speakers' views, which are not binding on the SEC or any other agency or court and cannot be generalised to any other cryptocurrency. The SEC's Strategic Hub for Innovation and Financial Technology published a framework for analysing whether any given cryptocurrency is a security in April 2019, however this framework is also not a rule, regulation or statement of the SEC and is similarly not binding on the SEC. Notwithstanding that the SEC has not asserted regulatory authority over Bitcoin or trading or ownership of Bitcoin and has not expressed the view that Bitcoin should be classified or treated as a security for purposes of U.S. federal securities laws, the SEC has commented on Bitcoin and Bitcoin-related market developments and has taken action against investment schemes involving Bitcoin. For example, the SEC has charged at least three Bitcoin mining companies in connection with a Ponzi scheme to defraud investors in their mining operation. The SEC has also repeatedly denied proposed rule changes by exchanges to list and trade shares of certain Bitcoin-related investment vehicles on public markets, citing significant investor protection concerns regarding the markets for cryptocurrencies, including the potential for market manipulation and fraud. Although the SEC has not stated that mining Bitcoin is itself a regulated activity, to the extent any cryptocurrencies the Company mines are deemed to be securities, the offer, sale, and trading of those cryptocurrencies would be subject to the U.S. federal securities laws.

In addition to the SEC, state securities regulators and several foreign governments have also issued warnings that certain cryptocurrencies may be classified as securities in their jurisdictions, and that transactions in such cryptocurrencies may be subject to applicable securities regulations. Furthermore, certain state securities regulators have taken the position that certain cryptocurrency mining operations may involve the offer of securities. For example, the Texas State Securities Board has taken enforcement action against the operator of a cloud mining company, whereby customers could purchase hashrate managed by the cloud mining company in exchange for a share of the mining reward, for offering unregistered securities.

In Europe, at an EU level and in a number of EU member states (as well as the UK), other than in respect of anti-money laundering (as discussed below), cryptocurrencies taking the form of assets designed for the exchange of value (such as Bitcoin) generally remain outside of the financial services regulatory perimeter. Nonetheless, the regulatory treatment of any particular cryptocurrency is highly fact specific. At present, cryptocurrency mining activities are not subject to any regulatory authorisation requirements with any UK financial services regulator. Multiple regulators have highlighted the need for more stringent regulatory scrutiny for all types of cryptocurrencies and have taken legislative action directed at certain cryptocurrencies. In general, where regulatory action has been taken in Europe, it has typically been in response to concerns arising in relation to AML and consumer protection.

Under the EU's Fifth Money Laundering Directive (MLD5), custodian wallet providers and providers engaged in exchange services between cryptocurrencies (referred to as virtual currencies) and fiat currencies are subject to registration with the relevant supervisory authority in their jurisdiction and must comply with day-to-day AML and counter-terrorist financing measures, including client due diligence obligations. Certain EU member states have implemented further measures in addition to the requirements of MLD5, including, (i) an order introduced by several French ministries in December 2020, which aims to ban anonymous crypto accounts and regulate crypto-related transactions in light of concerns for terrorism financing and money laundering; and (ii) strengthened anti-money laundering protections introduced by the Dutch regulator in November 2020, which were perceived to be targeting privacy coins as the protections impose client information and verification requirements. The EU Fifth Money Laundering Directive has been retained as UK law (subject to certain amendments) following the UK's withdrawal from the EU and its requirements apply to in-scope firms that conduct business in the UK. However, taking account of relevant guidance as to the scope of the UK's AML regime published by the UK Joint Money Laundering Steering Group, the Company does not believe that it falls within the scope of the UK's anti-money laundering regime as either a custodian wallet provider or a virtual currency exchange provider.

From a consumer protection perspective, in January 2021 the UK's Financial Conduct Authority imposed a ban on the sale of crypto-derivatives and exchange traded notes to retail investors in light of concerns for consumer harm, criminal activity and value fluctuations, following a number of warnings to consumers about the risks of investing in cryptocurrencies. In March 2021, the European Supervisory Authorities reissued earlier warnings reminding consumers of the need to be alert to the "high risks" of cryptocurrencies, "including the possibility of losing all their money."

Cryptocurrencies remain a key focus for European regulators and future measures could be introduced that have an impact on firms engaging in cryptocurrency related businesses. In September 2020, the European Commission published a proposal to introduce a "Markets in Crypto Assets Regulation" that would, if enacted, bring substantially all cryptocurrencies within the EU regulatory perimeter and impose authorization requirements on firms providing cryptocurrency services. At present, the proposals do not extend to cryptocurrency mining activities.

## 8. Market overview, investment opportunity, key industry trends

Revenue in the cryptocurrencies market is projected to reach US\$51.5bn in 2024. Revenue is expected to show an annual growth rate (CAGR 2024-2028) of 8.62% resulting in a projected total amount of US\$71.7bn by 2028. The average revenue per user in the cryptocurrencies market amounts to US\$61.8 in 2024. From a global comparison perspective it is shown that the highest revenue is reached in the United States (US\$23,220.00m in 2024). In the Cryptocurrencies market, the number of users is expected to amount to 992.50m users by 2028. User penetration will be 10.76% in 2024 and is expected to hit 12.39% by 2028.<sup>3</sup>

The Directors believe the following major trends in Bitcoin mining is relevant to the Company's operations:

- the halving event will increase the difficulty of Bitcoin mining operations;
- more Bitcoin miners will seek to rely on renewable energy for their mining operations;
- advances in Bitcoin mining technology will allow miners to earn more rewards while using less energy;
- cloud mining will allow miners to operate its mining operations without owning mining equipment;
- regulatory changes in the largest mining jurisdictions may impact mining operations; and
- merger and acquisition activity may increase as smaller miners become less profitable as a result of the halving event.

## 9. Competition

The Directors are aware of the following companies which operate in the cryptocurrency mining industry and which the Directors believe are potential competitors to the Company:

Company	Market	Description
Argo Blockchain PLC	Main Market of the London Stock Exchange	Cryptocurrency mining operations
Riot Platforms Inc	NASDAQ	Bitcoin mining and digital infrastructure company.
Core Scientific Inc	NASDAQ	Bitcoin mining and hosting services.
Hut 8 Corp	TSX and NASDAQ	Cryptocurrency mining operations
AULT Alliance Inc	NYSE	Cryptocurrency mining operations
Hive Digital Technologies Limited	NASDAQ	Cryptocurrency mining operations
Cipher Mining Technologies Inc	NASDAQ	Cryptocurrency mining operations
Marathon Digital Holdings Inc	NASDAQ	Cryptocurrency mining operations
Stronghold Digital Mining Inc	NASDAQ	Bitcoin mining operations

## 10. The Fundraise and Use of Proceeds

The Group has raised gross proceeds of £1,500,000 through the Fundraise, conditional only on Admission. Further details of the Fundraise are set out in Part III of this Document. After deduction of the estimated expenses of the Fundraise and Admission, amounting to approximately £200,000, the Net Proceeds are estimated to be approximately £1,300,000.

In the 12 months following Admission, the Group currently intends to use the Net Proceeds as follows:

Expenses	Estimated amount
Hardware acquisitions	£700,000
Hosting facility costs	£75,000
Operation costs (electricity, support, local expenses)	£325,000
Marketing costs	£50,000
Working capital contingency	£150,000
<b>Total</b>	<b>£1,300,000</b>

The Directors are satisfied that the Net Proceeds are sufficient for the proposed purposes identified above.

## 11. Dividend Policy

The Directors' current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times

<sup>3</sup> <https://www.statista.com/outlook/fmo/digital-assets/cryptocurrencies/worldwide#revenue>

(if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.

## **12. EBT Scheme**

The Directors recognise the importance of the role that staff play in contributing to a company's overall success and the importance of the Company'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 Company. In order to facilitate this, the Company's long-term incentive plan ("**LTIP**") was established in 2024. The LTIP aims to incentivise officers, employees and consultants of the Company by the award of Ordinary Shares at such times and in such quantities as may be recommended by the Company 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 Company's issued share capital from time to time without the prior approval of shareholders of the Company.

In order to implement the use of the LTIP, in 2024 the Company 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 Company and its subsidiaries. Pursuant to an agreement entered into between the trustee of the EBT and the Company, the Company shall, issue and allot Ordinary Shares from time to time to the EBT to be awarded to eligible employees, directors and consultants of the Company 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 Company 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 Company's issued share capital from time to time. As at the date of this Document the EBT does not hold any Ordinary Shares.

## PART II

### THE BOARD AND CORPORATE GOVERNANCE

#### 1. The Board and key personnel

##### The Directors

The Directors of the Company are:

##### **David Anthony Lenigas (Executive Chairman) (Aged 63, DOB: 12/05/1961)**

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 56, DOB: 19/05/1968)**

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 company, Reabold Resources PLC.

##### **Mahesh Pulandaran (Independent Non-Executive Director) (Aged 51, DOB: 25/03/1973)**

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.

#### 2. Board Composition and Corporate Governance

As a company with a Listing in the Transition Category, the Company is not required to comply with the provisions of the Corporate Governance Code published by the Financial Reporting Council. Nevertheless, the Directors are committed to maintaining high standards of corporate governance and, so far as is practicable given the Company's size and nature, adopts and complies with the QCA Code on a comply or explain basis.

The Directors are aware that there are certain provisions of the QCA Code with which the Company is not complying. The Company will report to its Shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated corporate governance statement from time to time.

The Company holds timely board meetings as issues arise which require the attention of the Board. The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the Company's approach to risk management and has formally adopted an anti-corruption and bribery policy.

As a company with a Listing in the Transition Category, the Board takes appropriate steps to ensure that the Company complies with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules.

The Company's Listing in the Transition Category means that it is not required to comply with those provisions of the Listing Rules which only apply to companies on the Premium List.

#### 3. Committee terms of reference

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 Company 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.

The Company has adopted terms of reference for the following committees:

#### ***Audit Committee terms of reference***

The Audit Committee, which also encompasses the monitoring of risks posed to the Company on an ongoing basis, has responsibility for, among other things, the monitoring of the financial integrity of the Company'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 terms of reference***

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.

#### **4. Market Abuse Regulation, share dealing code and social media policy**

The Company has adopted policies and procedures so as to manage and control inside information, and to avoid the unlawful disclosure of inside information. The Company, the Directors and senior management are aware of their obligations under the Market Abuse Regulation, and the Company has adopted a share dealing code consistent with the provisions of the Market Abuse Regulation and a social media policy which has been or will be prior to Admission communicated to all employees of the Company.

The Company has included confidentiality obligations within its contracts with its Directors and employees, and has ensured that each person is aware of their responsibilities under the Market Abuse Regulation. In addition, the Company has taken practical steps to prevent unauthorised access to information, primarily through restricting access to inside information to those required to have knowledge of it and by seeking to ensure the security of its information technology systems. Where the Company deals with a third-party, and such third-party will have access to inside information, the Company will require the third-party to adhere to confidentiality obligations in relation to inside information and will make such party aware of their obligations under the Market Abuse Regulation.

All marketing and communications are approved by the Board prior to release. Where inside information is to be disclosed, the Company seeks such professional advice as it considers is required in all the circumstances to ensure that inside information is correctly managed and released to the market.

The Company is aware that, in the course of their duties, those individuals engaged by the Group may come to possess inside information. Where such individuals are no longer engaged by the Company, the inside information to which they are or have been privy remains confidential under the terms of their engagement, in addition to their obligations under the Market Abuse Regulation.

#### **5. Conflicts of Interest**

There are no potential conflicts of interests between the duties of each Director to the Company and his private interests or other duties.

The Articles contain provisions whereby a director shall not vote on or be counted in the quorum of any Board meeting in respect of, any matter in which he has, directly or indirectly, any material interest.

**PART III**  
**THE FUNDRAISE**

**1. Description of the Fundraise**

Subject to and conditional upon Admission occurring by 8.30 a.m. on or before 13 January 2024 (or such later dates as might be agreed between relevant parties provided such date is in not later than the Long Stop Date), the Company will raise gross proceeds of £1,500,000 as a result of the Subscription and the Placing. The terms of the Fundraise are briefly summarised below:

	<b>Ordinary Shares Issued on Admission</b>	<b>Fundraise Price</b>	<b>Gross Proceeds Raised (£)</b>
Subscription	2,965,518	14.5 pence	430,000
Placing	7,379,310	14.5 pence	1,070,000
<b>Total:</b>	<b>10,344,828</b>	-	<b>1,500,000</b>

After commissions and other estimated fees and expenses in connection with the Fundraise and Admission of approximately £200,000 (exclusive of VAT), the Net Proceeds are estimated to be £1,300,000.

The Investors participating in the Fundraise can be categorised in the following terms:

Placing	The Placees are investment professionals and high net worth, sophisticated and institutional investors in the UK. Placees have been introduced by Clear Capital, as brokers to the Company.
Subscription	The Subscribers are family offices and other high net worth investors.

In accordance with Listing Rule 14.2, on Admission at least 10 per cent. of the Ordinary Shares will be in public hands (as defined in the Listing Rules).

On Admission, the Enlarged Ordinary Share Capital is expected to have a market capitalisation of approximately £38,055,153.15 (based on the mid-market closing price of the Ordinary Shares as traded on AQSE on the Last Practicable Date). The Fundraise shares will be registered within ISIN VGG9520B1004 and SEDOL code BPK4C11.

**2. Admission and Dealings**

The Fundraise is conditional only on Admission occurring on or before 8.30 a.m. on or before 13 January 2025 (or such later date as the Subscribers and Clear Capital (acting on behalf of Placees) may respectively agree with the Company but in any event not later than the Long Stop Date) (the “**Admission Condition**”). Please refer to paragraph 3 of this Part III in relation to the return of subscription funds to Investors in the event that the Admission Condition is not satisfied by the relevant date.

