

*This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

30/06/25



**Valereum Plc**

("Valereum", "VLRM" or the "Company")

**Results for 12 months ended 31 December 2024**

Valereum Plc (AQSE: VLRM), a company focused on unlocking capital and creating value in tokenised digital markets as both a marketplace operator and leading provider of technology solutions, is pleased to announce its results for the twelve months ended 31 December 2024.

Key highlights in 2024 include:

- EBITDA of £0.4m (compared to an EBITDA loss of £0.3m in 2023) following gains from the Company's holding in Vinanz Ltd, an asset of VLRM which is listed on the main London Stock Exchange, together with negotiated reductions.
- Total assets increased to £5.0m (2023: £2.4m) due to both the increase in value of the Company's holding in Vinanz Ltd and the introduction of assets assumed from the acquisition of the GSX Group in January 2024.
- Debt reduced to nil (2023: £0.2m) following the repayment of all loans owed by the Company during the year after the £2.3m raise from the Chairman.

**Karl Moss, CFO of Valereum Plc, commented:**

"We are pleased to report a improvement in the financial performance and position of the Company in 2024, which, together with the recent increase in the value of our investment in Vinanz Ltd, puts us in a position of strength as we begin generating revenues."

The Company's audited financial results for the 12-month period to 31 December 2024 can also be found at: <https://investors.vlrm.com/reports-and-accounts>

For more information, and the chance to have your questions directly answered, please head to our interactive investor hub via: [Investor Hub](#).

**For further information, please contact:**

**Valereum Plc**

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Engage with the company directly	
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The Directors of the Company accept responsibility for the contents of this announcement.

For more information, please visit the Company's website at [www.vlrm.com](http://www.vlrm.com) or to engage with the Valereum Plc management team:

**Navigate to our Interactive Investor hub here:** [Sign Up](#)

### Note

This announcement may contain "forward-looking" statements and information relating to the Company. These statements are based on the beliefs of Company management, as well as assumptions made by and information currently available to Company management. The Company does not undertake to update forward-looking statements or forward-looking information, except as required by law.

### Chairman's Statement Year ended 31 December 2024

I am pleased to present the Chairman's Statement for Valereum Plc ("Valereum" or "the Company") and its subsidiaries (together with the Company, "the Group") for the year ended 31 December 2024.

### Transformation and Growth

2024 has been a transformative year for Valereum. The acquisition of the GSX Group significantly enhanced our technological capabilities and expanded our expertise in financial markets, particularly in exchange management.

Valereum was proud to win the Retail Choice Award at the Aquis Showcase - proof of growing investor confidence in our strategy and positioning. This recognition shows the extent to which tokenisation is resonating within the investor community, and the impact of Valereum's focus on brand, communications, and investor engagement.

During 2024, the Company entered into a binding agreement for a proposed £13 million capital raise and potential strategic partnership with DMC Markets Inc. A binding option agreement was also signed with a strategic private equity investor for a potential £2 million investment, aimed to further support expansion plans. While these deals did not eventually proceed, they showed the substantial interest in Valereum's role within the tokenised financial infrastructure environment, and its ability to attract institutional partners.

### El Salvador and Regulatory Milestones

We achieved a major milestone by obtaining a Digital Asset Service Provider (DASP) licence from the regulator in El Salvador. This means that we can operate a Real World Asset (RWA) ecosystem in the country which is attracting global attention for its commitment to financial innovation and digital technology.

### Apex Admission

In November 2024, Valereum was admitted to the Apex segment of the Aquis Stock Exchange Growth Market, a significant milestone and marker of our progress, improved governance standards, and mounting investor interest.

### Financial Performance

Our financial metrics have shown marked improvement. The Company's EBITDA turned positive, reaching £0.4m in 2024, a substantial turnaround from a loss of £0.3m in 2023 reflecting our commitment to operational efficiency and strategic

investments.

### **Capital Structure and Funding**

Valereum secured £2.3 million in funding from myself as Company Chairman, which allowed the repayment of all outstanding debt by July 2024. This strengthened our balance sheet and gave us the necessary capital to accelerate our plans for growth.

### **Innovation and Market Expansion**

Development continued on 'The Bridge', our blockchain-based digital financial markets infrastructure. The platform is designed to support the lifecycle of tokenised digital assets across various asset classes and marketplaces, and can be brought to market via licensing or strategic partnerships.

### **Technology Partners**

Throughout 2024, Valereum established partnerships with leading technology providers to support the development and delivery of its digital asset infrastructure. These included:

- **Tokeny** - providing a white-label issuance platform to support regulated asset tokenisation;
- **Fireblocks** - offering institutional-grade wallet and custody infrastructure to enhance security and scalability; and
- **Antier** - engaged to assist in the development of Valereum's own multi-chain wallet infrastructure.

### **Chairman's Statement (continued)**

**Year ended 31 December 2024**

These collaborations are critical for Valereum, as they ensure our platforms are built on robust, secure, and future-ready technologies as we expand globally.

### **Valereum and its shareholders**

Looking to the many opportunities that are opening up, we remain focused on our vision to 'unlock capital and create value'. We're confident that we are laying the foundations for success in the coming years.

I would personally like to thank our shareholders, partners, and employees for their unwavering support and dedication.



**James Formolli**  
**Chairman**

**30 June 2025**

### **Directors' Report**

**Year ended 31 December 2024**

The Directors are delighted to present their report together with audited consolidated financial statements of Valereum Plc ("VLRM" or "the Company") and its subsidiaries (together with the Company, "the Group") for the year ended 31 December 2024.

### **Principal activities**

Valereum Plc is working to unlock capital and create value in tokenised digital markets. Our activities are focused on streamlining the way value is exchanged, encompassing the development and operation of digital financial market infrastructures, providing technology solutions, and facilitating the integration of traditional and digital asset ecosystems.

### **Results**

The Group's results for the year are shown in the Consolidated Statement of Total Comprehensive Income on page 19.

The Directors do not recommend the payment of a dividend for the year ended 31 December 2024. Consequently, the profit for the year has been added to reserves.

### **Business review**

The acquisition of the GSX Group has been pivotal in enhancing our technological infrastructure and expanding our market reach. Further development of 'The Bridge' platform signifies our commitment to innovation in the digital asset space.

Additionally, our investment in Vinanz Ltd has appreciated significantly, contributing to our improved financial performance and position.

In 2024, agreements have been reached with certain creditors to settle the recorded liabilities as at 31 December 2023 for reduced amounts.

For further details, please refer to the Chairman's statement on page 5.

### **Principal Risks and Uncertainties**

The Directors continuously monitor and assess the principal risks and uncertainties that could impact the Group's operations, financial performance, and strategic ambitions. The key areas identified are as follows:

- **Regulatory Landscape:** The evolving nature of regulation within the digital asset and tokenisation space, across multiple jurisdictions, presents a level of uncertainty. While the Group has achieved significant regulatory milestones (including the DASP license in El Salvador), future changes in global or local regulation could impact operational models or timelines.
- **Funding and Market Sentiment:** The Group is reliant on continued access to capital to support its development strategy. While significant funding was secured during 2024, including a £2.3 million investment and the signing of agreements for further capital, there remains a risk that future funding may be delayed or unavailable, particularly in volatile market conditions.
- **Technology and Platform Execution:** The successful delivery and commercial adoption of Valereum's RWA platform in El Salvador, and The Bridge DFMI, are key - but not critical - to future growth plans. Risks include development delays, security breaches, or failure to achieve market traction in the expected timeframes.

### **Directors' Report**

**Year ended 31 December 2024**

### **Principal Risks and Uncertainties (continued)**

- **Partner and Strategic Dependencies:** The Company continues to engage with multiple partners across product development, licensing, and investment. The success of certain initiatives depends on the performance, commitment, and contractual progress of third-party organisations, including technology partners.
- **Macroeconomic and Crypto Market Volatility:** As a business operating at the intersection of traditional and digital finance, Valereum is exposed to fluctuations in crypto markets, investor confidence, and broader macroeconomic uncertainty, which could affect asset valuations and investor behaviour.

### **Funding and Capital Management**

The Directors wish to formally recognise the ongoing commitment and support of the Chairman, whose personal investment of £2.3 million in 2024 enabled the Company to eliminate all outstanding debts by mid-year. This backing has significantly strengthened our financial position and provided a stable platform for continued strategic execution and growth.

### **Regulatory Developments**

Please refer to the Chairman's Statement on page 5.