Admission is expected to take place and dealings in the Enlarged Ordinary Share Capital are expected to commence on the London Stock Exchange at 8.00 a.m. on 13 January 2025.

The CREST accounts designated by Investors that have requested delivery of Fundraise Shares in uncertificated form are expected to be credited with the relevant new Ordinary Shares on the date of Admission. Where applicable, definitive share certificates in respect of the Fundraise Shares of Investors that have requested delivery of Fundraise Shares in certificated form are expected to be despatched, by post at the risk of the recipients, to the relevant Investor not later than the week commencing 20 January 2025. No temporary documents of title will be issued. Prior to the despatch of definitive share certificates in respect of any new Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the register of members of the Company.

The Ordinary Shares are in registered form and may be held in certificated or uncertificated form.

**3. Fundraise Arrangements**

The terms of the Placing are governed by a Placing Agreement. Further details of the Placing Agreement are set out in paragraph 15.1 of Part VII. Pursuant to the terms of the Placing Agreement, Clear Capital has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Fundraise Price. Clear Capital may terminate the Placing Agreement (and the arrangements provided for thereunder) at any time prior to Admission in certain circumstances (including for a material breach of warranty). If this right is exercised, the Placing and these

arrangements will lapse and any monies received in respect of the Placing will be returned to applicants without interest by Clear Capital.

The terms of each Subscribers' subscription is governed by the terms of a Subscription Letter with the Company, which are each based on customary terms and conditions.

#### **4. Allocation and Pricing**

All Ordinary Shares issued pursuant to the Fundraise will be issued at the Fundraise Price, which has been determined by the Directors after consultation with its brokers.

Ordinary Shares will be allocated to the Subscribers in accordance with their Subscription. In respect of the Placing, allocations have been determined by agreement between the Directors and Clear Capital after indications of interest from prospective Placees were received. A number of factors were considered in deciding the basis of allocations under the Placing, including the level and nature of the demand for the Ordinary Shares, investor profile and the firm through which the application was to be made, if any.

Allocations have been managed by the Directors and Clear Capital so that the Company shall have sufficient shares in public hands, in accordance with Listing Rule 14.2.2.

The rights attaching to the Fundraise Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

Subject to the Admission Condition, each Investor has agreed to subscribe for Fundraise Shares at the Fundraise Price. To the fullest extent permitted by law, Investors will not be entitled to rescind their agreement at any time.

#### **5. Payment and return of funds**

The Subscribers have irrevocably undertaken to pay the Fundraise Price in respect of their Fundraise Shares, in accordance with the terms of the Subscription Letter. Each Placee has irrevocably undertaken to pay the Fundraise Price for the Placing Shares allocated to them in such manner as directed by Clear Capital in the Placing Letter.

In the event that the Admission Condition is not satisfied by the relevant date, the Company shall arrange for the subscription monies to be returned, without interest, to the Subscribers at their own risk and, in accordance with the Placing Agreement, Clear Capital will arrange for monies to be returned to applicants for Placing Shares, without interest, and at their own risk.

The final terms of the Fundraise will be announced via a regulatory news service on the date of the publication of this Document.

No expenses will be charged by the Company to Investors in connection with the Fundraise. Details regarding liability for stamp duty and stamp duty reserve tax is as set out in Part VI of this Document.

#### **6. CREST and Depositary Interests**

Shares of non-UK companies cannot be held and transferred directly into the CREST system. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Shareholders who wish to hold and transfer Ordinary Shares in uncertificated form may do so pursuant to a Depositary Interest arrangement which has been established by the Company.

Depositary Interests facilitate the trading and settlement of shares in non-UK companies into CREST. The Ordinary Shares will not themselves be admitted to CREST. Instead, the Depositary will issue Depositary Interests in respect of the Ordinary Shares. The Depositary Interests will be independent securities constituted under English law that may be held and transferred through the CREST system. Depositary Interests will have the same security code (ISIN) as the underlying Ordinary Shares. The Depositary Interests will be created and issued pursuant to a deed poll to be entered into by the Depositary, which will govern the relationship between the Depositary and the holders of the Depositary Interests.

Ordinary Shares represented by Depositary Interests will be held on bare trust for the holders of the Depositary Interests. Each Depositary Interest will be treated as one Ordinary Share for the purposes of determining eligibility for dividends, issues of bonus stock and voting entitlements. In respect of dividends, the Company will put the Depositary in funds for the payment and the Depositary will transfer the money to the holders of the Depositary Interests. In respect of any bonus stock, the Company will allot any bonus stock to the Depositary who will issue such bonus stock to the holder of the Depositary Interest (or as such holder may have directed) in registered form.

In respect of voting, Computershare will cast votes in respect of the Ordinary Shares as directed by the holders of the Depositary Interests which the relevant Ordinary Shares represent. Application has been made for the Depositary Interests in respect of the underlying Ordinary Shares to be admitted to CREST with effect from Admission.

Further information regarding the depositary arrangement and the holding of Ordinary Shares in the form of DIs is available from the Depositary, Computershare Investor Services Plc.

## **7. Selling Restrictions**

The Ordinary Shares will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within into or in the United States. The Fundraise is being made by means of offering the Placing Shares and the Subscription Shares to certain institutional and other investors in the UK and elsewhere outside the United States in accordance with Regulation S. The Company has not been and will not be registered under the US Investment Company Act and Shareholders will not be entitled to the benefits of that Act.

## PART IV

### FINANCIAL INFORMATION OF THE COMPANY

#### 1. INTRODUCTION

The audited financial information of the Company for the period from 27 August 2021 to 31 August 2022 and the period ending 31 August 2023, the unaudited interim results for the six months to 28 February 2023 and the unaudited interim results for the six months to 29 February 2024 (the “**Financial Information**”) have been incorporated into this Document by reference.

The Financial Information is available on the Company’s website at <https://vinanz.co.uk/inner-page#contact> and which are available for inspection as set out in paragraph 22 of Part VII of this Document.

The Financial Information has been prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IASs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations (collectively ‘IFRS’) as adopted for use in the UK and as issued by the International Accounting Standards Board and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The audited historical financial information referred to above was audited and reported on by Pointon Young Limited. The reports were without qualification and contained no statements under section 498(2) or (3) of CA 2006 and were prepared in accordance with International Financial Reporting Standards and are being incorporated by reference into this prospectus in accordance with Prospectus rule 2.4.1 as detailed below.

The table below lists the various sections of the Financial Information which are incorporated by reference into this Document in compliance with Article 19 of the UK Prospectus Regulation. It should be noted that other sections of the Financial Information that are not incorporated by reference are either not relevant to Shareholders and/or potential investors or are covered elsewhere in this Document.

To the extent that the Financial Information incorporated by reference or attached to this Document itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Document for the purposes of the UK Prospectus Regulation, except where such information or documents are stated within this Document as specifically being incorporated by reference or where this Document is specifically defined as including such information.

Document reference	incorporated by	Section	Page number
Annual report for the period from 27 August 2021 to 31 August 2022 ( <a href="https://vinanz.co.uk/assets/Financials%20statements31823.pdf">https://vinanz.co.uk/assets/Financials%20statements31823.pdf</a> )		Independent auditor’s report	12 – 15
		Statement of profit and loss and other comprehensive income	16
		Statement of financial position	17
		Statement of changes in equity	18
		Cash flow statement	19
		Notes to the financial statements	20 - 27
		Unaudited interim results for the six months to 28 February 2023 ( <a href="https://vinanz.co.uk/assets/Interims.pdf">https://vinanz.co.uk/assets/Interims.pdf</a> )	
Company balance sheet	3		
Statement of cash flows	4		
Annual report for the period ending 31 August 2023 ( <a href="https://vinanz.co.uk/assets/Vinanz%20Limited-Annual%20Report-31082023-2024.2.15.pdf">https://vinanz.co.uk/assets/Vinanz%20Limited-Annual%20Report-31082023-2024.2.15.pdf</a> )		Statement of profit and loss and other comprehensive income	10
		Statement of financial position	11
		Statement of changes in equity	12
		Cash flow statement	13
		Notes to the financial statements	14 – 27
		Independent auditor’s report	28 - 3
Unaudited interim results for the six months to 29 February 2024 ( <a href="https://vinanz.co.uk/assets/Vinanz%20Limited-Half%20Report-2024-FINAL%20%20clean.pdf">https://vinanz.co.uk/assets/Vinanz%20Limited-Half%20Report-2024-FINAL%20%20clean.pdf</a> )		Statement of profit and loss	8
		Statement of financial position	9
		Statement of changes in equity	10
		Statement of cash flows	11
		Notes to financial statements	12 - 15

## 2. PRO FORMA FINANCIAL INFORMATION

There is no pro forma financial information in the Document.

## 3. CAPITALISATION AND INDEBTEDNESS

### **Capitalisation**

The capital of the Company as at the Last Practicable Date (extracted from the Company's unaudited internal records with material adjustment), is set out below:

<b>Shareholders' Equity</b>	£'000
Called up share capital	1,935
Deferred shares	-
Share premium	-
Other reserves	1,939
Retained Earnings / (Accumulated deficit)	(2,371)
<b>Total Equity</b>	<b>1,503</b>

### **Indebtedness**

As at the Last Practicable Date, the Company has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness during the twelve month period from the date of this document.

## PART V

### OPERATING AND FINANCIAL REVIEW

The following discussion of the results of operations and financial condition of Vinanz Limited should be read in conjunction with the “Financial Information of the Company” which has been incorporated by reference at Part IV of this Document, and with the information relating to the business of the Company included elsewhere in this Document.

This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on page 24 of this Document. The key risks and uncertainties include but are not limited to those described in the section of this Document entitled “Risk Factors” on pages 11 to 20 of this Document.

#### Overview

Vinanz Limited (the “Company”) was incorporated on 27 August 2021 with the principal activity of mining Bitcoin. The Company is incorporated and domiciled in British Virgin Islands.

The Company’s principal place of business is located at Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.

The Company’s registered offices is located at Wickhams Cay II, Road Town, Tortola, VG 1110, British Virgin Islands.

In this review, Vinanz Limited translates to GBP based on the following exchange rates:

<i>Financial Year End</i>	<i>Feb24 (unaudited)</i>	<i>FY23</i>	<i>Feb23 (unaudited)</i>	<i>FY22</i>
Average Rate GBP 1: BTC	0.00002	0.00001	-	-
Closing Rate GBP 1: BTC	0.00011	0.00005	0.00005	0.00006

#### Principal risk and uncertainties

The Company aims to provide a listed UK platform to offer entry to the technology and cryptocurrency business, and its principal risk is the market conditions.

The Company’s strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The Board is responsible for approving the Company’s strategy and determining the appropriate level of risk. The key risks which the Company faces are detailed as follows:

##### Market conditions

###### *Market conditions*

There is increased market risk as the Company is involved in the cryptocurrency market. The Bitcoin price is volatile and has taken a bit of a hit in recent times, but the Board sees this as a great opportunity to grow a substantial business. The Board also sees leverage to the Bitcoin price over the coming years as tremendous and believes the sooner new miners can be installed, the better for the Company.

###### *Bitcoin price volatility*

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 Company, 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 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.

###### *Political risk*

All countries carry political risk that can lead to interruption of activity. Politically stable countries can have enhanced environmental and social risks, risks of strikes and changes to taxation, whereas less developed countries can have, in

addition, risks associated with changes to the legal framework, civil unrest and government expropriation of assets. The Director will have working knowledge of the countries in which the Company will invest in to help reduce possible political risk.

### Objectives and strategy

The objectives and strategy of Vinanz Limited are detailed in Part I of this Document.

### Trading Results of Vinanz Limited

#### Statement of Comprehensive Income – Aggregate

Summarised below are the audited and unaudited Statements of Comprehensive Income of Vinanz Limited - Aggregate for the two years ended 31 August 2022 ("FY22"), 31 August 2023 ("FY23") and the two unaudited interim six months at 28 February 2023 ("Feb23") and 29 February 2024 ("Feb24").

<i>£'000</i>	<i>Feb24 (unaudited)</i>	<i>FY23</i>	<i>Feb23 (unaudited)</i>	<i>FY22</i>
Other income	200	41	-	-
Cost of operations	(200)	(80)	-	-
<b>Gross profit / (loss)</b>	-	(39)	-	-
Other operating income	391	-	-	-
Administration expenses	(216)	(2,469)	(5)	(38)
<b>Profit / (loss) from operations</b>	175	(2,508)	(5)	(38)
Finance costs	-	-	-	-
<b>Profit / (loss) before tax</b>	175	(2,508)	(5)	(38)
Income tax expense	-	-	-	-
<b>Profit / (loss) for the year</b>	175	(2,508)	(5)	(38)
<b>KPIs</b>	<b>Feb24</b>	<b>FY23</b>	<b>Feb23</b>	<b>FY22</b>
Rev. growth %	388%	-	-	-
Cost of operations % rev.	150%	-	-	-
GP margin %	0%	-95%	-	-
Operating profit margin %	88%	-6,117%	-	-
Cost of operation per staff member (£'000)	(36)	(41)	-	-
Total No. of VIN staff	2	2	2	2
Ave. VIN staff cost	(6)	(3)	-	-

The following are the key highlights during the period under review:

Revenue and Gross Profit Margin

FY22 – Feb24



- In accordance with International Financial Reporting Standards, the mining of bitcoin is not classified as revenue but classified as other income. Therefore, there is no cost of sales and no gross profit. However, it has been determined by the board of directors to distinguish the difference in classified income for the purpose of this report. Therefore, in the table above, revenue is the converted BTC to GBP that has been mined from the bitcoin machines during the periods. The cost of operations is the costs to operate the bitcoin machines.
- In respect of Feb24, the £200,378 classified as “Other income” specifically relates to Bitcoin mined by the Company pursuant to its activities for the 6 months ending 29 February 2024 converted using the average exchange rate for the period which was 1 Bitcoin = GBP 30,132.30. For the 6 months ending 29 February 2024, the Company generated 6.65 Bitcoin.