### **Corporate Governance**

We continue to uphold high standards of corporate governance, aligning with the QCA Corporate Governance Code on a comply or explain basis, with the appropriate disclosures as required by Aquis Access Rulebook. This code is available on the Group's website.

On 2 February 2024, the Directors enhanced the level of compliance with the QCA Corporate Governance Code including establishing and adopted terms of reference for an Audit Committee, a Nomination Committee and a Remuneration Committee.

The audit committee is comprised of James Formolli, Gary Cottle and Simon Brickles and is chaired by Simon Brickles. It is responsible for a wide range of matters including monitoring the integrity of the consolidated financial statements of the Group and any other formal announcement relating to its financial performance. It also has oversight of the relationship with the financial auditor.

The nominations committee is comprised of James Formolli, Gary Cottle and Simon Brickles and is chaired by James Formolli. Its key responsibilities are to assess the skills of Directors, and to ensure succession planning for all Group Boards and Committees and identifying and selecting candidates as required.

The remuneration committee is comprised of James Formolli, Gary Cottle and Simon Brickles and is chaired by Gary Cottle. It is responsible for assessing and reviewing the remuneration packages of the Directors. The remuneration policy of the Executive Directors is designed carefully to attract, retain and motivate Directors to execute effectively the strategic objectives of the Group to enhance shareholder returns.

### **Financial risk management policies**

Note 16 sets out the Group's financial risk management policies for its exposure to various risks.

## Post balance sheet events

Post balance sheet events are disclosed in note 21.

## Directors' Report Year ended 31 December 2024

### Directors

The Directors who served during the year and their remuneration was as follows:

	<b>Remuneration</b>
	<b>£</b>
James Formolli	120,000
Peter Sekhon	101,375
Nicholas Cowan	115,000
Simon Brickles	50,500
Gary Cottle	50,000
Karl Moss	108,417
	<hr/>
	545,292

In 2024, the directors claimed expenses they had incurred on behalf of the Group of £42,391 (2023: £15,346).

The Directors have the following interests in the issued share capital of the Group:

	<b>Number of ordinary shares</b>
James Formolli	70,833,730
Nicholas Cowan	596,774
Peter Sekhon	1,612,184
Karl Moss	905,596

### Going Concern

The Directors have considered the Group's financial position, projected cash flows, and available funding lines in determining the appropriateness of preparing the financial statements on a going concern basis.

Following the successful capital injection of £2.3 million in 2024 and the elimination of all convertible loans and debt financing during 2024, the Group has materially strengthened its financial position. At the end of the year, the accounts show that the Group held 27,325,171 shares in Vinanz Ltd, a listed equity investment with a value of £4,303,714 (2023: £2,322,639) based on its closing price of 15.75p per share on 31 December 2024. In addition, the Group raised £1,000,000 of funding between May and June 2025. Together, these amounts provide the Group with working capital to create the platform for future growth.

Although the Group has made operating losses of £1.7m in 2024 (2023: £2.6m), it is forecasting to generate profits in the foreseeable future.

The Directors believe that the Group can continue to manage its business risks as it continues to develop quickly and have a reasonable expectation that it can continue to have operational existence for the foreseeable future and in particular the next twelve months from the date of signing these consolidated financial statements. Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

## Directors' Report Year ended 31 December 2024

### Events after the reporting year

- Since 31 December 2024, the Group has raised £1,000,000 of funding through the issue of 25 million ordinary shares.

- During April 2025, the proposed £13 million raise had increased to £19 million as part of a larger deal, however the Directors concluded that DMC was not in a position to complete the transaction in the time allotted.
- VLRM Markets was launched during May 2025, with a growing pipeline of issuers and buy-side participants.
- Due to its position in El Salvador, Valereum was part of an exclusive four-person delegation that met the U.S. Securities and Exchange Commission ("SEC") on 22 April 2025. The meeting focused on exploring collaboration opportunities, including the potential to establish a cross-border digital asset regulatory sandbox.
- Valereum has recently made strategic minority stake investments into the following:
  - o May 2025 - DigiShares Inc which specialises in real estate tokenisation and operates in 40 countries.
  - o June 2025 - Blubird Inc which provides mission-critical tools to Web3 start-ups and traditional Web 2 businesses migrating to Web3's blockchain technology.
  - o June 2025 - Fideum Group Limited which provides turnkey, regulatory-compliant blockchain infrastructure to financial institutions, banks, and SMEs across Europe, Canada, Australia, and South America.
- In May 2025, a settlement agreement has been reached with Nicholas Cowan, director, to settle or waive any and all claims in connection with his employment or its termination, albeit formal termination has not yet been filed as the Board changes have not been formally processed.

#### **Statement regarding disclosure of information to the Auditors**

Each Director of the Group has confirmed that, in fulfilling their duties as a director, they are aware of no relevant audit information of which the Auditors are not aware of and that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Gibraltar Companies Act 2014.

#### **Auditors**

The statutory auditors are RSM Audit (Gibraltar) Limited.

A resolution for the reappointment of RSM Audit (Gibraltar) Limited will be put to the members at the annual general meeting.

By order of the board

**James Formolli**  
**Director**

30 June 2025

#### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare consolidated financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the Group for that year. In preparing those consolidated financial statements, the Directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures; and
- d. prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the Group and to enable them to ensure that the consolidated financial statements comply with the requirements of the Gibraltar Companies Act 2014. Specifically, pursuant to section 248 of the Companies Act, the Directors have elected to follow International Financial Reporting Standards as adopted by the United Kingdom. The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**James Formolli**

**Director**

30 June 2025

## **INDEPENDENT AUDITORS' REPORT**

**To the shareholders of Valereum Plc**

### **Report on the audit of the consolidated financial statements**

#### **Opinion**

We have audited the consolidated financial statements of Valereum Plc ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated and company statements of financial position as at 31 December 2024, and the consolidated statement of total comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Group's and Company's affairs as at 31 December 2024 and of the Group profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted in the United Kingdom ("IFRS") and
- have been prepared in accordance with Companies Act 2014 and other applicable legislation.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern. As discussed in note 2 to the consolidated financial statements, the Group has accumulated losses from prior years.

The going concern ability of the Group relies on a number of matters including the ability to raise further capital, realisation of its investments, and successfully develop its business. These circumstances and conditions raise doubts about the Group's ability to continue as a going concern. Management's plans are described in note 2 together with the disclosures in the Directors' Report and Chairman's Statement.

The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Our opinion is not modified in respect of this matter.

## **INDEPENDENT AUDITORS' REPORT**

**To the shareholders of Valereum Plc**

**Report on the audit of the consolidated financial statements (continued)**

**Material uncertainty related to going concern (continued)**

**Other matters - Public Interest Entity**

Under IESBA Code revised dated September 2024, the Group, which is listed on the Aquis Stock Exchange (AQSE Growth Market), is now a Public Interest Entity based on the expanded definition of Public Interest Entity which includes a new category Publicly Traded Entity where the Group falls in.

### Other matters - Unaudited opening balance of GSX Group

The balance prior to acquisition of the GSX Group were not audited. Thus, we have obtained necessary procedures to obtain sufficient appropriate evidence concerning the opening balance of GSX Group.

Our opinion is not modified in respect of these other matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

## INDEPENDENT AUDITORS' REPORT

### To the shareholders of Valereum Plc

### Report on the audit of the consolidated financial statements (continued)

#### Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter	Key observations communicated to the Directors
<p><b>Going concern assessment</b></p> <ul style="list-style-type: none"> <li>· As disclosed in Note 2, the consolidated financial statements have been prepared on a going concern basis.</li> <li>· As at 31 December 2024, the Group has net current liabilities of £1,947,252 (2023: net current liabilities of £1,971,943). In addition, the Group is at net income position during the year. For the year ended 31 December 2024, the Group also has a total profit before tax of £3,222 (2023 loss: £353,315). At the end of the year, the accounts show that the Group held cash balances totalling £19,397 (2023: £31,932). Administrative costs, excluding share-based payments expense, and impairment loss during the year, were £1,683,116 (2023: £1,526,322). This would normally indicate that Group may not be able to cover the Group's expenses for the next twelve months from the date of the approval of the consolidated financial statements.</li> <li>· The going concern ability of the Group relies on a number of matters including the ability to raise further capital, realisation of its investments, and successfully develop its business.</li> <li>· There is a risk that a material uncertainty could exist related to events or conditions</li> </ul>	<p>Our procedures in relation to management's going concern assessment included:</p> <ul style="list-style-type: none"> <li>· We identified that the most significant assumptions in assessing the Group's ability to continue as a going concern were its ability to raise further capital, realisation of its investments, and successfully develop its business. The calculations supporting the assessment require management to make highly subjective judgements. The assessments are based on estimates of future events and are fundamental in determining the suitability of the basis adopted for the preparation of the consolidated financial statements. We have reviewed these assumptions and calculations;</li> <li>· The Group's liquidity also depends on the realisation of its investments in shares in Vinanz Ltd; and</li> <li>· The Group relies on additional capital from potential investors and is confident that it will secure additional funding in 2025. It is noted that £1,000,000 funding has already been received post year-end.</li> <li>· We have reviewed the forecast and noted that profits are expected in the</li> </ul>	<p>We concluded that no further disclosures relating to the Group's ability to continue as a going concern need to be made in the financial statements. We nevertheless believe that there is material uncertainty and therefore, we included a material uncertainty related to going concern paragraph in our audit report.</p>

<p>that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern.</p> <ul style="list-style-type: none"> <li>The Group closely monitors and manages its capital position and liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements and satisfy the working capital requirements and acquisitions. Taking into account the ability of the Group to raise adequate funding, the Board of Directors is confident that the Group has access to sufficient funds to enable the Group to meet its liabilities as and when they fall due for at least the next twelve months.</li> </ul>	<p>next 12 months from the date of signing of these financial statements.</p>	
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## INDEPENDENT AUDITORS' REPORT

To the shareholders of Valereum Plc

Report on the audit of the consolidated financial statements (continued)

### Materiality

The concept of materiality is fundamental to the preparation of the Group's consolidated financial statements and the audit process. Materiality is an expression of the relative significance or importance of a particular matter in the context of the consolidated financial statements as a whole.

For the purposes of an audit, misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements. Materiality is considered at both the overall financial statement level ("financial statement materiality") and, if applicable, in relation to individual account balances, classes of transactions and disclosures ("element materiality") and is used as a threshold or benchmark against which errors or differences of opinion between management and ourselves can be evaluated.

The financial statement materiality calculated for the Group is £72,800 which was determined on the basis of 3% of £3,702,361.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with applicable law in Gibraltar and IFRS, and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## **INDEPENDENT AUDITORS' REPORT**

**To the shareholders of Valereum Plc**

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **INDEPENDENT AUDITORS' REPORT**

**To the shareholders of Valereum Plc**

## **Report on other legal and regulatory requirements**

### **Opinion on other matter prescribed by the Companies Act 2014**

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

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the matter where the Companies Act 2014 requires us to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

### **Other matters we are required to address**

- we were appointed by the Company on 29 April 2025 to audit the consolidated financial statements for the year ended 31 December 2024. The period of total uninterrupted engagement including previous renewals and appointments is twelve years, covering the year ends from 31 December 2013 to 31 December 2024. This is the tenth year where the Responsible Individual is Moe Cohen. As a result of changes to the IESBA Code of Ethics, the Company is now a public interest entity. Under the revised IESBA Code of Ethics Moe Cohen is allowed to serve as Responsible Individual for the current reporting year and for the next reporting year.
- the non-audit services prohibited by the Financial Services Act 2019 were not provided to the Company and we remain independent of the Company in conducting the audit with exception of the provision of tax compliance services for the Company and other ad hoc services based on the information supplied by the Company. These services are limited to the constraints set by the IESBA Code of Ethics in relation to Public Interest Entities. Hence, these services exclude the preparation of tax calculations of current or deferred tax liabilities or assets for the purposes of preparing accounting entries that are material to the financial statements.
- the audit opinion is consistent with the additional report to the Audit Committee.
- explanations as to what extent the audit was considered capable of detecting irregularities, including fraud:
  - Irregularities - to obtain sufficient appropriate evidence regarding compliance with the provision of laws and regulations which are considered to have a direct effect on the determination of material amounts and disclosures in the financial statements; and to perform other audit procedures to help identify instances of non-compliance that have a material effect on the financial statements. However, we are not responsible for preventing non-compliance with these laws and regulations and our audit procedures cannot be expected to detect non-compliance with all laws and regulations; and
  - Fraud - to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient and appropriate evidence regarding these assessed risks, through designing and implementing appropriate procedures; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for prevention and detection of fraud lies with management and those charged with governance.

## **INDEPENDENT AUDITORS' REPORT**

### **To the shareholders of Valereum Plc**

#### **Report on other legal and regulatory requirements (continued)**

#### **Other matters we are required to address (continued)**

- our approach regarding irregularities and fraud were as follows:
  - Irregularities - we obtained a general understanding of the laws and regulations applicable to the Group in particular company law, tax and the financial reporting framework. These also included compliance with the requirements of the Aquis Stock Exchange ("AQSE"). We also obtained an understanding of how the Group complies with these laws and regulations by making inquiries of management and those responsible for compliance matters which included understanding of the Group's policies and procedures in place to prevent and detect non-compliance with laws and regulations; and their knowledge or awareness of any non-compliance that could affect the financial statements. We also reviewed any correspondence between the Company and the AQSE and reviewed minutes of Board meetings for indicators of non-compliance; and

- o Fraud - we assessed the susceptibility of the Group's financial statements to material misstatement, including fraud. We considered the controls that the Group has in place to address risks identified by the entity that would seek to prevent, deter or detect fraud. We also considered areas of significant judgement and the impact on the control environment. When determined to be higher, we performed audit procedures to address each identified fraud risk as shown on the Key Audit Matters section of this report. These procedures included testing audit journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

This report, including the opinion, has been prepared for and only for the Company's member in accordance with Section 257 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



**SVM Cohen**

**Statutory Auditor**

**for and on behalf of RSM Audit (Gibraltar) Limited**

21 Engineer Lane

Gibraltar

30 June 2025

**Consolidated Statement of Total Comprehensive Income  
for the year ended 31 December 2024**

	Notes	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Revenues		19,272	-
Administrative expenses	4	(1,721,768)	(2,637,954)
<b>Operating loss</b>	4	(1,702,496)	(2,637,954)
Gain on revaluation of financial asset	12	1,981,075	2,049,388
Interest income		9,769	19,432
Interest expense		(6,129)	(581)
Foreign exchange gain		2,035	1,313
Other income		81,141	215,087
Impairment of goodwill	11	(362,173)	-
<b>Profit/(loss) before taxation</b>		3,222	(353,315)
Tax on profit/(loss)	6	-	-
<b>Profit/(loss) for the financial year</b>		3,222	(353,315)
<b>Other comprehensive income/(loss)</b>			

Items that may be reclassified subsequently to profit or loss:

Unrealised gain on crypto assets	-	58,677
<b>Other comprehensive income/(loss) for the year</b>	-	58,677
<b>Total comprehensive income/(loss) for the year</b>	3,222	(294,638)
<b>Total comprehensive income/(loss) for the year attributable to:</b>		
Equity holders of the parent	3,222	(294,638)
Non-controlling interests	-	-
<b>Total comprehensive income/(loss) for the year</b>	3,222	(294,638)
Basic and diluted profit/(loss) per share	7 0.00002	(0.003)

There are no recognised gains or losses other than disclosed above and there have been no discontinued activities during the year.

The notes on pages 24 to 43 form part of these consolidated financial statements.

### Consolidated Statement of Financial Position as at 31 December 2024

	Notes	31 December 2024	31 December 2023
		£	£
<b>Current assets</b>			
Loans and other receivables	8	109,809	81,224
Cash and cash equivalents		19,397	31,932
		<u>129,206</u>	<u>113,156</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	2,202	-
Intangible assets	10	285,082	-
Investments	12	4,633,500	2,322,639
		<u>4,920,784</u>	<u>2,322,639</u>
<b>Total assets</b>		<b><u>5,049,990</u></b>	<b><u>2,435,795</u></b>
<b>Current liabilities</b>	13	2,076,458	2,085,099
<b>Total liabilities</b>		<u>2,076,458</u>	<u>2,085,099</u>
<b>Net assets</b>		<b><u>2,973,532</u></b>	<b><u>350,696</u></b>
<b>Equity</b>			
Share capital	14	4,224,327	4,148,640
Share premium	14	26,470,342	23,842,357
Translation reserve		257,478	257,478
Share-based payments reserve	15	238,190	649,300
Accumulated losses		<u>(28,216,805)</u>	<u>(28,617,579)</u>
		2,973,532	280,196
Non-controlling interest	11	-	70,500
<b>Total equity</b>		<b><u>2,973,532</u></b>	<b><u>350,696</u></b>

**Total equity and liabilities**

**5,049,990**

**2,435,795**

The consolidated financial statements were approved by the board and authorised for issue on 30 June 2025 and signed on its behalf by:



**James Formolli**  
**Director**

**Karl Moss**  
**Director**

The notes on pages 24 to 43 form part of these consolidated financial statements.