## Cost of operations

There are no cost of operations as the Company follows the International Financial Reporting Standard for Cryptocurrency. As the Company does not have revenue it does not have cost of operations. There are however, administration costs which can be found on page 6.

## Other operating income

£'000	Feb24 (unaudited)	FY23	Feb23 (unaudited)	FY22
Other Income				
Gain on Disposal	81	-	-	-
Gain on foreign exchange – unrealised	310	-	-	-
Other income	200	41	-	-
Total	591	41	-	-

Bitcoin mined by the Company pursuant to its activities is classified as 'Transactional Fees' and, in accordance with IFRS 9 accounting for cryptocurrency, the Bitcoin mined is classified as "Other Income". Bitcoin mined and that is recognised in other income is converted into GBP using the average exchange rate for that reporting period.

As at 29 Feb 2024, the Company's accounting policy is to recognise all Bitcoin mined as intangible assets on the balance sheet and treat the cryptocurrency as an investment with the intention to hold on and generate wealth from the increasing value of Bitcoin. Every six months, at the time of the relevant reporting period, the Bitcoin held in the Company's cryptocurrency wallets are valued at the spot rate i.e. the reporting date of the relevant financial statements. The difference between the exchanges used to calculate the value of Bitcoin mined in "Other Income" on the Profit or Loss and the Bitcoin held in the wallets in "Intangibles" on the Balance Sheet is classified as unrealised gain or loss in the Profit and Loss.

For any Bitcoin which is sold to convert into GBP, the disposal valuation is recognised as either a gain or loss on disposal in the profit or loss. If it is a gain, it will be classified under "Other Income". If it is a loss, it will be classified under expenditure.

## Administration expenses

Professional fees = £46,000  
Depreciation of investment property = £51,995  
Loss on disposal = £Nil  
Financial expenses = £Nil

The largest administration expense for Feb24 was hosting costs at £183,947. Other administrative expenses are normally day-to-day business expenses.

## Finance costs

There have been no finance costs.

## Profit after tax

The Company continues to incur losses. For the year ended FY23, the Company has a total loss before tax of £2,508,061 (FY22: £38,000). At the end of the year, the accounts show that the Company held cash balances totalling £155,840 (FY22: £Nil), and Bitcoin of £146,959 (FY22: £Nil). Administrative costs, excluding interest, revaluation, depreciation, warrants, options and share-based payments expense during the year, were £538,962 (FY22: £38,000).

## Statement of Financial Position – Aggregate

Summarised below are the Audited & Unaudited Statements of Financial Position of Vinanz Limited - Aggregate for the two years ended 31 August 2022 ("FY22"), 31 August 2023 ("FY23") and the two interim six months at 28 February 2023 ("Feb 23") and 29 February 2024 ("Feb24").

<i>£'000</i>	<i>Feb24 (unaudited)</i>	<i>FY23</i>	<i>Feb23 (unaudited)</i>	<i>FY22</i>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	320	235	-	-
Intangibles	657	147	-	-
<b>Total non-current assets</b>	<b>977</b>	<b>382</b>	<b>-</b>	<b>-</b>
<b>CURRENT ASSETS</b>				
Other receivables	506	109	5	20
Cash and bank balances	87	156	1	-
<b>Total current asset</b>	<b>593</b>	<b>265</b>	<b>6</b>	<b>20</b>
<b>TOTAL ASSETS</b>	<b>1,571</b>	<b>647</b>	<b>6</b>	<b>20</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital	1,935	1,179	-	-
Share based payment reserve	1,939	1,939	-	-
Retained earnings	(2,371)	(2,546)	(48)	(38)
<b>TOTAL EQUITY</b>	<b>1,503</b>	<b>572</b>	<b>(48)</b>	<b>(38)</b>
<b>CURRENT LIABILITIES</b>				
Trade payables	65	73	25	35
Other payables	2	2	29	23
<b>Total current liabilities</b>	<b>67</b>	<b>75</b>	<b>54</b>	<b>58</b>
<b>TOTAL LIABILITIES</b>	<b>67</b>	<b>75</b>	<b>54</b>	<b>58</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,570</b>	<b>647</b>	<b>6</b>	<b>20</b>

### Non-current assets

The property, plant & equipment of £320,335 primarily relate to the carrying value of the bitcoin mining machines.

The intangible assets is the converted valuation of bitcoin readily available as at 29 February 2024. The value of the bitcoin was £657,070 at this date.

### Current assets

Other receivables relate to £447,750 in advance for capital raise, £44,415 of prepayment and £13,851 of deposit as at 29 February 2024.

The cash and bank balance totalled £87,327 as at 29 February 2024.

### Non-current liabilities

There are no non-current liabilities as at 29 February 2024.

### Current liabilities

The payables balance which totalled £65,370 as at 29 February 2024 is largely made up of trade payables due within one year.

The balance of other payables is funds due to related parties £2,778 as at 29 February 2024.

### Equity

The statement of financial position shows the share capital on an aggregate basis as at 29 February 2024. Movement on the figures each year relates to capital raising and cost of capital from £755,750 net of cost of capital was raised between 31 August 2023 to 29 February 2024.

Retained earnings represent accumulated profit and losses to date. No dividends were paid.

The share based payment reserves balances represents the audited valuations of warrants & options as at 31 August 2023. The balance remains unchanged as at 29 February 2024.

### Assets held for sale

Summarised below are the audited Statements of Assets Held for Sales Position of Vinanz Limited – Aggregate for the two years ended 31 August 2022 ("FY22"), 31 August 2023 ("FY23") and the two interim six months at 28 February 2023 ("Feb 23") and 29 February 2024 ("Feb24").

<b>£'000</b>	<b>Feb24 (unaudited)</b>	<b>FY23</b>	<b>Feb23 (unaudited)</b>	<b>FY22</b>
Assets				
Not applicable	-	-	-	-
Total	-	-	-	-

There were no assets classified as "Assets Held for Sale" during any of the reporting periods.

## **Results of operations liquidity and capital resources**

The principal source of liquidity has historically been cash provided by the original issue of equity and a small loan facility provided by Directors (related parties). Vinanz Limited expects its source of liquidity going forward to include cash provided from operations, discontinue the use of the facility provided by related parties and continue to fund investing activities via raised capital.

Vinanz's ability to generate cash from its operations depends on favourable conversion rate of Bitcoin to GBP and the growing success of Bitcoin, which is in turn dependent, to some extent, on generic economic, financial, competitive, market, and other factors, many of which are beyond its control, as well as other factors discussed in the section of this Document entitled "Risk Factors", starting on page 11.

In the Company's annual report for the period ending 31 August 2023 the Company noted that the ability to raise additional finance is subject to uncertainty. Whilst as at the date of the Company's annual report for the period ending 31 August 2023 there was uncertainty as to raising additional finance, as the date of this Document the Company has raised £1,500,000 gross proceeds pursuant to the Fundraise and has received irrevocable commitments from investors in relation to the Fundraise. The Company has prepared the working capital statement set out in paragraph 17.1 of Part VII accordingly.

The commentary below provides a description of movements in the key lines of the cash flow statement.

## Statement of Cash Flows – Aggregate

Summarised below are the audited & unaudited Statements of Cash Flows of Vinanz Limited in aggregate for the two years ended 31 August 2022 ("FY22"), 31 August 2023 ("FY23") and the two interim six months at 28 February 2023 ("Feb 23") and 29 February 2024 ("Feb24").

<b>£'000</b>	<b>6 months to 28 Feb 24 (unaudited)</b>	<b>31 Aug 23</b>	<b>6 months to 28 Feb 23 (unaudited)</b>	<b>31 Aug 22</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	175	(2,508)	5	(38)
Adjustments for:-				
Depreciation of property, plant and equipment	46	31	-	-
Gain on disposal assets classified as held for sale	(81)	0	-	-
Income from mining	-	(42)	-	-
(Gain)/Loss on foreign exchange – unrealised	(439)	6	-	-
Operating Profit Before Working Capital Changes	(299)	(2,513)	5	(38)
Decrease/(Increase) in trade and other receivables	-	(89)	-	(20)
Decrease /(Increase) in trade and other payables	-	38	-	35
Net cash from operating activities	(299)	(2,564)	5	(23)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from disposal of property, plant and equipment	(137)	(113)	-	-
Sale of intangible assets	81	-	-	-
Other investing activities	-	-	10	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Receipts from issue of shares	308	855	-	-
Share based payment	-	1,974	-	-
Proceeds from borrowings and advances	1	3	(9)	23
Net increase/(decrease) in cash and cash equivalents	(47)	155	1	-
Cash and cash equivalents at beginning of the year	134	1	-	-
Cash and cash equivalents at end of the year	87	156	1	-

## **Operating cashflows**

Operating cashflows represent cashflows generated as a result of operating activities. Operating cash flows before working capital changes were (£539) (FY 2023).

## **Net cash used in investing activities**

Purchase of property, plant and equipment relates to the purchase of bitcoin mining machines

## **Net cash used in financing activities**

Loans received from the Directors themselves during the initial reporting period FY22 – FY23.

The funds received for financing activities stem from capital raising during FY23 – Feb24

## **Others**

## **Contractual obligations and commercial commitments**

There were no material contractual obligations and commitments during the period under review.

## **Off-balance sheet arrangements**

There have not been any off-balance sheet arrangements.

## **Qualitative and quantitative disclosures about market risk**

### *Credit risk*

Credit risk refers to the risks that customers will default on their contractual obligations resulting in financial loss. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the reviews of receivables aging.

### *Interest rate risk*

The Directors consider there is no significant interest rate risk to Vinanz Limited as at the date of this Document. Vinanz Limited has no loan facility outside of the related party loan. There is no interest or repayment plan in place. The Directors consider there is no significant interest rate risk to Vinanz Limited as at the date of this Document.

### *Foreign exchange risk*

Currently, foreign exchange contracts have not been entered into to hedge its foreign exchange risk resulting from cash flows from transactions denominated in foreign currencies, primarily the United Kingdom GBP. However, review is made periodically that its net exposure is kept at an acceptable level.

### *Liquidity risk*

Liquidity risk is the risk that Vinanz Limited will encounter difficulty in meeting financial obligations due to shortage of funds. Vinanz Limited exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Vinanz Limited objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Vinanz Limited forecasts and projections, which cover a period of more than 12 months from the date of this Prospectus, take into account expected receipts and payments and allow Vinanz Limited to plan for future liquidity needs.

## PART VI

### TAXATION

#### United Kingdom Taxation

The comments set out below are based on current UK tax law and what is understood to be current HMRC published practice which are subject to change at any time (potentially with retrospective effect). They are intended as a general guide only and apply only to Shareholders who are resident and domiciled (in the case of individuals) and resident (in the case of companies) in (and only in) the UK (except to the extent that specific reference is made to Shareholders resident outside the UK), who hold their Ordinary Shares as investments (other than under an individual savings account (ISA) only and not as securities to be realised in the course of a trade, and who are the absolute beneficial owners of those Ordinary Shares and any dividends paid thereon.

It is not intended to be, nor should it be construed as legal or tax advice.

The comments set out below are a summary only to certain aspects of tax in the UK and do not deal with the position of certain classes of Shareholders, such as dealers in securities, broker dealers, insurance companies, collective investment schemes or Shareholders who have or are deemed to have acquired their Ordinary Shares by virtue of an office or employment. Shareholders who are in doubt as to their position or who are subject to tax in any jurisdiction other than the UK should consult their own professional advisers immediately.

**The tax legislation of the investor's Member State and of the issuer's country of incorporation, being the United Kingdom, may have an impact on the income received from the Ordinary Shares. Prospective investors should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.**

#### Taxation of dividends

The Company will not be required to withhold tax at source on any dividends it pays to its Shareholders.

Dividends paid on the Ordinary Shares to individuals resident in the UK for taxation purposes or who carry on a trade, profession or vocation in the UK through a branch or agency and who hold Ordinary Shares for the purposes of such trade, profession or vocation, or for such branch or agency, may be liable to income tax. Each individual has a tax-free dividend allowance which exempts the first £500 ("Nil Rate Amount") of dividend income in the 2024-25 tax year. Dividend income in excess of the tax-free allowance will be liable to income tax in the hands of individuals at the rate of 8.75 per cent. to the extent that it is within the basic rate band, 33.75 per cent. to the extent that it is within the higher rate band and 39.35 per cent. to the extent it is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limits and will therefore impact on the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

Dividends paid on the Ordinary Shares to UK resident corporate Shareholders will generally (subject to anti-avoidance rules) fall within one or more of the classes of dividend qualifying for exemption from corporation tax. Shareholders within the charge to corporation tax are advised to consult their independent professional tax advisers in relation to the implications of the legislation.

Non-UK resident Shareholders may also be subject to tax on dividend income under any law to which they are subject outside the UK. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

#### Disposals of Ordinary Shares

A disposal of Ordinary Shares by a Shareholder (other than those holding Ordinary Shares as dealing stock, who are subject to separate rules) who is resident in the UK for tax purposes or who is not so resident in the UK but carries on business in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation, depending on the Shareholder's circumstances and subject to any available exemption or relief.

Such an individual Shareholder who is subject to UK income tax at the higher or additional rate will be liable to UK capital gains tax on the amount of any chargeable gain realised by a disposal of Ordinary Shares at the rate of 24 per cent.

Such an individual Shareholder who is subject to income tax at the basic rate only should only be liable to capital gains tax on the chargeable gain up to the unused amount of the Shareholder's basic rate band at the rate of 18 per cent. and at a rate of 24 per cent. on the gains above the basic rate band.



Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which presently exempts the first £3,000 of gains from tax for the tax year 2024-25).

For such Shareholders that are bodies corporate they will generally be subject to corporation tax (rather than capital gains tax) at a rate of 25 per cent. from 1 April 2024 on any chargeable gain realised on a disposal of Ordinary Shares. The rate of 25 per cent. will apply to companies where the total taxable profits are £250,000 and above, but where a company has taxable profits of less than £50,000 then the corporation tax will be at a rate of 19 per cent. Where the Company has profits in the range of £50,001 to £249,999 then marginal relief will apply which implements a gradual increase in corporation tax up to the maximum 25 per cent.

### **Inheritance Tax**

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold shares in the Company bringing them within the charge to inheritance tax. Holders of Ordinary Shares in the Company should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Ordinary Shares in the Company through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

### **Stamp Duty and Stamp Duty Reserve Tax (SDRT)**

The statements in this section relating to Stamp Duty and SDRT apply to any Shareholders irrespective of their residence, summarise the current position and are intended as a general guide only to Stamp Duty and SDRT. They do not apply to certain categories of person are not liable to Stamp Duty or SDRT, or to persons connected with depository arrangements or clearance services, who may be liable at a higher rate. Special rules apply to agreements made by, amongst others, intermediaries, broker dealers and market makers in the ordinary course of their business.

#### *Issue of Ordinary Shares*

No UK Stamp Duty or SDRT will be payable on the issue of Ordinary Shares, other than as explained below.

#### *Transfer of certificated Ordinary Shares*

The transfer on sale of Ordinary Shares will generally be liable to ad valorem Stamp Duty at the rate of 0.5% (rounded up to the nearest multiple of £5) of the amount or value of the consideration paid. An exemption from Stamp Duty will be available on an instrument transferring Ordinary Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. The purchaser normally pays the Stamp Duty. An unconditional agreement to transfer such shares will be generally liable to SDRT, at the rate of 0.5% of the consideration paid, but such liability will be cancelled or a right to a repayment in respect of the SDRT liability will arise if the agreement is completed by a duly stamped transfer within six years of the agreement having become unconditional. SDRT is the liability of the purchaser.

#### *Ordinary Shares transferred through paperless means including CREST*

Most investors will trade the Ordinary Shares as dematerialised Depository Interests using the CREST settlement system. Such trading in Depository Interests in the Ordinary Shares is not subject to stamp duty. Transfer of these Depository Interests through CREST will also be exempt from stamp duty reserve tax for a company incorporated abroad so long as its central management and control is not exercised in the United Kingdom, there is no register for the Ordinary Shares in the UK, the Ordinary Shares are not paired with any shares issued by a UK incorporated company and the Ordinary Shares remain registered on the London Stock Exchange or another recognised stock exchange.

### **BVI Taxation**

The Company and all dividends, interest, rents, royalties, compensations and other amounts paid by the Company to persons who are not persons resident in the BVI are exempt from the provisions of the Income Tax Act in the BVI and any capital gains realised with respect to any shares, debt obligations or other securities of the Company by persons who are not persons resident in the BVI are exempt from all forms of taxation in the BVI. The Payroll Taxes Act, 2004 came into force. It will not apply to the Company except to the extent that the Company has

employees (and deemed employees) rendering services to the Company wholly or mainly in the BVI. The Company at present has no employees in the BVI and no intention of having any employees in the BVI.

The Government of the BVI, does not, under existing legislation, impose any income, corporate or capital gains tax, no estate duty, withholding tax, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligation or other securities of the Company.

Except to the extent that the Company has any direct or indirect interest in real property in the BVI, All instruments relating to transfer of property to or by the Company and all instruments relating to transactions in respect of the shares, debt obligations or other securities of the Company and all instruments relating to other transactions relating to the business of the Company are exempt from the payment of stamp duty in the BVI.

There are currently no withholding taxes or exchange control regulations in the BVI applicable to the Company or its shareholders.

**PART VII**  
**ADDITIONAL INFORMATION**

**1 Responsibility**

The Company and each of the Directors, whose names appear on page 29 of this Document, accept responsibility for this Document and its contents. The Company and each of the Directors confirm that to the best of their knowledge, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

**2 The Company**

2.1 The Company was incorporated and registered in the BVI on 27 August 2021 with registered number 2073995 as a BVI business company under the BVI Act with the name Vinanz Limited.

2.2 The legal and commercial name of the issuer is Vinanz Limited.

2.3 The principal legislation under which the Company operates and under which the Ordinary Shares have been created is the BVI Act.

2.4 The Company is duly authorised and the Company has, since the date of its incorporation, operated in conformity with its constitution and the laws of the British Virgin Islands.

2.5 The Company is domiciled in the BVI.

2.6 The registered office address of the Company is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110 British Virgin Islands, and its telephone number is +44 7881 825378.

2.7 The Company was founded by Jeremy Edelman and David Lenigas.

2.8 The registrars of the Company are Computershare Investor Services (BVI) Limited. They are responsible for maintaining the register of members of the Company.

2.9 The ISIN of the Ordinary Shares is VGG9520B1004.

2.10 The Legal Entity Identifier (LEI) of the Company is 9845006607892CED8456 and its SEDOL is BPK4C11.

2.11 The Company's TIDM in respect of the Ordinary Shares is BTC.

2.12 The website of the Company is <https://vinanz.co.uk/> and such website, and its contents does not form part of this Document.

**3 Share Capital**

3.1 The Company's issued share capital, which is fully paid up, as at the date of this Document and following Admission is as follows:

<i>As at the date of this Document</i>		<i>On Admission</i>	
<i>Ordinary Shares</i>	<i>Nominal Value</i>	<i>Ordinary Shares</i>	<i>Nominal Value</i>
243,356,194	No par value	253,701,021	No par value

3.2 A summary of the changes to the issued share capital of the Company from its incorporation to the date of this Document is as follows:

3.2.1 on incorporation, the Company issued one Ordinary Share of no par value, which was subscribed for at £0.01 by Jeremy Edelman;

3.2.2 on 4 April 2023, the Company issued 64,000,000 Ordinary Shares at a price of £0.0025 per Ordinary Share;

- 3.2.3 on AQSE Admission, the Company issued 52,491,838 Ordinary Shares at a price of £0.03 per Ordinary Share;
  - 3.2.4 on 8 November 2023, the Company issued 11,666,667 Ordinary Shares at a price of £0.03 per Ordinary Share;
  - 3.2.5 on 28 February 2024, the Company issued 3,731,250 Ordinary Shares at a price of £0.12 per Ordinary Share;
  - 3.2.6 on 10 April 2024, the Company issued 26,377,951 Ordinary Shares at nominal value;
  - 3.2.7 on 16 May 2024, the Company issued 2,000,000 Ordinary Shares at nil par value;
  - 3.2.8 on 8 July 2024, the Company issued 2,500,000 Ordinary Shares at a price of £0.01 per Ordinary Share;
  - 3.2.9 on 27 September 2024, the Company issued 4,679,230 Ordinary Shares at a price of £0.13 per Ordinary Share; and
  - 3.2.10 on 3 December 2024, the Company issued 75,909,257 Ordinary Shares at nil par value.
- 3.3 By a resolution of the Board passed on 9 December 2024, and pursuant to resolutions of the Shareholders dated 27 February 2024, it was resolved that, conditional only upon Admission occurring the Directors are duly authorised to issue the Fundraise Shares.
- 3.4 Each Fundraise Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise pari passu in all respects with each existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital).
- 3.5 The Company is not subject to any statutory pre-emption rights in favour of existing Shareholders under the Act. The Company has voluntarily adopted such pre-emption provisions in the Articles. A summary of these provisions can be found at paragraph 4 of this Part VII. By a resolution dated 27 February 2024 passed by the Shareholders, the Company has been authorised to issue an unlimited number of further Ordinary Shares on a cash and non-cash consideration basis, this authority shall, unless renewed, varied or revoked with the approval of a 75% Resolution of Shareholders, expire on the date which falls 18 months after the date of the approval.
- 3.6 The Ordinary Shares are in registered form and are capable of being held in certificated form. Following Admission, Ordinary Shares may be delivered, held and settled in CREST by means of the creation of the Depositary Interests representing such Ordinary Shares, details of which are set out in Part VII. A register of Ordinary Shares is maintained by the Registrar and a register of Depositary Interests will be maintained by the Depositary.
- 3.7 No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

#### 4 **Memorandum and Articles of Association**

- 4.1 Clause five (5) of the Company's memorandum contains, inter alia, provisions relating to the capacity and powers of the Company. Subject to the Act and any other BVI legislation, the Company has, irrespective of corporate benefit: (i) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and (ii) for the purposes of (i) full rights, powers and privileges. There are no limitations on the business that the Company may carry on.

- 4.2 The Articles contain provisions, inter alia, to the following effect:

##### 4.2.1 *Authority to issue and allot shares*

Under the Articles, following AQSE Admission, the Directors may within any one 12 month period, the first such period commencing on the date of AQSE Admission, or the period between consecutive annual general meetings, issue any further number of Ordinary Shares on such terms as the Directors shall determine up to such maximum number as representing 50 per cent (50%) of the number of Ordinary Shares as was in issue at the commencement of that period, issue any Ordinary Shares or other securities for consideration other than cash and issue any Ordinary Shares or other securities pursuant to an employee share scheme, share option plan, employee

benefit trust or other arrangement established for the benefit of employees or consultants of the Company.

With the approval of a 75% Resolution of Shareholders, the Directors may issue any number of further Ordinary Shares or other securities as they shall in their discretion determine.

Subject to the passing of a resolution of Directors, Ordinary Shares may be issued for consideration in any form, including money, a promissory note or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.

#### 4.2.2 *Rights of Shareholders*

Section thirty four (34) of the BVI Act deals with the voting and distribution rights of Shareholders. This section provides that except as provided in a company's memorandum or articles, all shares have one vote. There are no contrary provisions to section thirty four (34) of the BVI Act in the Memorandum or Articles which in turn provide that each share confers upon the Shareholder:

- the right to one vote at a meeting of the Shareholders or on any resolution of Shareholders;
- the right to an equal share in any dividend paid by the Company; and
- the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

#### 4.2.3 *Variation of Rights*

If at any time the shares of the Company are divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated, whether or not the Company is in liquidation, with the consent in writing of the holders of at least seventy five (75) per cent. of the issued shares of that class, or with the sanction of a resolution passed by at least a seventy five (75) per cent. majority of the holders of shares of the class present in person or by proxy at a separate meeting of the holders of the shares of that class.

#### 4.2.4 *Transfer of Ordinary Shares*

Subject to any limitations in the Memorandum, certificated shares, and other uncertified Ordinary Shares which are not held within the relevant system may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee.

In the case of interests in shares in the Company in the form of Depositary Interests, a Shareholder shall be entitled to transfer his interests by means of a relevant system and the operator of the relevant system shall act as agent of the Shareholder for the purposes of the transfer of such interests.

The Board may decline to register a transfer of any share to a person known to be a minor, bankrupt or person who is mentally disordered or a patient for the purpose of any statute relating to mental health.

The Board may also decline to register any transfer of shares unless:

- any written instrument of transfer, duly stamped (if so required), is lodged with the Company at the registered office or such other place as the Board may appoint accompanied in the case of certificated shares by the certificate for the shares to which it relates (except in the case of a transfer by a recognised person or a holder of such shares in respect of whom the Company is not required by law to deliver a certificate and to whom a certificate has not been issued in respect of such shares);
- there is provided such evidence as the Board may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so;
- any instrument of transfer is in respect of only one class of Ordinary Share; and

- in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

The Company may retain an instrument of transfer which is registered but a transfer which the Board refuse to register shall (except in the case of known or suspected fraud), be returned to the person depositing the same.

If the Board declines to register a transfer of any shares, it shall, within two months or such other period (if any) as may be prescribed by the Act, send to the transferee notice of the refusal.

The register of members may be closed at such times and for such periods as the Board may from time to time determine, not exceeding in aggregate thirty (30) days in each year, upon notice being given by advertisement in a leading daily English newspaper and in such other newspaper (if any) as may be required by the BVI Act.

The transfer of a Share is effective when the name of the transferee is entered on the Register of Members.

The Company shall not be required to treat a transferee of a share in the Company as a Shareholder of the Company until the transferee's name has been entered in the share register

#### 4.2.5 *Redemption of Ordinary Shares*

By regulation three (3) of the Articles, the Company may purchase, redeem or otherwise acquire and hold its own shares save that the Company may not purchase, redeem or otherwise acquire its own shares without the consent of Shareholders whose shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the BVI Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Ordinary Shares without their consent. The Company may only offer to purchase, redeem or otherwise acquire Ordinary Shares if the Directors authorising the purchase, redemption or other acquisition confirm that they are satisfied, on reasonable grounds, that immediately after the acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

Ordinary Shares that the Company purchases, redeems or otherwise acquires may be cancelled or held as treasury shares (with no rights attaching to such shares while held in treasury) except to the extent that such shares when aggregated with the Ordinary Shares of the same class already held by the Company as treasury shares, are in excess of fifty (50) per cent of the issued shares of that class in which case they shall be cancelled but they shall be available for reissue.

#### 4.2.6 *Conversion of loans or other debt instruments*

The Articles do not restrict the Company from issuing convertible loan or other debt instruments, of any nature, which may be converted to shares in the Company (subject to the relevant terms and conditions attaching to such convertible loan or debt instrument). The Directors are accordingly free to authorise the issue of convertible loan or other debt instruments by a Resolution of Directors on such terms and at such time and to such persons as they in their sole discretion deem fit.