**Company Statement of Financial Position**  
**as at 31 December 2024**

	<b>Notes</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
		<b>£</b>	<b>£</b>
<b>Current assets</b>			
Loans and other receivables	8	100,024	81,224
Cash and cash equivalents		1,574	31,932
		<u>101,598</u>	<u>113,156</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	2,202	-
Amounts due from related undertakings	20	743,432	-
Investments in subsidiaries	11	276,550	-
Investments	12	4,303,714	2,322,639
		<u>5,325,898</u>	<u>2,322,639</u>
<b>Total assets</b>		<b><u>5,427,496</u></b>	<b><u>2,435,795</u></b>
<b>Current liabilities</b>			
	13	1,725,135	2,155,599
<b>Total liabilities</b>		<u>1,725,135</u>	<u>2,155,599</u>
<b>Net assets</b>		<b><u>3,702,361</u></b>	<b><u>280,196</u></b>
<b>Equity</b>			
Share capital	14	4,224,327	4,148,640
Share premium	14	26,470,342	23,842,357
Translation reserve		257,478	257,478
Share-based payments reserve	15	238,190	649,300
Accumulated losses		(27,487,976)	(28,617,579)
<b>Total equity</b>		<b><u>3,702,361</u></b>	<b><u>280,196</u></b>
<b>Total equity and liabilities</b>		<b><u>5,427,496</u></b>	<b><u>2,435,795</u></b>

The company financial statements were approved by the board and authorised for issue on 30 June 2025 and signed on its behalf by:

**James Formolli**  
**Director**

**Karl Moss**  
**Director**

The notes on pages 24 to 43 form part of these consolidated financial statements.

**Valereum Plc**  
**Consolidated Statement of Changes in Equity**  
**for the year ended 31 December 2024**

	Notes	Share Capital £	Share Premium £	Translation Reserve £	Revaluation Reserve £	Share-based Payments Reserve £	Accumulated Losses £
<b>Balance at 1 January 2023</b>		<b>4,131,220</b>	<b>22,888,797</b>	<b>257,478</b>	<b>62,280</b>	<b>377,500</b>	<b>(28,475,221)</b>
Comprehensive loss for the year		-	-	-	58,677	-	(353,315)
Share-based payments	15	-	-	-	-	361,800	-
Transfers		-	-	-	(120,957)	(90,000)	210,957
Shares issued during the year	14	17,420	953,560	-	-	-	-
<b>Balance at 31 December 2023</b>		<b>4,148,640</b>	<b>23,842,357</b>	<b>257,478</b>	<b>-</b>	<b>649,300</b>	<b>(28,617,579)</b>
Comprehensive profit for the year		-	-	-	-	-	3,222
Share-based payments	15	-	-	-	-	24,656	-
Transfers		-	-	-	-	(449,927)	449,927
Shares issued during the year	14	75,687	2,627,985	-	-	14,161	-
Acquisition of non controlling interest		-	-	-	-	-	(52,375)
<b>Balance at 31 December 2024</b>		<b>4,224,327</b>	<b>26,470,342</b>	<b>257,478</b>	<b>-</b>	<b>238,190</b>	<b>(28,216,805)</b>

The notes on pages 24 to 43 form part of these consolidated financial statements.

## Consolidated Statement of Cash Flows

Year ended 31 December 2024

	Notes	Year ended 31 December 2024 £	Year ended 31 December 2023 £
<b>Cash flows from operating activities</b>			
Profit/(loss) for the year		3,222	(294,638)
Reconciliation to cash generated from operations:			
Realised gain on crypto assets	10	-	(58,677)
Revaluation gain on equity investments	12	(1,981,075)	(2,049,388)
Equity settled share-based payments expense	15	24,656	361,800
Gain on disposal of fixed asset	9	(66,706)	(103,093)
Lease interest		16,813	-
Impairment of investments	12	13,996	750,000
Impairment of goodwill	11	362,173	-
Depreciation (including right of use depreciation)	9	46,427	11,808
Amortization of development cost	10	19,774	-
Rent expense		27,500	-
(Increase)/decrease in receivables		(167,092)	141,569
Decrease in payables		(496,138)	(1,457)
<i>Net cash flow used in operating activities</i>		<u>(2,196,450)</u>	<u>(1,242,076)</u>
<b>Cash flows from investing activities</b>			
Purchase of computer equipment	9	(2,643)	-
Right of use lease payments		(90,301)	-
Cash acquired with subsidiary	11	215,070	-
<i>Net cash flow from investing activities</i>		<u>122,126</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Loan proceeds	13	-	140,000
Issue of share capital	14	2,319,458	1,041,480
Repayment of loans	13, 20	(257,669)	-
<i>Net cash flow from financing activities</i>		<u>2,061,789</u>	<u>1,181,480</u>
<b>Net decrease in cash</b>		(12,535)	(60,596)
Cash at bank and in hand at the start of the year		31,932	92,528
Cash at bank and in hand at the end of the year		<u>19,397</u>	<u>31,932</u>

The notes on pages 24 to 43 form part of these consolidated financial statements.

### Notes to the Consolidated Financial Statements for the year ended 31 December 2024

#### 1 General Information

Valereum Plc ("VLRM" or "the Company"), previously known as Upper Thames Holdings Plc and thereafter Valereum Blockchain Plc, is a public company limited by shares and is incorporated in Gibraltar. The registered office is situated at 6.20 World Trade Center, 6 Bayside Road, GX11 1AA, Gibraltar.

These consolidated financial statements as at 31 December 2024 and for the year then ended comprise the Company and its subsidiaries, the GSX Group Limited and its subsidiaries, Valereum Collections Ltd, Gatenet Technology Limited, Valereum Capital Management Limited, and VLRM Markets, S.A. de CV (together referred to as the "the Group").

## 2 Accounting Policies

The principal accounting policies adopted by the Group in the preparation of its consolidated financial statements for the year ended 31 December 2024 with comparatives for the year ended 31 December 2023 are set out below. The accounting policies have been consistently applied, unless otherwise stated.

### ***Basis of preparation***

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and Interpretations issued by the IFRS Interpretations Committee ("IFRIC") as adopted by the United Kingdom and with those parts of the Gibraltar Companies Act applicable to companies reporting under IFRS. These are the standards, subsequent amendments and related interpretations issued and adopted by the International Accounting Standards Board ("IASB") that have been endorsed by the United Kingdom at the year-end. The consolidated financial statements have been prepared under the historical cost convention.

### ***Going concern***

The Directors have considered the Group's financial position, projected cash flows, and available funding lines in determining the appropriateness of preparing the financial statements on a going concern basis.

Following the successful capital injection of £2.3 million in 2024 and the elimination of all convertible loans and debt financing during 2024, the Group has materially strengthened its financial position. At the end of the year, the accounts show that the Group held 27,325,171 shares in Vinanz Ltd, a listed equity investment with a value of £4,303,714 (2023: £2,322,639) based on its closing price of 15.75p per share on 31 December 2024. In addition, the Group raised £1,000,000 of funding during May and June 2025. Together, these amounts provide the Group with working capital to create the platform for future growth.

Although the Group has made operating losses of £1.7m in 2024 (2023: £2.6m) it is forecasting to generate profits in the foreseeable future.

The Directors believe that the Group can continue to manage its business risks as it continues to develop quickly and have a reasonable expectation that it can continue to have operational existence for the foreseeable future and in particular the next twelve months from the date of signing these consolidated financial statements. Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

### ***Basis of consolidation***

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

## **Notes to the Consolidated Financial Statements**

**for the year ended 31 December 2024**

## 2 Accounting Policies (continued)

### ***Basis of consolidation (continued)***

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet, respectively.

### ***Functional and presentational currencies***

The individual financial information of the entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). Since 1 January 2021, the functional currency of the Group has been Pounds Sterling ("£") as The Board of Directors consider that the Group's assets and liabilities are predominantly £ denominated and that reporting in £ reduces exposure to exchange differences in its reported results.

The consolidated financial statements are presented in £ including the comparative figures. All amounts are recorded in the nearest £, except when otherwise indicated.

### ***Foreign currencies***

Monetary assets and liabilities have been translated at rates in effect at the statement of financial position date, with any exchange adjustments being charged or credited to profit or loss.

In the cash flow statement, cash flows denominated in foreign currencies are translated into the presentational currency of the Group at the average exchange rate for the period or at the prevailing rate at the time of the transaction where more appropriate.

### ***Financial instruments***

Financial assets and financial liabilities are recognised on the statement of financial position when VLRM becomes a party to the contractual provisions of the instrument.

### ***Loans and receivables***

Loans and receivables are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less provision for impairment.

### ***Financial assets at fair value through profit or loss (FVTPL)***

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transactions costs that are directly attributable to the acquisition of the financial asset. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable market.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset. Investments in equity instruments are classified as at FVTPL.

The Group has adopted the expected credit loss model ("ECL") in IFRS 9. The ECL is to be measured through a loss allowance at an amount equal to:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group only holds trade and other receivables with no financing component and therefore has adopted an approach similar to the simplified approach to ECLs.

## **Notes to the Consolidated Financial Statements**

### **for the year ended 31 December 2024**

## **2 Accounting Policies (continued)**

### ***Impairment of financial assets (continued)***

Provision for impairment (or the ECL) is established based from full lifetime ECL and when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable.

The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at effective interest rate.

### ***Trade and other payables***

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

### ***Financial liabilities and equity***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Equity comprises the following:

- Share capital represents amounts subscribed for shares at nominal value.
- Share premium represents amounts subscribed for share capital in excess of nominal value.
- Accumulated losses represent the accumulated profits and losses attributable to equity shareholders.
- Other reserves include translation reserve, revaluation reserve, and share-based payments reserve.

### ***Intangible assets other than goodwill - acquired "in process development costs"***

Intangible assets acquired in a business combination, are recognized at fair value at the acquisition date, separately from goodwill in line with International Accounting Standards ("IAS") 38 Intangible Assets. As at the date of acquisition of the GSX Group, there was a distinct development project in respect of digital financial management infrastructure (DFMI). Management expects that future economic benefits are attributable to the entity over an indefinite term for these assets. Therefore, the useful economic life is considered indefinite and no annual amortization is recognized. These assets are subsequently recognized at cost less impairment and at each balance sheet date Management conducts an impairment review which is at a minimum annually.

### ***Intangible assets other than goodwill - virtual currencies***

The virtual currencies held by the Group until 20 April 2023 were Bitcoins, which have active markets. These have been recognised at fair value, and subsequently revalued in accordance with the revaluation provisions of IAS 38. Under the revaluation model, the intangible assets are initially recognised at cost and subsequently measured at fair value, with movements above cost (i.e., unrealised gains) recognised as other comprehensive income in the statement of total comprehensive income and accumulated in revaluation reserve within equity, while movements below cost (i.e., unrealised losses) recognised in the profit and loss account. When an intangible asset is disposed of, the realised gain or loss on disposal is included in the profit and loss account.

### **Goodwill**

The acquisition of the GSX Group gave rise to goodwill in the consolidated financial statements. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Goodwill is assessed for impairment annually, with any impairment charge recognised in the Statement of Comprehensive Income. Note 11 provides further detail on the impairment assessment for goodwill as at 31 December 2024.

## **Notes to the Consolidated Financial Statements for the year ended 31 December 2024**

### **2 Accounting Policies (continued)**

#### ***Property, plant and equipment (excluding right-of-use assets)***

Property, plant and equipment is stated at cost less accumulated depreciation. Cost is depreciated on a straight-line basis over their expected useful lives as follows:

Computer equipment	3 years
--------------------	---------

#### ***Share-based payments***

The Group issues equity-settled share-based payments to certain directors, employees and advisors in consideration for services. Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

The cost of equity-settled transactions are recognized as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the share-based valuation model determined by the Company, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability. Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied. If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification. If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

#### ***Taxation***

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the year end date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2024**

**2 Accounting Policies (continued)**

***Standards, amendments and interpretations to existing standards that are effective in 2024***

The following new standards, amendments and interpretations to existing standards have been adopted by the Group during the year but have had no significant impact on the consolidated financial statements of the Group:

- IAS 1 (Amendments), 'Presentation of Financial Statements - Classification of Liabilities at Current or Non-current' (effective from 1 January 2024). The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.
- Amendments to IFRS 16, 'Lease Liability in a Sale and Leaseback' (effective from 1 January 2024). The amendments require seller-lessee to apply the subsequent measurement requirements for lease liabilities unrelated to a sale and leaseback transaction to lease liabilities arising from a leaseback in a way that it recognises no amount of the gain or loss related to the right of use that it retains. The amendments will require seller-lessee to reassess and potentially restate sale and leaseback transactions entered since 2019.

***New standards, amendments and interpretations to existing standards that are not yet effective or have not been early adopted by the Group***

At the date of authorisation of these consolidated financial statements, the following standards and interpretations were in issue but not yet mandatorily effective and have not been applied in these consolidated financial statements:

- Lack of Exchangeability (Amendment to IAS 21, The Effects of Changes in Foreign Exchange Rates) applies when one currency cannot be exchanged into another. This may occur, for example, because of government-imposed controls on capital imports and exports, or a limitation on the volume of foreign currency transactions that can be undertaken at an official exchange rate. The amendments clarify when a currency is considered exchangeable into another currency, and how an entity estimates a spot rate for currencies that lack exchangeability. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.
- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026). These amendments were issued to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:
  - (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
  - (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities.
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

§the structure of the statement of profit or loss with defined subtotals,

§the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;

§required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

§enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

## **Notes to the Consolidated Financial Statements**

**for the year ended 31 December 2024**

### **2 Accounting Policies (continued)**

#### ***New standards, amendments and interpretations to existing standards that are not yet effective or have not been early adopted by the Group (continued)***

- IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods beginning on or after 1 January 2027). This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

§ it does not have public accountability; and

§ it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group assessed that there is no significant impact of the adoption of the new or amended Accounting Standards and Interpretations on the Group's consolidated financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### **3 Critical accounting estimates and judgements**

#### **Critical judgements in applying the Group's accounting policies**

The following are the critical judgements, apart from those involving estimations uncertainty (see below) that management has made in the process of applying the Group's accounting policies and which have the significant effect on the amounts recognised in the consolidated financial statements.

##### ***Going concern***

The preparation of the consolidated financial statements is based on the going concern assumption as disclosed in note 2. The Board of Directors, after taking into consideration the planned business activity and forecasts, believe the going concern assumption is appropriate.

##### ***Measurement of fair values***

When measuring the fair value of an asset or liability, the Group uses observable market data as far as is possible. As at 31 December 2024, the Group owned 27,325,171 shares in Vinanz Ltd, a company listed on London's AQUIS Stock Exchange which were valued at £4,303,714 based on Vinanz Ltd's closing share price of 15.75p per share on 31 December 2024.

##### ***Determination of functional currency***

As disclosed in note 2, the Group changed its functional and presentational currencies with effect from 1 January 2021. The Directors considers £ to be the currency that most faithfully represents the economic effect of the underlying transactions, cash flows, events and conditions of the Group. The £ is the currency in which the Group measures its performance and reports its results, as well as the currency in which it assesses the viability of projects.

## **Notes to the Consolidated Financial Statements**

**for the year ended 31 December 2024**

### 3 Critical accounting estimates and judgements (continued)

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period include the following.

#### **Expected credit losses of loan receivables and provision for impairment of investments**

Under IFRS 9, a provision should be made for expected credit losses that result from default events on the financial instruments. Default events are events that trigger impairment such as:

- financial covenant breach
- insolvency of the counterparty
- counterparty credit rating downgrade to the lowest rating given by a credit rating agency (e.g. Moody's, S&P, Fitch).

As at 31 December 2023, the Group recognized an impairment loss of £750,000 to fully write off the remaining investment cost of GSX Ltd.