#### 4.2.7 *Payment of Dividends*

The profits of the Company available for distribution and resolved to be distributed shall be applied in the payment of distribution (including a dividend) to the Shareholders in accordance with their respective rights and priorities provided that no dividend may be paid otherwise than in accordance with BVI law.

The Directors may, by resolution of Directors, authorise a distribution at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due. Distributions may be paid in money, shares or other property.

No dividend shall bear interest as against the Company and no dividend shall be paid on a treasury share (with no rights attaching to such shares while held in treasury).

Any dividends unclaimed for three years after having been declared may lapse by resolution of the Board for the benefit of the Company.

#### 4.2.8 *Return of investment*

Section 206 of the BVI Act deals with the distribution of assets by a voluntary liquidator on a winding-up of a company. Subject to payment of, or to discharge of, all claims, debts, liabilities and obligations of the Company any surplus assets shall then be distributed amongst the Shareholders according to their rights and interests in the Company according to the Memorandum and Articles.

#### 4.2.9 *Borrowing powers*

The business and affairs of the Company may be managed by, or under the direction or supervision of the Board. The Board has all the powers necessary for managing and for directing and supervising, the business and affairs of the Company. There are no restrictions in the Act or the Memorandum or Articles, on the Board's ability to exercise the powers of the Company to borrow money and to mortgage or charge its undertakings, property and assets (both present and future), or to issue debentures, debenture stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

#### 4.2.10 *Directors*

Directors shall be elected by Ordinary Resolution or by a Resolution of Directors. The minimum number of Directors is one and there is no maximum number of Directors.

Each Director holds office for the term, if any, fixed by the Ordinary Resolution or the Resolution of Directors appointing him, or until his earlier death, resignation, retirement by rotation or removal. If no term is fixed on the appointment of a Director, the Director serves indefinitely until his earlier death, resignation, retirement by rotation or removal.

The following provisions in relation to the retirement of Directors by rotation apply:

- at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not more than one-third) shall retire from office by rotation;
- the Directors to retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment. As between persons who become or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. The Directors to retire on each occasion both as to number and identity shall be determined by the composition of the Board at the date of the notice convening the annual general meetings, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting;
- the Company at the annual general meeting at which a Director retires under any provision of the Articles may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases: (i) where at such annual general meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; (ii) where such Director is disqualified under the Act, from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or (iii) where such Director has attained any retiring age applicable to him as a Director; and
- the retirement shall not have effect until the conclusion of the annual general meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the annual general meeting and lost, accordingly a retiring Director who is re-elected or deemed to have been re-elected shall be deemed to have continued in their role without a break.

The Directors may, at any time, by Resolution of Directors, appoint a person to be a director either to fill a vacancy or as an addition to the existing Directors. Where a person is appointed to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a Director ceased to hold office.

A Director may be removed from office:

- with or without cause, by a 75% Resolution of Shareholders passed at a meeting of Shareholders called for the purposes of removing the Director or for purposes including the removal of the Director or by 75% Resolution of Shareholders consented to in writing;
- a registered medical practitioner who is treating the Director gives a written opinion to the Company stating that the person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- by reasons of that Director's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- with cause, by a Resolution of Directors passed at a meeting of Directors called for the purpose of removing the Director or for purposes including the removal of the Director.

No shareholding qualification is required by a Director.

The Directors may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient.

#### 4.2.11 *Meetings of Shareholders*

Subject to the requirements of the BVI Act and the Articles, any Director may call meetings of the Shareholders at such times and in such manner and places within or outside the BVI as the Director considers necessary or desirable. Upon the written requisition of Shareholders entitled to exercise (30%) thirty per cent or more of the voting rights in respect of the matter for which the meeting is requested, the directors shall convene a meeting of Shareholders.

An annual general meeting of the Shareholders shall be called by at least twenty one (21) clear days' written notice.

An extraordinary general meeting may be called by at least fourteen (14) clear days' written notice. Notice of any meetings of the Shareholders shall be sent to those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting and to the other Directors. The inadvertent failure of a Director who convenes a meeting to give notice of a meeting to a Shareholder or another Director, or the fact that a Shareholder or another Director has not received notice, does not invalidate the meeting. A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder. The instrument appointing a proxy shall be produced at the place designated for the meeting at least three (3) business days before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at or by which the proxy shall be presented.

#### 4.2.12 *Pre-emption rights of Shareholders*

Shareholders do not have a right of pre-emption under the Articles.

#### 4.2.13 *Disclosure of interest in shares*

A person must notify the Company of the percentage of voting rights held if the percentage of voting rights which he holds directly as Shareholder (including as a holder of depository interests representing Ordinary Shares) or indirectly as a holder of interests in shares or through his direct or indirect holding of qualifying financial instruments (or a combination of such holdings):

- reaches, exceeds or falls below 3 per cent (3%) and each 1 per cent (1%) threshold thereafter up to 100 per cent (100%) (each a "Threshold"); or
- reaches, exceeds or falls below a Threshold as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in relation to the total number of voting rights,

such notification to be made to the Company without delay and in any event before the end of the second (2nd) business day on which the obligation arises.

#### 4.2.14 *Takeovers and mergers*



Generally, the merger or consolidation of a BVIBC requires shareholder approval (however a BVIBC parent company may merge with one or more BVI subsidiaries without shareholder approval, provided that the surviving company is also a BVIBC). Shareholders dissenting from a merger are entitled to payment of the fair value of their shares unless the company is the surviving company, and the shareholder continues to hold a similar interest in the surviving company.

The BVI Companies Act permits BVIBCs to merge with companies incorporated outside the BVI, provided the merger is lawful under the laws of the jurisdiction in which the non-BVI company is incorporated. Further, on a merger, shareholders holding 90 per cent. of the outstanding shares may direct the company to redeem the remaining 10 per cent. of shares.

Under the BVI Companies Act, following a statutory merger, one of the companies is subsumed into the other (the surviving company) or both are subsumed into a third company (a consolidation). In either case, with effect from the effective date of the merger, the surviving company assumes all of the assets and liabilities of the other entity(ies) by operation of law and the other entities cease to exist.

There is no Takeover Code or similar regulation of takeover offers applicable in the BVI. However, regulation 23 of the Articles provide that except with the consent of the Board, shareholders are required to comply with the requirements of the City Code as may from time to time be published in relation to any dealings in any shares of the Company. Furthermore, Regulation 23 of the Articles also provides that other than with the consent of the Board, where a person:

- (a) whether by himself or with persons determined by the Board to be acting in concert with him, acquire an interest in shares which, taken together with shares in which persons determined by the Board to be acting in concert with him have become interested, carry 30 per cent. or more of the voting rights attributable to all the shares of the Company; or
- (b) whether by himself, or with persons determined by the Board to be acting in concert with him, is interested in shares which in aggregate carry 30 per cent. or more of the voting rights attributable to all the shares in the Company but does not hold shares carrying more than 50 per cent. of such voting rights, acquire, whether by himself or with persons determined by the Board to be acting in concert with him, an interest in additional shares which, taken together with shares in which persons determined by the Board to be acting in concert with him are interested, increases the percentage of shares carrying voting rights in which he is interested,

that person shall extend an offer to acquire the entire issued share capital of the Company, subject only to a condition that acceptances of the offer exceed 50%.

If a person breaches any of the limits set out in paragraphs (a) and (b) above, the Board has the discretion to act in a number of ways including removing the right to vote some or all of the shares held by the defaulting shareholder and/or the right to any dividends or distributions (except in a liquidation of the Company). Such rights may be reinstated at any time at the discretion of the Board.

## 5 **The Takeover Code**

- 5.1 As the Company was incorporated in the BVI, it is not treated by the Takeover Panel as resident in the UK, the Channel Islands or the Isle of Man and therefore it is not subject to the Takeover Code. However, the Company has incorporated certain provisions in its Articles of Association which are broadly similar to those of Rule 9 of the Takeover Code, further details of which are contained in paragraph 4 of Part VII of this Document. It should however be noted that as the Takeover Panel will have no role in the interpretation of these provisions, Shareholders will not be afforded the same level of protection as is available to a company subject to the Takeover Code which now has the effect of law for those companies within its jurisdiction.

## 6 **Directors' Interests**

- 6.1 As at the date of this Document and as at Admission, the Directors (and their respective Connected Persons) directly and/or indirectly hold Ordinary Shares as set out below:

***As at the date of this Document***

***Immediately following Admission***

<b>Name of Director</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of issued Ordinary share capital</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of issued Ordinary share capital</b>
Jerremy Edelman	55,188,976	22.68%	55,188,976	21.75%
David Lenigas	55,668,976	22.88%	55,668,976	21.94%

6.2 None of the Directors intend to acquire Fundraise Shares pursuant to the Fundraise.

6.3 As at the date of this Document and as at Admission, the Directors (and their respective Connected Persons) do not directly and/or indirectly hold options or warrants over Ordinary Shares.

6.4 Save as described in this paragraph 6 of this Part VII, the Directors and their respective Connected Persons do not hold any options or warrants or other rights over any unissued Ordinary Shares of the Company.

## 7 **Substantial Shareholdings**

7.1 Save for the Directors and their Connected Persons, the following are the interests that represent or will represent directly, 3 per cent, or more of the issued share capital of the Company immediately following Admission.

<b>Name</b>	<b>Number of Ordinary Shares as at date of this Document</b>	<b>% of Existing Ordinary Share Capital</b>	<b>Number of Ordinary Shares as at Admission</b>	<b>% of the Enlarged Ordinary Share Capital</b>
Valereum	27,325,171	11.23%	27,325,171	10.77%
Clear Capital Markets Limited	31,409,257	12.91%	31,409,257	12.38%
Jeremy Edelman	55,188,976	22.68%	55,188,976	21.75%
David Lenigas	55,668,976	22.88%	55,668,976	21.94%
Black Swan FZE	10,000,000	4.11%	10,000,000	3.94%

7.2 Save as disclosed in paragraph 7.1 of this Part VII, the Company is not aware of any person who will, immediately following Admission, hold three per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules).

7.3 None of the substantial shareholders notified at paragraph 7.1 above intend to acquire Fundraise Shares pursuant to the Fundraise.

7.4 The voting rights of all Shareholders are the same in respect of each Ordinary Share held.

7.5 The Company is not, so far as it is aware, directly or indirectly owned or controlled by any single Shareholder or group of Shareholders who are connected.

7.6 So far as the Company is aware, there are no arrangements in place, the operation of which may at a subsequent date result in a change of control of the Company.

## 8 **Other Appointments of Directors**

8.1 Details of the names of companies and partnerships (excluding directorships of the Company) of which the Directors are or have been members of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this Document are set out in the below table.

<b>Director</b>	<b>Current Directorships/Partnerships</b>	<b>Past Directorships/Partnerships</b>
Jeremy Edelman	Reabold Resources PLC	Meryllion Resources Inc

	Tropicann PTY Limited	
David Lenigas	RiversGold Ltd	Macarthur Minerals Ltd
	Odessa Minerals Ltd	Doriemus PLC
	Rincon Resources	Elixer Ltd
	Creative Human Evolution	AfriAg Global PLC
	AMKI Investments Limited	Artemis Resources Ltd
		Auroch Minerals Ltd
		Southern Hemisphere Mining Ltd
		Clancy Exploration Ltd
		Hampton Bay Capital Inc
		Future Farm Technologies
		Generation Alpha Inc
		NQ Minerals PLC (in liquidation 2022)
		Anglo African Agriculture PLC
		Pennpetro Energy PLC
Mahesh Pulandaran	Advaita Trade Private Limited	Great Harbour Trading Limited
	Ace Merit Global Limited	Gladstone Pte Ltd.
	BCN Invest Pte. Ltd.	Interpro Global Pte. Limited
	BE Holdings (GB) Pte. Ltd.	Intercontinental Travels Limited
	BE Management Services Pte. Ltd.	Dragon Energy Group Limited
	Briley Enterprises (SG) Pte Limited	Chastern Pte. Ltd.
	Chertsey Engineering Pte Ltd	Rosdale Pte. Ltd
	Cypress Holdings Ltd	Bridgetown Enterprises Pte. Limited
	Fragrant Prosperity Holdings Limited	Club Unique Limited
	Irewards International Holding Limited	

Lavic Management Services Pte Ltd	Silver Light Global Limited
Latam Opportunities Fund VCC	City Vantage Developments Limited
Marcoing Trading Pte. Ltd.	Equine Tech Pte. Ltd
Mumtan Ltd.	The Gluons Pte. Ltd.
Syllan Holdings Pte Limited	AO Trustee Pte. Ltd.
Thakurji Holdings Pte Ltd	Gouden Reserves Pte Ltd.
Teltech HK Pvt Limited	
Tempus International Ltd.	
VNSV Trustee Pte. Ltd.	
Verceroy League Limited	
VVV Resources Limited	
Wisdom Lane Enterprises Limited	
VL Holdings Limited	
Learbar Partners Pte. Ltd.	
Lesmont Global Pte. Ltd.	
Roale Corporate Pte. Ltd.	

8.2 Save as set out at paragraph 8.3 of this Part VII none of the Directors:

- 8.2.1 has any convictions in relation to fraudulent offences; or
- 8.2.2 has been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company at the time of any receivership or liquidation;
- 8.2.3 been a partner in any partnership in the last five years placed into compulsory liquidation, administration or partnership voluntary arrangement where such director was a partner at the time of or within the 12 months preceding such event;
- 8.2.4 in the last five years been subject to receivership in respect of any asset of such Director or of a partnership of which the Director was a partner at the time of or within 12 months preceding such event; or
- 8.2.5 has been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

8.3 David Lenigas was a director of NQ Minerals PLC, when this company entered into administration. Joint administrators were appointed on 9 August 2021. In August 2022, NQ Minerals PLC moved from administration to a creditors' voluntary liquidation and a liquidator was appointed on 5 August 2022. In the

final progress report of the joint administrators for the period 9 February 2022 to 1 August 2022, claims of unsecured creditors were estimated to be £102,885,404.