#### **Share-based payment transactions**

The Group measures the cost of equity-settled transactions with non-employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using market available information and methods as well as taking into account the terms and conditions upon which the instruments were granted. Fair value is independently determined by directly discounting the total cost using strike price and after considering the expired portion of the vesting period by 80%. This is also in consideration that AQUIS is an illiquid market where the sale of large block is virtually impossible. The Company had performed a validation using the Binomial model to arrive approximately the same fair value.

The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Share-based payments calculations inherently require judgements and assumptions in calculating the fair value. Share based payments expense during the year amounted to £24,656 (2023: £361,800). As disclosed in note 16, the fair value of share warrants granted in 2024 was £24,656 (2023: £361,800) and the fair value of the share warrants exercised during the year was £3,292 (2023: £nil). The fair value of share warrants outstanding as at 31 December 2024 is £238,190 (2023: £649,300).

### Notes to the Consolidated Financial Statements for the year ended 31 December 2024

#### 4 Operating loss

Operating loss is stated after charging the following:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	£	£
Fees payable to the Group's auditor for the audit of the consolidated financial statements	58,500	35,950
Remuneration of directors of the Group	545,292	582,681
Share-based payment expense	24,656	361,800
Impairment loss on investments	13,996	750,000

The breakdown of administrative expense presented below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	£	£
Directors' fee	545,292	582,681
Personnel cost	424,231	-
IT development cost	341,963	190
Professional fees	176,870	571,407
Audit fee	58,500	35,950
Impairment loss	13,996	750,000
Depreciation expense	46,427	11,808
Share-based expense	24,656	361,800

Others	89,833	324,286
	<u>1,721,768</u>	<u>2,638,122</u>

## 5 Staff costs

During the year ended 31 December 2024, excluding Directors, the average number of people employed by the Group was 4 (2023: nil). During the year ended 31 December 2024, the Group paid wages and salaries of £424,231 (2023: £nil). Until 25 October 2023, the Group employed a Chief Financial Officer and a General Manager as consultants.

No staff other than the directors are considered key management personnel.

## 6 Taxation

The Group is subject to corporation tax in Gibraltar on any profits, which are accrued in or derived from Gibraltar or any passive income which is taxable. The corporation tax rate in Gibraltar is 15% (2023: 12.5%). With effect as from 1 July 2024, Gibraltar's corporate tax rate officially increased from 12.5% to 15%.

The Group has taxable losses to carry forward, consequently no provision for corporate tax has been made in these consolidated financial statements.

As at 31 December 2024 and 31 December 2023, the Group has not recognised deferred tax assets and has no deferred tax liabilities.

## Notes to the Consolidated Financial Statements

### for the year ended 31 December 2024

## 7 Basic and diluted loss per share

	31 December 2024 £	31 December 2023 £
Profit/(loss) attributable to ordinary shareholders	3,222	(294,638)
Weighted average number of new ordinary shares at end of the period	138,052,705	91,510,523
Issued ordinary shares at the beginning of the period	96,645,048	79,224,628
Effect of share issued during the year	41,407,657	12,285,625
Weighted average number of new ordinary shares at 31 December	138,052,705	91,510,253
Basic profit/(loss) per share	0.00002	(0.003)

Basic profit/(loss) per share has been calculated by dividing the net results attributable to ordinary shareholders by the weighted average number of shares in issue during the period. Due to Group being loss making, any warrants are anti-dilutive.

## 8 Loans and other receivables

	31 December 2024 £	31 December 2023 £
<i>Group</i>		
Loan receivable	79,784	79,784
Other receivable	2,066	-
Prepayments and accrued income	27,959	1,440
	<u>109,809</u>	<u>81,224</u>
	31 December 2024	31 December 2023

<i>Company</i>	£	£
Loan receivable	79,784	79,784
Prepayments and accrued income	20,240	1,440
	<u>100,024</u>	<u>81,224</u>

The loan receivable is payable on demand.

**Notes to the Consolidated Financial Statements  
for the year ended 31 December 2024**

**9 Property, plant and equipment**

	<b>Computer Equipment</b>	<b>Right of use Assets</b>	<b>Total</b>
<i>Group</i>	£	£	£
<u>Cost</u>			
As at 1 January 2023	141,700	-	141,700
Additions during the year	-	-	-
Disposals during the year	(141,700)	-	(141,700)
	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 December 2023	-	-	-
Additions during the year	2,643	-	2,643
On acquisition	-	1,195,401	1,195,401
Disposals during the year	-	(1,195,401)	(1,195,401)
<b>As at 31 December 2024</b>	<u><b>2,643</b></u>	<u><b>-</b></u>	<u><b>2,643</b></u>
<u>Accumulated Depreciation</u>			
As at 1 January 2023	80,690	-	80,690
Depreciation charges during the year	11,808	-	11,808
Disposals during the year	(92,498)	-	(92,498)
	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 December 2023	-	-	-
Depreciation charges during the year	441	45,986	46,427
On acquisition	-	486,189	486,189

Disposals during the year	-	(532,175)	(532,175)
<b>As at 31 December 2024</b>	<b>441</b>	<b>-</b>	<b>441</b>
<u>Net Book Value</u>			
<b>As at 31 December 2024</b>	<b>2,202</b>	<b>-</b>	<b>2,202</b>
As at 31 December 2023	-	-	-

On 30 January 2024, the Company acquired GSX Group Limited, of which a right of use asset with a net amount of £709,212 and lease liabilities amounting to £1,102,986, were part of the acquisition under Indigo Bay Limited and Madison Real Estate (4) Limited. On 5 July 2024, the Company terminated the lease which resulted to a gain on disposal of right of use of asset amounting to £66,706.

**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2024**

**9 Property, plant and equipment (continued)**

In April 2023 computer equipment used in mining Bitcoin crypto assets were disposed of with Bitcoin crypto assets to Vinanz Ltd in exchange for its 27,325,171 ordinary shares as disclosed in note 12. The gain on disposal amounted to £103,093 in 2023.

**10 Intangible assets**

	<b>Acquired in process development costs</b>	<b>Crypto Assets</b>	<b>Total</b>
<i>Group</i>	£	£	£
<u>Cost</u>			
As at 1 January 2023	-	62,280	62,280
Revaluation during the year	-	58,677	58,677
Disposals during the year	-	(120,957)	(120,957)
As at 31 December 2023	-	-	-
Additions during the year	-	-	-
On acquisition	304,774	59,450	364,224
Disposals during the year	-	(59,368)	(59,368)
<b>As at 31 December 2024</b>	<b>304,774</b>	<b>82</b>	<b>304,856</b>
<u>Accumulated amortisation and impairment</u>			
As at 1 January 2023 and at 31 December 2023	-	-	-
Charges during the year	19,774	-	19,774
On acquisition	-	-	-

	-	-	-
<b>As at 31 December 2024</b>	<b>19,774</b>	<b>-</b>	<b>19,774</b>
<u>Net Book Value</u>			
<b>As at 31 December 2024</b>	<b>285,000</b>	<b>82</b>	<b>285,082</b>
As at 31 December 2023	-	-	-

**Notes to the Consolidated Financial Statements**  
for the year ended 31 December 2024

**10 Intangible assets (continued)**

Acquired in process development costs were recognized at fair value of £304,774 on acquisition and have been determined to have indefinite useful economic lives. Further information on these assets can be found in Note 2 under the heading "Intangible assets other than goodwill -acquired in process development costs".

The intangible assets held by the Company during 2023 consisted of Bitcoin crypto assets which were mined by the Group. These assets were disposed during 2023.

**11. Investment in Subsidiaries**

**Company**

	2024	2023
	£	£
Investment in subsidiaries	276,550	-

Details of the Company's subsidiaries are set out in the following table. The investments are measured using the equity method.

Name of undertaking	Country of Incorporation	Ownership Interest (%)	Voting power held (%)	Nature of business	Carrying amount	Carrying amount
					2024	2023
					£	£
GSX Group Limited	Gibraltar	100	100	Developer of financial technology and market operator	275,000	-
Gatenet Technology Limited	United Kingdom	100	100	Financial technology consultancy	-	-
VLRM Collections Limited	Gibraltar	100	100	Dormant	-	-
VLRM Markets, S.A. de CV	El Salvador	100	100	Licensed Digital Asset Service Provider	1,550	-
VLRM Capital Management Limited	Gibraltar	100	100	Corporate Manager of Alternative Investment Fund	-	-
<b>Total</b>					<b>276,550</b>	<b>-</b>

All investments were assessed for impairment at 31 December 2024 according to IAS 36 guidance.

**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2024**

**11. Investment in Subsidiaries (continued)**

On 30 January 2024 the Company acquired the entire share capital of the GSX Group Limited for a consideration of 5,000,000 Ordinary Shares of £1 each. The Company's share price at the date of acquisition was £0.055 per share.

The fair values of the assets and liabilities acquired and goodwill are set out below:

	£
Unlisted investments	343,782
Software development costs	304,774
Right of use assets	709,212
Cash at Bank	215,070
Other receivables and prepayments	190,677
Other payables	(707,702)
Provisions	(40,000)
Lease liabilities	<u>(1,102,986)</u>
Net liabilities acquired	<b>(87,173)</b>
Consideration comprising 5,000,000 Ordinary shares of £0.001 each at a value of £0.055 per share	<b>275,000</b>
Goodwill	<u><b>362,173</b></u>

Following the acquisition, it was deemed that the goodwill arising was not recoverable and was fully impaired.

Immediately prior to acquisition, the Company issued warrants over 10,000,000 Ordinary Shares of £0.001 each at an exercise price of £0.01 each in lieu of amounts owed to certain directors and a related party of the acquired entity GSX Group Limited following the waiver of loans made by them to GSX Group Limited prior to the acquisition.

On 31 March 2023, Valereum Collections Ltd issued a total of 11,280 new ordinary shares of £0.0001 each at a price of £6.25 per share which raised £70,500 and as at 31 December 2023, the Group owned 99.8% of Valereum Collections Ltd.

On 3 January 2024, the Group's acquired 0.2% of share capital of its subsidiary Valereum Collections Limited for a consideration of 2,517,857 ordinary shares of £0.001 each and now owns 100% of Valereum Collections Ltd.

**12 Investments**

<i>Group</i>	<b>31 December 2024</b>	<b>31 December 2023</b>
	£	£
<u>Cost</u>		
As at 1 January	2,322,639	750,000
Additions	343,782	273,251
Impairment	(13,996)	(750,000)
Revaluation to fair value	1,981,075	2,049,388
As at 31 December	<u><b>4,633,500</b></u>	<u><b>2,322,639</b></u>

**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2024**

## 12 Investments (continued)

	31 December 2024	31 December 2023
<i>Company</i>	£	£
<u>Cost</u>		
As at 1 January	2,322,639	750,000
Additions	-	273,251
Impairment	-	(750,000)
Revaluation to fair value	1,981,075	2,049,388
As at 31 December	<u>4,303,714</u>	<u>2,322,639</u>

On 21 April 2023, the Group disposed its computer equipment to Vinanz Ltd ("Vinanz") in exchange for its 27,325,171 ordinary shares with no par value at a valuation of £0.01 per share. These shares were subsequently listed on London's AQUIS Stock Exchange and increased in value to £4,303,714 based on Vinanz' closing share price of 15.75p per share on 31 December 2024. In January 2024, Vinanz Ltd successfully listed on the London Stock Exchange main market.

In 2023 an impairment charge of £750,000 was recognised in respect of the Group's residual investment in GSX Limited after the conditions met by the Gibraltar Financial Services Commission were not met by the deadline of 28 September 2023 and accordingly the acquisition was not concluded.

As part of the GSX Group Limited, the Group recognised the GSX Group's investment in Nexstox Inc at a fair value of £343,782 in accordance with IFRS 13. As there was no reliable market data available, the fair value was determined by applying the relevant proportion of net assets. An impairment charge of £13,996 was recognised during the year in respect of the relevant proportion of the estimated net loss of Nexstox Inc during the period.

## 13 Current liabilities

	31 December 2024	31 December 2023
<i>Group</i>	£	£
Other payables including taxation and social security	1,740,106	1,787,436
Loan from noteholders	-	117,669
Other loans	-	100,000
Due to related party undertakings (Note 20)	-	40,000
Accruals and deferred income	336,352	39,994
	<u>2,076,458</u>	<u>2,085,099</u>

	31 December 2024	31 December 2023
<i>Company</i>	£	£
Other payables including taxation and social security	1,417,736	1,787,436
Loan from noteholders	-	117,669
Other loans	-	100,000
Due to related party undertakings (Note 20)	165,955	111,000
Accruals and deferred income	141,444	39,494
	<u>1,725,135</u>	<u>2,155,599</u>

## Notes to the Consolidated Financial Statements for the year ended 31 December 2024

### 13 Current liabilities (continued)

The Group entered into an investment agreement with YA II PN, Ltd and Riverfort Global Opportunities PCC Limited on 26 January 2022 in which the noteholders agreed to advance a total of up to \$10,000,000 to the Group.

The purpose of this investment funding facility was to finance the exercise of the option to acquire the issued share capital of GSX Limited and serve as general working capital of the Group. The loan was convertible into ordinary shares of the Group at the discretion of the noteholders. As at 31 December 2024, the outstanding balance was £nil (2023: £117,669) following repayments of £117,669 (2023: £199,767). An amount of £111,994 was written off following a repayment agreement reached with noteholders on 24 November 2023.

On 13 December 2023, the Group entered into a loan agreement for £100,000 with a fixed interest rate of 1% per month which was fully repaid in July 2024.

Other payables include amounts due to current and previous directors amounting to £896,347 (2023: £840,347) in respect of their remuneration as disclosed in note 20.

#### 14 Share capital

	31 December 2024	31 December 2023
Authorised:	£	£
Ordinary shares of GBP 0.001 each	6,000,000	6,000,000

Allotted and called up:

	31 December 2024	31 December 2024	31 December 2024	31 December 2023	31 December 2023	31 December 2023
	Number of shares	Share capital £	Share premium £	Number of shares	Share capital £	Share premium £
As at 1 January	96,645,048	4,148,640	23,842,357	79,224,628	4,131,220	22,888,797
Issued during the year	67,929,609	67,929	2,616,285	17,420,420	17,420	953,560
Warrants exercised during the year	7,757,692	7,758	11,700	-	-	-
As at 31 December	172,332,349	4,224,327	26,470,342	96,645,048	4,148,640	23,842,357

On 16 January 2023, the Group issued 1,849,225 new ordinary shares of 0.1 pence each at a price of 8.8448 pence per share which totals to £163,560 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 13.

On 20 February 2023, the Group issued 2,197,844 new ordinary shares of 0.1 pence each at a price of 7.5847 pence per share which totals to £166,660 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 13.

On 27 March 2023, the Group issued 2,836,002 new ordinary shares of 0.1 pence each at a price of 5.7687 pence per share which totals to £163,600 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 13.

#### 14 Share capital (continued)

On 21 April 2023, the Group issued 3,425,425 new ordinary shares of 0.1 pence each at a price of 4.7112 pence per share which totals to £161,380 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 13.

On 16 May 2023, the Group issued 3,690,575 new ordinary shares of 0.1 pence each at a price of 4.3289 pence per share which totals to £159,760 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 12.

On 16 June 2023, the Group issued 3,421,349 new ordinary shares of 0.1 pence each at a price of 4.5602 pence per share which totals to £156,020 (US\$200,000) following the conversion notice received by the Group under the terms of the funding facility as discussed in note 13.

On 3 January 2024, the Group issued 2,517,857 new ordinary shares of 0.1 pence each to acquired 0.2% of share capital of its subsidiary Valereum Collections Limited to bring its holding to 100% of Valereum Collections Ltd.

On 30 January 2024, the Group issued 5,000,000 new ordinary shares of 0.1 pence each to acquire the entire share capital of the GSX Group Ltd.

On 28 March 2024, the Group issued 5,000,000 new ordinary shares of 0.1 pence each at a price of 6 pence per share to the Company's Chairman, James Formolli to raise £300,000. In addition, 5,000,000 share warrants with a fair value of £14,161 were issued to James Formolli as a result of the capital raise.

On 4 July 2024, the Group issued 55,411,752 new ordinary shares of 0.1 pence each at a price of 3.6 pence per share which totals to £2,000,000 to the Company's Chairman, James Formolli.

On 4 July 2024, the Group issued 6,457,692 new ordinary shares of 0.1 pence each at a price of 0.1 pence per share which totals to £6,458 following the exercise of warrants held by certain Directors of the Group: (James Formolli 4,807,692, Peter Sekhon 825,000, Karl Moss 825,000).

On 4 July 2024, the Group issued 300,000 new ordinary shares of 0.1 pence each at a price of 1 pence per share which totals to £3,000 following the exercise of warrants by a service provider.