## 9 **Directors Appointment Letters and Service Agreements**

### 9.1 **Executive Chairman**

#### *Executive Service Agreement of David Lenigas*

Under an executive service agreement dated 13 April 2023 between the Company and Mr David Lenigas, from and subject to Admission, Mr Lenigas will be engaged as the Executive Chairman of the Company and will be paid a salary of £36,000 per annum (plus expenses reasonably incurred by him in the course of his duties). Mr Lenigas is required to devote such of his time, attention and ability to his duties as may be necessary or desirable for the proper and effective discharge of all of his functions and responsibilities, being not less than three days per month. His appointment shall (unless terminated earlier due to poor performance or gross misconduct or other material breach of duty) continue unless terminated by either party giving six months' written notice.

### 9.2 **Finance Director**

#### *Executive Service Agreement of Jeremy Edelman*

Under an executive service agreement dated 13 April 2023 between Company and Mr Jeremy Edelman, Mr Edelman will be engaged as executive Director of the Company and will be paid a salary of £36,000 per annum (plus expenses reasonably incurred by him in the course of his duties). Mr Edelman is required to devote such of his time, attention and ability to his duties as may be necessary or desirable for the proper and effective discharge of all of his functions and responsibilities, being not less than three days per month. His appointment shall (unless terminated earlier due to poor performance or gross misconduct or other material breach of duty) continue for an initial fixed term of 24 months and may be terminated by either party on six (6) months' notice in writing. Jeremy Edelman's service agreement contains non-compete, non-solicitation and no-conflict restrictions on Mr Edelman commensurate with his position as Director.

### 9.3 **Independent Non-Executive Director**

#### *Letter of Appointment of Mahesh Pulandaran*

Mr Mahesh Pulandaran entered into a letter of appointment with the Company on 13 April 2023 to act as an independent non-executive Director of the Company from AQSE Admission. Mr Pulandaran's appointment commenced on AQSE Admission and continues unless the Consultancy Agreement is terminated, in which case Mr Pulandaran's appointment terminates with immediate effect. Mr Pulandaran is entitled to a fee of £15,000 per annum, to be satisfied by the payment of fees in accordance with the terms of the Consultancy Agreement. Mr Pulandaran is required to devote such of his time, attention and ability to his duties as may be necessary or desirable for the proper and effective discharge of all of his functions and responsibilities.

## 10 **Employees**

As at the date of this Document, the Company does not have any employees.

## 11 **Share Options**

11.1 As at the date of this Document, there are no options over Ordinary Shares outstanding, nor will any options over Ordinary Shares be outstanding at Admission.

## 12 **Warrants**

As at the date of this Document, there are no warrants over Ordinary Shares outstanding, nor will any warrants over Ordinary Shares be outstanding at Admission.

## 13 **Dividend Policy**

The Directors' current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.

## 14 Regulatory Disclosures

- 14.1 Summaries of the announcements made by the Company pursuant to its obligations under the Market Abuse Regulations in the twelve months preceding the date of this Document up to the Last Practicable Date are set out below:

<b>Date</b>	<b>Key aspects of regulatory disclosure</b>
28/04/23	Acquired 100 new Bitmain Antminer S19J Pro ASIC miners. This acquisition increased the number of Bitcoin ASIC miners the Company owns from 20 to 120 and increased the Company's combined terrahash processing power in North America by 650% to 12,000 terrahash per second (note: one terrahash is one trillion (1,000,000,000,000) hashes per second). In the context of Bitcoin mining or blockchain, the rate of hashes per second is an important measure of mining performance. The hardware is installed and operated at a data hosting site in Labrador in northeast Canada.
02/05/23	TR1 notifying that David Lenigas purchased 400,000 Ordinary Shares at a price per share of 3.148 pence. Following this purchase David Lenigas's shareholding increased to 17.51%.
18/05/23	100 new Bitmain Antminer S19J Pro ASIC miners are due to arrive at the hosting data centre facility in Labrador in Canada on 25 May 2023.
22/05/23	On 22 May 2023 the Company announced that it intends to apply for its securities to join the OTCQB.
31/05/23	The Company publishes its first interim results for the six month period ended 28 February 2023.
26/06/23	New Bitcoin mining machines are fully operational at a combined processing power of 10.4 petahash per second.
05/09/23	Trading of its securities on the OTCQB commenced on 5 September 2023.
29/09/23	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 Company's combined cryptocurrency wallet increased from 5.01 Bitcoin to 7.84 Bitcoin as at 29 September 2023.
09/11/23	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 Company's current Bitcoin mining operations.
15/11/23	It has entered into an agreement to acquire a further 171 Bitmain Antminer S19J Pro ASIC miners. The machines are already installed in the existing Labrador data hosting facility which shortened the time period for the machines to become fully operational.
20/11/23	It has entered into a strategic partnership with US-based Luxor Technology Corporation ("Luxor Technology") to increase the Company'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 Company's fleet of machines. On 23 January 2024 the Company 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.
06/12/23	Further to its news release of 15 November 2023, that it has now completed the acquisition of 170 Bitmain Antminer S19J Pro (110 Terahash) ASIC Bitcoin miners. By adding these 170 miners to the 100 miners already operating and being hosted at BlockLAB, all the miners now enjoy a 12% reduction in power costs resulting in an across the fleet power price of less than 6 US cents per kilowatt hour, which adds to the profitability of all miners operating at BlockLAB.

11/01/24	US Securities and Exchange Commission ("SEC") has approved rule changes to allow the creation of bitcoin exchange-traded funds in the U.S., a long-awaited move that will give regular investors access to cryptocurrency.
12/01/24	TR1 notifying that David Lenigas purchased 80,000 Ordinary Shares. Following this purchase David Lenigas's shareholding in the Company is now 20,480,000 which represents 15.98%.
23/01/24	BlockLAB have informed the Company that it has over-clocked the first 18 Bitcoin mining units by 50 Mhz each seeing an overall gain of about 240 TH/s (Terahash/second), which is an increase of an average 13 TH/s per miner or just over 10%.
01/02/24	It will start using a proportion of its Bitcoin generated from its mining operation to diversify into the broader cryptocurrency market.
05/02/24	The Company announced that a notice of annual general meeting and form of proxy have been sent to Shareholders. The AGM will be held at 10am on 27 February 2024.
16/02/24	The publication of its audited financial statements for the year ended 31 August 2023.
27/02/24	It has applied to have its ordinary shares eligible for electronic clearing and settlement in the United States through the Depository Trust Company.
27/02/24	All resolutions set out in the Company's Notice of AGM dated 5 February 2024 were proposed and approved.
28/02/24	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.
13/03/24	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 Company's older and slower machines and will be added to its existing fleet to expand the total number of miners in operation.
10/04/24	The Company received The Depository Trust Company full-service eligibility in the United States making the Company's shares more accessible to U.S. retail and institutional investors.
22/04/24	Mr David Lenigas will present live at the Blockchain & Digital Asset Virtual Investor Conference hosted by Alpha Transform Holdings and VirtualInvestorConferences.com, on April 25th, 2024.
24/04/24	First ten S21 Bitmain Antminer 200 Terahash/second ("TH/s") miners ordered for the Company's Canadian BlockLABS fleet, as announced on the 13 March, are fully operational and are all operating at better than 200 TH/s
16/05/24	Contract with Church & Keeler Inc pursuant to which they will provide certain services to the Company and issue of equity to Church & Keeler Inc in respect of those services
31/05/24	Publication of half year report
06/06/24	Bitcoin mining machines arrive at Iowa hosting facility
11/06/24	Bitcoin mining machines which arrived at Iowa now operating
19/06/24	Company acquires 20 mining machines from Megawatt
08/07/24	Exercise of warrants and issue of shares
15/07/24	Company acquires 10 mining machines from Basic Mining and hosting arrangement with Basic Mining
31/07/24	Company agrees to double its number of mining machines with Basic Mining increasing the number of mining machines to 20
9/08/24	Company confirms that 75 mining machines are now operational in Iowa
14/08/24	Company confirms that it has agreed to increase its mining machines in Nebraska by 50%
20/08/24	Company acquires a further 100 mining machines in Canada which increase its Canadian mining fleet to 380 mining machines
23/08/24	The Company expands into Texas with the acquisition of 3 mining machines
27/09/24	The Company completed a placing of 4,679,230 new Ordinary Shares at 13 pence per share to raise £608,300 (gross).

10/10/24	The Company increased its bitcoin miner fleet in Nebraska with the addition of new Bitcoin miners for its North American fleet with the purchase of five Bitmain Antminer S21 Pro 234 Terahash (TH/s) machines.
30/10/24	The Company ordered the first non-Bitmain Antminer Bitcoin miners for its North American fleet in a move to diversify its bitcoin miner manufactures as the Company continues with its growth plans.
18/11/24	The Company added another 21 Bitcoin miners to its US fleet in Nebraska through its hosting partner there - Basic Mining ( <a href="http://www.basicmining.com">www.basicmining.com</a> ).
04/12/24	The Company announced that it intended to apply for Admission. In anticipation of Admission, the Company 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.
09/12/24	The Company announced that it had received firm commitments to raise £1.5 million (gross) at 14.5 pence per share subject to Admission.

## 15 Material Contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company in the two years immediately preceding publication of the Document and which are or may be material to the Company or which contain any provision under which the Company has any obligation or entitlement which is or may be material to the Company.

### 15.1 Placing Agreement

On 24 December 2024, the Company, the Directors and Clear Capital entered into a placing agreement pursuant to which Clear Capital agreed to use its reasonable endeavours, as agent on behalf of the Company, to procure places for 7,379,310 Ordinary Shares at the Fundraise Price of 14.5 pence per share. The placing of the 7,379,310 Ordinary Shares is not underwritten by Clear Capital. The agreement contains customary warranties and representations given by the Company and the Directors to Clear Capital and indemnities given by the Company to Clear Capital. Clear Capital may terminate the placing agreement if, amongst other things, there is a material breach of any of the warranties contained in the agreement. The placing is conditional upon, amongst other things, Admission. In consideration for the provision of its services to the Company in connection with Admission, the Company agreed to pay Clear Capital a commission of 10 per cent. of the aggregate value of the Placing Shares at the Fundraise Price.

### 15.2 First Sentinel Corporate Adviser Agreement

A Corporate Adviser agreement dated 26 May 2022 was entered into between the Company and First Sentinel pursuant to which the Company appointed First Sentinel to act as corporate adviser to the Company on an on-going basis following AQSE Admission for which the Company agreed to pay a fee of £42,000 plus VAT per annum, payable quarterly in advance. The agreement contains certain undertakings and indemnities given by the Company in respect of, inter alia, compliance with all applicable laws and regulations. The agreement continues for a fixed period of one (1) year from the date of AQSE Admission and thereafter continues unless terminated by either party giving three (3) months' prior written notice.

### 15.3 Clear Capital Engagement Letter

Pursuant to the terms of a broker agreement dated 20 November 2024, the Company appointed Clear Capital as its broker in connection with Admission and thereafter and Clear Capital undertook to use its reasonable endeavours to identify buyers for Ordinary Shares. The agreement continues until terminated by either party giving 30 days written notice. Subject to Admission, the Company agreed to pay to Clear Capital a success fee of 10 per cent. of the aggregate value of the Placing Shares at the Fundraise Price plus VAT and disbursements payable on Admission. The Company provides Clear Capital with various undertakings, including that, for as long as Clear Capital acts as the nominated broker of the Company, the Company shall comply with all applicable laws and regulations and the Company indemnifies Clear Capital against any loss or other liabilities which Clear Capital or its group companies may suffer in connection with the broker agreement and/or Admission. The agreement is governed by the laws of England and Wales and the courts of England and Wales have exclusive jurisdiction to settle claims.

### 15.4 Lock-In Agreements

#### 15.4.1 Director Lock-in

On 13 April 2023 the Directors entered into a lock-in agreement with the Company and First Sentinel, pursuant to which the Directors agreed with First Sentinel and the Company not to dispose of any Ordinary Shares held by them for a period of twelve (12) months from AQSE Admission and, for a further period of 12 months, that any disposal shall be subject to orderly market arrangements. Certain disposals are excluded from the



agreement, including those relating to acceptance of a general offer made to all Shareholders, pursuant to a court order, in the event of the death of a Director, or as otherwise agreed to by the AQSE Growth Market and First Sentinel. The agreement also contains covenants given by the Directors to use their reasonable endeavours to ensure that any persons deemed to be connected with them also adhere to the terms of the lock-in agreement.

#### 15.4.2 Shareholder lock-in

On 13 April 2023, the Locked-In Shareholders entered into the a lock-in agreement with the Company and First Sentinel, pursuant to which the Locked-In Shareholders each undertook not to dispose of their interests in any Ordinary Shares held by them or their connected persons for a period of 12 months from AQSE Admission and, for a further period of 12 months, that any disposal shall be subject to orderly market arrangements. Certain disposals are excluded from the lock-in agreement, including those relating to acceptance of a general offer made to all Shareholders, pursuant to a court order, or as otherwise agreed to by the AQSE Growth Market and First Sentinel.

### 15.5 Share reorganisation

In anticipation of Admission, the Company conducted a review of its share capital structure. As a result of this review, the Company deemed it necessary to restructure its share capital primarily in order to (i) simplify its share capital structure, and (ii) increase transparency for prospective investors so that, inter alia, such investors do not experience unanticipated dilution following Admission. On 3 December 2024, the Company entered into surrender agreements with all of its existing option and warrant holders (“Rights Holders”) pursuant to which the Rights Holders agreed to surrender all of their warrants or options (as applicable) in consideration for the issue and allotment to the Rights Holders such number of new Ordinary Shares as agreed with the Company. As a result of this capital restructure, the Company does not have any options or warrants outstanding, and its share capital will consist entirely of Ordinary Shares on Admission.