On 16 December 2024, the Group issued 1,000,000 new ordinary shares of 0.1 pence each at a price of 1 pence per share which totals to £10,000 following the exercise of warrants by a service provider.

#### 15 Share-based payments

Details of the share warrants and options in issue during the year ended 31 December are as follows:

	Number of warrants/options 2024 No	Average exercise price 2024 £	Number of warrants/options 2023 No	Average exercise price 2023 £
Outstanding at 1 January	34,330,317	0.1624	37,030,317	0.2131
Issued during the year	63,317,692	0.0025	3,300,000	0.0100
Cancelled during the year	-	-	(5,000,000)	0.0500
Exercised during the year	(7,757,692)	(0.003)	-	-
Expired during the year	(21,030,317)	(0.1250)	(1,000,000)	0.2000
Outstanding at 31 December	68,860,000	0.03	34,330,317	0.2177

#### Notes to the Consolidated Financial Statements for the year ended 31 December 2024

#### 15 Share-based payments (continued)

The fair value of share warrants and options expensed in 2024 was £24,656 (2023: £361,800) and the fair value of the share warrants exercised during the year was £3,292 (2023: nil). The fair value of share warrants outstanding as at 31 December 2024 is £238,190 (2023: £649,300). The fair value is determined by using available market information and methods as well as taking into account the terms and conditions upon which the instruments were granted.

During 2023, the Group cancelled 5,000,000 share warrants from its General Share Option Scheme.

## 16 Financial instruments and financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, loans and other receivables, investments in equity instruments and trade and other payables. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 2. The Group does not use financial instruments for speculative purposes.

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

	<b>December 2024</b>	<b>December 2023</b>
	<b>£</b>	<b>£</b>
Financial assets:		
Loan receivable	79,784	79,784
Other receivable	2,066	-
Cash and cash equivalents	19,397	31,932
Investments	4,633,501	2,322,639
	<u>4,734,748</u>	<u>2,434,355</u>
Financial liabilities:		
Loan from noteholders	-	117,669
Other loans	-	100,000
Due to related party undertaking	-	40,000
Other creditors	1,740,106	1,787,436
Accruals and deferred income	336,352	39,994
	<u>2,076,458</u>	<u>2,085,099</u>

### Capital risk management

The Group's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitability, while in the meantime safeguarding the Group's ability to continue as a going concern. This is aimed at enabling it, once the projects come to fruition, to provide attractive returns for shareholders and benefits for other stakeholders. Capital is sourced from equity and from borrowings, as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31 December 2024, nor the year ended 31 December 2023.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow risk), credit risk and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

## Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

### 16 Financial instruments and financial risk management (continued)

#### Financial risk management

##### **(a) Market risk**

**Foreign exchange risk**-The Group undertakes certain transactions in foreign currencies. Hence, exposure to exchange rate fluctuations arises.

The Group incurs foreign currency risk on transactions denominated in currencies other than its functional currency. The currency other than the functional currency that gives rise to this risk at Group level is the GBP. At the year end, the Group's exposure to the currency is minimal; accordingly any increase or decrease in the exchange rates relative to the functional currency would not have a significant effect on the consolidated financial statements.

##### **(a) Market risk (continued)**

**Fair value interest rate risk and cash flow risk**- The fair values of financial assets and financial liabilities approximate the carrying amounts of those assets and liabilities reported in the statement of financial position. The Group has interest rate risk with the financial institutions and cash flow risk with its investment in equity securities.

##### **(b) Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, loans and other receivables, investment in equity instruments, as well as committed transactions. Individual risk limits are set based on limits set by the board. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. Cash is placed with an authorised and regulated electronic money institution. The Group's investment in equity is publicly listed in London's Aquis Stock Exchange. The Group's exposure and the credit ratings of its trading counterparties are monitored by the board of Directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**(c) Liquidity risk**

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Group arise in respect of the ongoing development programs, trade and other payables. Trade and other payables are all payable within 12 months.

The board receives cash flow projections on a regular basis as well as information on cash balances.

The overriding financial risk to the Group during the year was that of liquidity. At the current stage of the Group's development, the major source of funds is likely to be through the injection of new equity capital or a debt facility, or a combination of such sources.

**17 Commitments**

The Group had no capital commitments as at 31 December 2024.

**18 Contingencies**

As at 31 December 2024, the Group had a claim which the Directors aggressively disagree, as they believe that the validity of the claim against the Group is weak. Any provision, as necessary, has been reflected in the financial statements.

**Notes to the Consolidated Financial Statements  
for the year ended 31 December 2024**

**19 Controlling party**

At 31 December 2024, the Directors do not believe there to be any single controlling party.

**20 Related party transactions**

Transactions with related parties in respect of consultancy fees and remuneration of Directors during the year were as follows:

	Balance as at 1 January 2024	Consultancy fees	Remuneration	Settled in cash	Balance as at 31 December 2024
	£	£	£	£	£
James Formolli	30,000	-	120,000	(150,000)	-
Peter Sekhon	11,000	-	101,375	(112,375)	-
Karl Moss	5,000	-	108,417	(113,417)	-
Nicholas Cowan	10,000	-	115,000	(125,000)	-
Gary Cottle	-	-	50,000	-	50,000
Simon Brickles	-	-	50,500	(50,500)	-
	<u>56,000</u>	<u>-</u>	<u>545,292</u>	<u>(551,292)</u>	<u>50,000</u>

The share warrants information of the directors during the year were as follows:

	Balance as at 1 January 2024 No	Issued No	Expired No	Exercised No	Balance as at 31 December 2024 No
James Formolli	-	9,807,692	-	(4,807,692)	5,000,000
Peter Sekhon	-	5,000,000	-	(825,000)	4,175,000

Karl Moss	-	5,000,000	-	(825,000)	4,175,000
Nicholas Cowan	-	10,000,000	-	-	10,000,000
Gary Cottle	-	5,000,000	-	-	5,000,000
Simon Brickles	-	3,000,000	-	-	3,000,000
	-	37,807,692	-	(6,457,692)	31,350,000

During the year, the Directors claimed expenses they had incurred on behalf of the Group of £42,391 (2023: £15,346). Balance still due to the Directors as at 31 December 2024 in relation to claimed expenses amounted to £3,676 (2023: £82,163).

As at 31 December 2024, the Group owed £nil (2023: £40,000) to James Formolli in respect of a temporary loan.

As at 31 December 2024, there is an outstanding balance due by the Company to Valereum Collections Ltd amounting to £71,000 (2023: £71,000) for funds the Company received on behalf of the subsidiary. As at 31 December 2024, there were also outstanding balances of £718,317 (2023: nil) due from GSX Group Ltd to the Company and £25,115 (2023: nil) due from Gatenet Ltd to the Company in respect of interest free loans provided by the Company.

## 21 Subsequent events

Since 31 December 2024, the Group has raised £1,000,000 of funding through the issue of 25 million ordinary shares.

During April 2025, the proposed £13 million raise had increased to £19 million as part of a larger deal, however the Directors concluded that DMC was not in a position to complete the transaction in the time allotted.

## Notes to the Consolidated Financial Statements for the year ended 31 December 2024

### 21 Subsequent events (continued)

VLRM Markets was launched during May 2025, with a growing pipeline of issuers and buy-side participants.

Due to its position in El Salvador, Valereum was part of an exclusive four-person delegation that met the U.S. Securities and Exchange Commission ("SEC") on 22 April 2025. The meeting focused on exploring collaboration opportunities, including the potential to establish a cross-border digital asset regulatory sandbox.

Valereum has recently made strategic minority stake investments into the following:

- May 2025 - DigiShares Inc which specialises in real estate tokenisation and operates in 40 countries.
- June 2025 - Blubird Inc which provides mission-critical tools to Web3 start-ups and traditional Web 2 businesses migrating to Web3's blockchain technology.
- June 2025 - Fideum Group Limited which provides turnkey, regulatory-compliant blockchain infrastructure to financial institutions, banks, and SMEs across Europe, Canada, Australia, and South America.

In May 2025, a settlement agreement has been reached with Nicholas Cowan, director, to settle or waive any and all claims in connection with his employment or its termination, albeit formal termination has not yet been filed as the Board changes have not been formally processed.

### 22 Availability of accounts

The full report and accounts are being posted on the Group's website, [www.vlrm.com](http://www.vlrm.com).

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