### 15.6 Asset Purchase Agreements

#### 15.6.1 Valereum

On 15 August 2022, the Company entered into a binding asset purchase agreement with Valereum pursuant to which the Company agreed to acquire 20 Whatsminer M31S+ and 4.05750704 Bitcoins from Valereum. Completion of the acquisition was subject to and conditional upon the satisfaction certain conditions (including AQSE Admission), which were initially required to be satisfied by 31 December 2022. The consideration to be paid for the assets would be satisfied in full by the allotment of the consideration shares and the payment in cash of what the USD\$ equivalent to 4.05750704 Bitcoins was on 15 August 2022. Pursuant to the terms of the agreement, Valereum has provided title and capacity warranties to the Company in respect of the assets. The agreement is subject to Gibraltar Law and the courts of Gibraltar have exclusive jurisdiction to settle claims. On 13 April 2023, the asset purchase agreement was varied pursuant to a deed of variation in order to, inter alia, extend the original longstop date to 1 June 2023.

#### 15.6.2 Luxor Technology

On 25 April 2023, the Company entered into a master asset purchase agreement with Luxor Technology, pursuant to which, during the term of the agreement, the Company may submit order forms to purchase Bitcoin mining machines from Luxor Technology. The agreement continues unless terminated and each party provided capacity warranties to the other. The Company indemnifies Luxor Technology from all damages arising in connection with the agreement, unless such damages result from Luxor Technology’s gross negligence, fraud or wilful misconduct. Luxor Technology’s liability is limited to (i) the amount received from the sale of the machines, and (ii) damages relating to direct losses. The agreement is subject to the laws of the Sate of Delaware and any disputes in relation to the agreement shall be settled by arbitration under the American Arbitration Association rules in Delaware.

On 27 April 2024, the Company submitted a purchase order form for 100 S19J Pro mining machines, and 110 power cords.

#### 15.6.3 Luxor Technology

On 11 March 2024, the Company entered into a master asset purchase agreement with Luxor Technology, pursuant to which, during the term of the agreement, the Company may submit order forms to purchase Bitcoin mining machines from Luxor Technology. The agreement continues unless terminated and each party provided capacity warranties to the other. The Company indemnifies Luxor Technology from all damages arising in connection with the agreement, unless such damages result from Luxor Technology’s gross negligence, fraud or wilful misconduct. Luxor Technology’s liability is limited to (i) the amount received from the sale of the machines, and (ii) damages relating to direct losses. The agreement is subject to the laws of

the State of Delaware and any disputes in relation to the agreement shall be settled by arbitration under the American Arbitration Association rules in Delaware.

On 11 March 2024, the Company submitted a purchase order form for 10 S21 – Spot mining machines.

#### 15.7 Hosting Agreements

The Company has entered into various hosting and colocation agreements with certain service providers pursuant to which such service providers house and maintain the Company's mining hardware within the service providers' data centres. The Company's hosting agreements, all of which have been entered into on arms' length terms, include the following:

Service provider	Date of agreement	Term	Governing Law	Facility location
Basic Partners LLC	7 November 2024	5 years with 12 month automatic renewal	The State of Wyoming	Nebraska
Compass Mining Inc.	23 August 2024	3 years with 12 month automatic renewal	The State of Delaware	Texas
Data Services, LLC	31 July 2024	12 months with 6 month automatic renewal	The State of Delaware	Iowa
Megawatt, LLC	17 June 2024	12 months	The State of Indiana	Indiana
Data Services, LLC	29 May 2024	Continues indefinitely, subject to normal termination provisions	The State of Delaware	Iowa
Blockchain Labrador Corporation	27 April 2023	Continues indefinitely, subject to normal termination provisions	Province of Newfoundland and Labrador	Canada

#### 15.8 Pooling Agreement

On 17 November 2023, the Company entered into a mining pool and firmware service agreement with Luxor Technology pursuant to which Luxor Technology makes (i) mining pool, (ii) firmware, and (iii) modification services available to the Company. In particular, Luxor Technology provides the Company with access to its digital currency mining pool. The Company's use of each service is subject to Luxor Technology's relevant standard terms of service. The Company is paid for its Bitcoin hashrate using a 'full pay per share' payment methodology, and payments are net of mining pool fees (being a percentage of total hashrate). The Company shall also pay Luxor Technology a percentage of the computing power generated by all mining devices on which Luxor Technology's firmware is used. The Company may terminate the agreement at any time upon settlement of any pending transactions. The agreement is governed by the laws of the State of Delaware.

#### 15.9 Consultancy Agreement

On 13 August 2023, Jeremy Edelman entered into an agreement with CorPa Trust Limited ("CorPa") pursuant to which CorPa and/or its connected entities would assist in the establishment of the Company as a BVI registered company. Pursuant to the terms of the agreement, the Company will pay CorPa an annual management fee of £20,000 alongside a £3,000 formation fee. In return, CorPa will, inter alia, set up, represent and administer the Company and make Mahesh Pulandaran available to the Company for the purposes of providing these services. Both Mr Edelman and CorPa shall be entitled to unilaterally dissolve the contractual relationship without having to state a reason. Upon termination CorPa shall ensure that Mr Pulandaran resigns immediately. The agreement is governed by and interpreted in accordance with the laws of Liechtenstein. The place of jurisdiction shall be Vaduz, Principality of Liechtenstein. CorPa shall be free to assert its rights also with any other court having jurisdiction.

## 16 Related Party Transactions

Save as set out in the Historical Financial Information of the Company which has been incorporated by reference into this Document pursuant to Part IV of this Document, the Company has not been a party to any related party transactions.

## 17 Working Capital

17.1 As at the date of this Document, the Company is of the opinion that the working capital available to the Group, taking into account the Net Proceeds of the Fundraise is sufficient for the Group's present requirements (that is, for at least the next twelve months from the date of this Document).

17.2 In the Company's annual report for the period ending 31 August 2023 the Company noted that the ability to raise additional finance is subject to uncertainty. Whilst as at the date of the Company's annual report for the period ending 31 August 2023 there was uncertainty as to raising additional finance, as the date of this Document the Company has raised £1,500,000 gross proceeds pursuant to the Fundraise and has received irrevocable commitments from investors in relation to the Fundraise. The Company has prepared the working capital statement set out in paragraph 17.1 of this Part VII accordingly.

## 18 Significant Change

18.1 Since 29 August 2024 (being the end of the last financial period of the Company for which financial information has been published) to the date of this Document, there has been no significant change in the financial position or financial performance of the Company, save for the payment of approximately £200,000 in aggregate of expenses in connection with the Fundraise and Admission.

## 19 Legal and Arbitration Proceedings

19.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the last 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Group.

## 20 Pensions

20.1 There are currently no pensions or similar arrangements in place with the Directors.

## 21 General

21.1 The total costs (including fees and commissions) (exclusive of VAT) payable by the Company in connection with the Fundraise and Admission are estimated to be approximately £200,000. Of this amount, the Company is due to pay commission in connection with the Fundraise in the following amounts to the following parties:

Party	Commission Type	Commission Amount
Clear Capital	Commission on procuring Places for Placing Shares	10% of gross proceeds raised in connection with the Placing Shares

21.2 The estimated Net Proceeds accruing to the Company from the Fundraise are approximately £1,300,000.

21.3 The Ordinary Shares have no nominal value and the Fundraise Price is payable in sterling.

21.4 The issue of the Fundraise Shares will result in the Existing Ordinary Shares being diluted. On Admission, the Fundraise Shares will represent approximately 4.08 per cent. of the Enlarged Ordinary Share Capital and the Existing Ordinary Shares will represent 95.92 per cent. of the Enlarged Ordinary Share Capital.

21.5 Pointon Young Limited of 33 Ludgate Hill, Birmingham, B3 1EH is the auditor of the Company. Pointon Young Limited is a member firm of the Institute of Chartered Accountants in England and Wales and registered under the Statutory Audit Directive, Register of Statutory Auditors number C003175017.

21.6 Pointon Young Limited, acting in its capacity as the auditor to the Company, has no material interest in the Company and has given and not withdrawn its written consent to the inclusion of its name in the form and context in which they are included.

- 21.7 The historical financial information included in this Document has been incorporated by reference from the Company's annual and interim accounts as set out in Part IV of this Document. In relation to such financial information, no audit reports have been refused by the auditors of the Company and no audit reports contain qualifications or disclaimers, to the extent that they have been audited.
- 21.8 First Sentinel, acting in the capacity as the Company's financial adviser, has given and has not withdrawn its written consent to the inclusion in this Document of its name in the form and context in which it is included.
- 21.9 Clear Capital Markets, acting in the capacity as the Company's broker, has given and has not withdrawn its written consent to the inclusion in this Document of its name in the form and context in which it is included.
- 21.10 The Directors are not aware of any patents, licences or other intellectual property rights, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material importance to the business or profitability of the Company.

## 22 Documents Available for Inspection

22.1 Copies of the following Documents will be available for inspection during normal business hours on any weekday (excluding public holidays) at the offices of the registered office of the Company, for the period of 14 days following the date of this Document:

22.1.1 the Articles;

22.1.2 the audited annual accounts and unaudited interim accounts of the Company incorporated into this document by reference at Part IV of this Document; and

22.1.3 letters of consent referred to in paragraphs 21.8 and 21.9 of this Part VII of this Document.

Certain of the above documents may also be inspected at the Company's website: <https://vinanz.co.uk/>. The contents of the website does not form part of this Document.

## 23 Third Party Information

Where information has been sourced from a third party, the information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Dated: 24 December 2024

## PART VIII

### DEPOSITARY INTERESTS

The Company has entered into depositary arrangements to enable investors to settle and pay for interests in the Ordinary Shares through the CREST System. Pursuant to arrangements put in place by the Company, a depositary will hold the Ordinary Shares on trust for the Shareholders and issue dematerialised Depositary Interests to individual Shareholders' CREST accounts representing the underlying Ordinary Shares as applicable

The Depositary will issue the dematerialised Depositary Interests. The Depositary Interests are independent securities constituted under English law are held and transferred through the CREST system.

The Depositary Interests have been created pursuant to and issued on the terms of a deed poll dated 12 April 2023 and executed by the Depositary in favour of the holders of the Depositary Interests from time to time (the "Deed Poll"). Prospective holders of Depositary Interests should note that they will have no rights against CRESTCo or its subsidiaries in respect of the underlying Ordinary Shares or the Depositary Interests representing them.

The Ordinary Shares are transferred to the Custodian and the Depositary will issue Depositary Interests to participating members and provide the necessary custodial services.

In relation to those Ordinary Shares held by Shareholders in uncertificated form, although the Company's register shows the Custodian as the legal holder of the Ordinary Shares, the beneficial interest in the Ordinary Shares remains with the holder of Depositary Interests, who has the benefit of all the rights attaching to the Ordinary Shares as if the holder of Depositary Interests were named on the certificated share register itself.

Each Depositary Interest are represented as one Ordinary Share, for the purposes of determining, for example, in the case of Ordinary Shares, eligibility for any dividends. The Depositary Interests have the same ISIN number as the underlying Ordinary Shares and does not require a separate listing on the Official List. The Depositary Interests can then be traded and settled in the CREST system in the same way as any other CREST securities.

#### **Deed Poll**

In summary, the Deed Poll contains provisions to the following effect, which are binding on holders of Depositary Interests:

Holders of Depositary Interests warrant, inter alia, that Ordinary Shares held by the Depositary or the Custodian (on behalf of the Depositary) are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, law or regulation. Each holder of Depositary Interests indemnifies the Depositary for any losses the Depositary incurs as a result of a breach of this warranty.

The Depositary and any Custodian must pass on to holders of Depositary Interests and, so far as they are reasonably able, exercise on behalf of holders of Depositary Interests all rights and entitlements received or to which they are entitled in respect of the underlying Ordinary Shares which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information, to make choices and elections and to call for, attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form in which they are received together with amendments and additional documentation necessary to effect such passing-on, or, as the case may be, exercised in accordance with the Deed Poll.

The Depositary will be entitled to cancel Depositary Interests and withdraw the underlying Ordinary Shares in certain circumstances including where a holder of Depositary Interests has failed to perform any obligation under the Deed Poll or any other agreement or instrument with respect to the Depositary Interests.

The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any holder of Depositary Interests or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud. Furthermore, except in the case of personal injury or death, the Depositary's liability to a holder of Depositary Interests will be limited to the lesser of:

- the value of the Ordinary Shares and other deposited property properly attributable to the Depositary Interests to which the liability relates; and
- that proportion of £5 million which corresponds to the proportion which the amount the Depositary would otherwise be liable to pay to the holder of Depositary Interests bears to the aggregate of the amounts the Depositary would otherwise be liable to pay to all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £5 million.

The Depositary is not liable for any losses attributable to or resulting from the Company's negligence or wilful default or fraud or that of the CREST operator.

The Depositary is entitled to charge holders of Depositary Interests fees and expenses for the provision of its services under the Deed Poll.

Each holder of Depositary Interests is liable to indemnify the Depositary and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of Depositary Interests held by that holder, other than those resulting from the wilful default, negligence or fraud of the Depositary, or the Custodian or any agent, if such Custodian or agent is a member of the Depositary's group, or, if not being a member of the same group, the Depositary shall have failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent.

The Depositary may terminate the Deed Poll by giving not less than 30 days' prior notice. During such notice period, holders may cancel their Depositary Interests and withdraw their deposited property and, if any Depositary Interests remain outstanding after termination, the Depositary must as soon as reasonably practicable, among other things, deliver the deposited property in respect of the Depositary Interests to the relevant holder of Depositary Interests or, at its discretion sell all or part of such deposited property. It shall, as soon as reasonably practicable deliver the net proceeds of any such sale, after deducting any sums due to the Depositary, together with any other cash held by it under the Deed Poll pro rata to holders of Depositary Interests in respect of their Depositary Interests.

The Depositary or the Custodian may require from any holder, or former or prospective holder, information as to the capacity in which Depositary Interests are owned or held and the identity of any other person with any interest of any kind in such Depositary Interests or the underlying Ordinary Shares and holders are bound to provide such information requested. Furthermore, to the extent that the Company's constitutional documents require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of, or interests of any kind whatsoever, in the Ordinary Shares, the holders of Depositary Interests are to comply with such provisions and with the Company's instructions with respect thereto.

It should also be noted that holders of Depositary Interests may not have the opportunity to exercise all of the rights and entitlements available to holders of Ordinary Shares in the Company, including, for example, in the case of Shareholders, the ability to vote on a show of hands. In relation to voting, it will be important for holders of Depositary Interests to give prompt instructions to the Depositary or its nominated Custodian, in accordance with any voting arrangements made available to them, to vote the underlying Ordinary Shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of Depositary Interests to vote such Ordinary Shares as a proxy of the Depositary or its nominated Custodian.

A copy of the Deed Poll can be obtained on request in writing to the Depositary.

### **Depositary Agreement**

The terms of the depositary agreement dated 12 April 2023 between the Company and the Depositary under which the Company appoints the Depositary to constitute and issue from time to time, upon the terms of the Deed Poll (as outlined above), a series of Depositary Interests representing securities issued by the Company and to provide certain other services in connection with such Depositary Interests are summarised below (the "Depositary Agreement").

The Depositary agrees that it will comply, and will procure certain other persons comply, with the terms of the Deed Poll and that it and they will perform their obligations in good faith and with all reasonable skill and care. The Depositary assumes certain specific obligations, including the obligation to arrange for the Depositary Interests to be admitted to CREST as participating securities and to provide copies of and access to the register of Depositary Interests. The Depositary will either itself or through its appointed Custodian hold the deposited property on trust (which includes the securities represented by the Depositary Interests) for the benefit of the holders of the Depositary Interests as tenants in common, subject to the terms of the Deed Poll. The Company agrees to provide such assistance, information and documentation to the Depositary as is reasonably required by the Depositary for the purposes of performing its duties, responsibilities and obligations under the Deed Poll and the Depositary Agreement. In particular, the Company is to supply the Depositary with all documents it sends to its Shareholders so that the Depositary can distribute the same to all holders of Depositary Interests. The agreement sets out the procedures to be followed where the Company is to pay or make a dividend or other distribution.

The Company is to indemnify the Depositary for any loss it may suffer as a result of the performance of the Depositary Agreement except to the extent that any losses result from the Depositary's own negligence, fraud or wilful default. The Depositary is to indemnify the Company for any loss the Company may suffer as a result of or in connection with the Depositary's fraud, negligence or wilful default save that the aggregate liability of the Depositary to the Company over any 12 month period shall in no circumstances whatsoever exceed twice the amount of the fees payable to the Depositary in any 12 month period in respect of a single claim or in the aggregate.

Subject to earlier termination, the Depositary is appointed for a fixed term of twelve months and thereafter until terminated by either party giving not less than six months' notice.

In the event of termination, the parties agree to phase out the Depositary's operations in an efficient manner without adverse effect on the Shareholders and the Depositary shall deliver to the Company (or as it may direct) all documents, papers and other records relating to the Depositary Interests which are in its possession and which is the property of the Company.

The Company is to pay certain fees and charges, including a set-up fee, an annual fee, a fee based on the number of Depositary Interests per year and certain CREST related fees. The Depositary is also entitled to recover reasonable out of pocket fees and expenses.

## PART IX DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

“AQSE Admission”	admission of the Company’s ordinary shares to trading on the Access segment of the Aquis Stock Exchange Growth Market becoming effective in accordance with the Aquis Stock Exchange Access Rulebook on 21 April 2023;
“Admission”	admission of the Enlarged Ordinary Share Capital to the Equity Shares (Transition) Category of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities;
“Admission Condition”	Admission occurring by 8.00 a.m. on or before 13 January 2024 (or such later date agreed between the Investors provided that such date is not later than the Long Stop Date);
“Aquis Stock Exchange”	means Aquis Exchange PLC, a recognised investment exchange under section 290 of FSMA;
“Aquis Stock Exchange Access Rulebook”	means the Aquis Stock Exchange Growth Market Rules for Issuers, which set out the admission requirements and continuing obligations of companies seeking admission to, and whose shares are admitted to trading on, the Access segment of the Aquis Stock Exchange Growth Market;
“Aquis Stock Exchange Growth Market”	means the market for unlisted securities operated by Aquis Exchange;
“Articles”	the articles of association of the Company;
“Bitcoin” or “BTC”	the first implementation of cryptocurrency, a form of digital money that uses blockchain technology, initially introduced in a white paper titled Bitcoin: A Peer-to-Peer Electronic Cash System by Satoshi Nakamoto;
“Board”	the board of directors of the Company from time to time;
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for business in London;
“BSA”	U.S. Bank Secrecy Act;
“BVI”	the British Virgin Islands;
“BVIBC”	a company registered as a BVI business company under the BVI Act;
“BVI Act”	the BVI Business Companies Act 2004 including any modification, extension, re-enactment, or renewal thereof and any regulations made thereunder;
“CBDCs”	digital forms of legal tender introduced by central banks;
“CEA”	the U.S. Commodities Exchange Act of 1936, as amended;
“Clear Capital Markets” or “Clear Capital”	means Clear Capital Markets LTD, joint Broker to the company, which is authorised and regulated by the FCA 706689;
“Company” or “Vinanz”	Vinanz Limited, a company registered in the BVI with company number 2073995 and whose registered office is C/O Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110 British Virgin Islands;
“Companies Act”	the UK Companies Act 2006, as amended;
“Compass Mining”	means Compass Mining, Inc;
“CorPa”	means CorPa Trust Limited;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;



“Deed Poll”	the deed poll dated 12 April 2023 and executed by the Depositary in favour of the holders of the Depositary Interests from time to time;
“Depositary”	any person appointed by the Company as a depositary or custodian of Ordinary Shares from time to time;
“Depositary Agreement”	the depositary agreement dated 12 April 2023 between the Company and the Depositary;
“Depositary Interests”	the interests representing Ordinary Shares issued through the Depositary;
“Directors”	the directors of the Company as at the date of this Document whose names are set out on page 29 of this Document;
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules of the FCA made in accordance with section 73A of FSMA;
“Document”	means this document;
“Enlarged Ordinary Share Capital”	the entire issued ordinary share capital of the Company upon Admission, comprising the Existing Ordinary Shares and the Fundraise Shares;
“ESA”	the Economic Substance (Companies and Limited Partnerships) Act, 2018;
“ESMA Recommendations”	ESMA’s update of the Committee of European Securities Regulators’ recommendations for the consistent implementation of the EU Regulations on Prospectuses;
“Euroclear”	Euroclear UK & Ireland Limited;
“EU Market Abuse Regulation”	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
“Existing Ordinary Shares”	the 243,356,194 Ordinary Shares in issue as at the date of this Document;
“FCA”	the Financial Conduct Authority;
“Financial Information”	together, the audited financial information of the Company for the period from 27 August 2021 to 31 August 2022 and the period ending 31 August 2023, the unaudited interim results for the six months to 28 February 2023 and the unaudited interim results for the six months to 29 February 2024;
“Founders”	Jeremy Edelman and David Lenigas;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“Fundraise”	the equity fundraise being carried out by the Company, which includes the Placing and the Subscription;
“Fundraise Price”	the price at which the Placing Shares and the Subscription Shares are being issued pursuant to the Fundraise, being 14.5 pence per Fundraise Share;
“Fundraise Shares”	together, the Placing Shares and the Subscription Shares;
“GDPR”	EU Regulation 2016/679, the General Data Protection Regulation;
“Group”	the Company and its subsidiaries from time to time;
“Historical Financial Information of the Company”	the historical financial information of the Company as incorporated by reference into this Document at Part IV, being the audited annual accounts of the Company for the period 27 August 2021 to 31 August 2022, the period ended 31 August 2023, the unaudited interim financial statement for the period ended 28 February 2023 and the unaudited interim financial statements for the period ended 29 February 2024;
“HMRC”	His Majesty’s Revenue and Custom, the ministerial department of the UK government responsible for taxation;

“IFRS”	International Financial Reporting Standards, as endorsed by the European Union;
“Investor”	means a person who has agreed to subscribe for new Ordinary Shares as part of the Fundraise;
“Last Practicable Date”	the last practicable date prior to publication of this Document, being 23 December 2024;
“Listing in the Transition Category”	the application that has been made for the Ordinary Shares to be included in the Transition Category pursuant to Chapter 22 of the New Listing Rules, which sets out the requirements for listings in the Transition Category and does not require the Company to comply with, inter alia, the provisions of Chapters 5 to 10 of the New Listing Rules;
“Locked-In Shareholders”	means Valereum, Black Swan FZE and Clear Capital Markets Ltd;
“London Stock Exchange”	London Stock Exchange PLC;
“Long Stop Date”	31 January 2025, or such later date at the parties to the Placing Agreement may agree in writing;
“Luxor Technology”	Luxor Technology Corporation;
“Main Market”	means the London Stock Exchange’s main market for listed securities;
“Market Abuse Regulation”	Regulation (EU) no 596/2014 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018;
“Member State”	a member state of the European Union and the European Economic Area;
“Net Proceeds”	the proceeds of the Placing receivable by the Company, after deduction of any expenses paid or payable in connection with the Placing, the Subscription and Admission;
“New Listing Rules”	the UK listing rules made by the FCA under Part VI of the FSMA;
“NFA”	National Futures Association;
“Official List”	the Official List of the FCA;
“Ordinary Shares”	ordinary shares of no par value in the capital of the Company;
“Option”	an option to subscribe for Ordinary Shares in the capital of the Company;
“Overseas Shareholder”	a Shareholder in a territory other than the UK;
“Placee”	a person who confirms his agreement to Clera Capital to subscribe for Placing Shares under the Placing in accordance with the terms of a Placing Letter;
“Placing”	the conditional placing of the Placing Shares by Clear Capital at the Fundraise Price pursuant to the Placing Agreement;
“Placing Agreement”	the conditional placing agreement between the Company and Clera Capital, details of which are set out in paragraph 15.1 of Part VII of this Document;
“Placing Letter”	a placing letter issued to a prospective subscriber for Placing Shares by Clear Capital and a form of acceptance from such prospective subscriber to Clear Capital confirming the prospective subscriber’s irrevocable commitment to subscribe for Placing Shares, conditional only upon Admission;
“Placing Shares”	the 7,379,310 new Ordinary Shares to be allotted and issued to the Placees pursuant to the Placing;
“Premium Listing”	a Premium listing under Rule 6 of the listing Rules;
“Prospectus”	a prospectus required under the Prospectus Directive and prepared in accordance with the Prospectus Regulation and Prospectus Regulation Rules;

“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA under Part VI of FSMA, as amended from time to time;
“Prospectus Regulation”	means prospectus regulation (EU) 2017/1129 and includes any relevant implementing measures in each EEA State that has implemented the regulation;
“QCA Code”	the QCA Corporate Governance Code, published by the Quoted Companies Alliance;
“Regulation S”	Regulation S under the US Securities Act;
“Reverse Takeover”	a transaction defined as a reverse takeover in Listing Rule 5.6.4;
“Rights Holders”	has the meaning given to it in paragraph 15.5 of Part VII of this Document;
“RIS”	one of the regulated information services authorised by the FCA for the purpose of disseminating regulatory announcements in respect of listed companies;
“SEC”	the United States Securities and Exchange Commission;
“Securities Act”	the United States Securities Act of 1933, as amended;
“Shareholders”	holders of Ordinary Shares;
“Subscriber”	a person who confirms his agreement to subscribe for Subscription Shares in accordance with the terms of a Subscription Letter and being referred to collectively as the “ <b>Subscribers</b> ”;
“Subscription”	the subscription by the Subscribers for a total of 2,965,518 new Ordinary Shares at the Fundraise Price;
“Subscription Letters”	the letters between the Company and the Subscribers relating to the Subscription;
“Subscription Shares”	means the 2,965,518 new Ordinary Shares subscribed for by the Subscribers in connection with the Subscription;
“Takeover Code”	the City Code on Takeovers and Mergers as published by the Takeover Panel from time to time;
“Takeover Panel”	the Panel on Takeovers and Mergers;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Market Abuse Regulation”	means the UK version of the EU Market Abuse Regulation (which is part of English law by virtue of the European Union (Withdrawal) Act 2018, as amended);
“UK Prospectus Regulation”	UK version of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018;
“US” or “United States”	the United States of America, its territories and possessions;
“US Investment Company Act”	the United States Investment Company Act of 1940, as amended, and related rules;
“US Person”	has the meaning set out in Regulation S;
“Valereum”	Valereum PLC;
“VAT”	UK value added tax;
“Working Capital Period”	the period of twelve months starting from the date of this Document; and
“75% Resolution of Shareholders”	means either: <ul style="list-style-type: none"> <li>a) a resolution approved at a duly convened and constituted meeting of the Shareholders by the affirmative vote of a majority of in excess of 75 per cent</li> </ul>

(75%) of the votes of the Ordinary Shares entitled to vote thereon in respect of which the Shareholders holding the Ordinary Shares were present at the meeting in person, or by proxy, and being Ordinary Shares of which the votes were voted; or

- b) a resolution consented to in writing by a majority of in excess of 75 per cent (75%) of the votes of Ordinary Shares entitled to vote thereon.