

Company registration number: 05840813

Tap Global Group Plc

Consolidated Audited Financial Statements

Year Ended 30 June 2024

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Tap Global Group Plc (formerly Quetzal Capital Plc)

Company No. 05840813

Company Information

For the year ended 30 June 2024

Directors

Arsen Torosian

David Hunter

John Taylor

Anthony Quirke (Resigned 11 April 2024)

Desmond Hellicar-Bowman (Resigned 31 March 2024)

David Carr (Resigned 21 March 2024)

Secretary

Ben Harber

Auditor

Edwards Veeder (UK) Limited

4 Broadgate,

Broadway Business Park,

Chadderton,

Oldham

OL9 9XA

Solicitor

Hill Dickinson LLP,

The Broadgate Tower,

20 Primrose Street,

London,

EC2A 2EW

Registered Office

6th Floor 60 Gracechurch Street,

London,

United Kingdom,

EC3V 0HR

Tap Global Group Plc

Chairman's Statement

For the year ended 30 June 2024

It is my great pleasure to address you in our annual report having only recently assumed the role of Chairman of Tap Global Group Plc ("Tap Group" or the "Company") in November 2024.

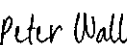
The 12 months under review have been marked by continued growth in registered user numbers and ongoing development of the Tap platform. The regulatory environment has posed significant challenges for Tap Group and other participants in the sector, but I have been deeply impressed by the agility the Company has shown in addressing these challenges head-on while continuing to provide a best-in-class solution to our customers. I would like to extend my gratitude to David Hunter, my predecessor as Chairman, for guiding Tap Group through this tumultuous period with his characteristic pragmatism and wisdom.

Despite these challenges, Tap Group has expanded its geographical footprint to the United States, increased the number of tokens our clients can trade, and maintained the functionality of the Tap app in areas such as fiat deposits and payments, pre-paid Mastercard provision, and best execution on crypto trading through our relationships with crypto exchanges. Critically, these achievements have been delivered by an exceptionally lean and motivated team. The current Group CEO has implemented a number of cost-saving initiatives that ensure we continue to operate with an optimal overhead structure. The foundations laid are extremely strong, and, as I highlighted at the time of my appointment, my priority is focused on scaling effectively from this base.

The recovery of our share price has been welcomed by investors, and it is clear there is significant interest in the Tap Group proposition. The incentivisation linked to share price appreciation announced for the Company's Directors underscores where we believe Tap Group can go in terms of growth and returns for shareholders. The continued rally of crypto assets is driving increased trading volumes, which, in turn, have boosted revenues over the first five months of the current financial year. Trading revenue remains our largest contributor to earnings, but we are rapidly developing additional revenue opportunities, including the provision of our 'Cards-as-a-Service' capability to other organisations, most notably Bitfinex.

In addition to scaling the business, my priorities include improving how we communicate our investment proposition to the wider market and fostering a culture of operational excellence within the internal team. I believe these initiatives will set the stage for continued innovation in our product offering and expansion into deeper and broader consumer markets.

Forward, together.

DocuSigned by:

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Peter Wall

Non-Executive Chairman

Tap Global Group Plc

CEO's Statement

For the year ended 30 June 2024

CEO's Review: Transforming Digital Finance Through Innovation

I am pleased to share my first set of results as Group CEO following a year of transformation, cost rationalisation and growth that has consolidated our position at the forefront of digital finance innovation. Our journey to date has been defined by strategic expansion, technological advancement, and an unwavering commitment to regulatory compliance. While other less prudent operators have fallen away, Tap Group has managed to enhance its product and customer offering, and deliver revenue growth organically against a challenging operating environment. We are now poised to reap the benefits as sustained energy returns to cryptocurrency markets and other Tap Group revenue streams are activated.

Accelerated Growth

The growth in our registered user base tells a compelling story of market confidence in Tap Group and our range of cutting-edge products and services. From 160,547 registered users at the beginning of the financial year, we grew by 130% by the financial year-end and, as of today, we have over 380,000 registered users. Not only does this solid growth trajectory demonstrate that customers worldwide are continuing to trust Tap Group to provide sophisticated, regulated financial solutions, this also represents a significant database to be activated with the right resources.

Importantly, this growth was achieved while we maintained strong operational discipline and invested strategically in our future capabilities.

Product Innovation and Customer Value

We have expanded our product offering, increasing our available crypto assets to 48 across 45 countries. This expansion represents our commitment to providing comprehensive, accessible financial solutions while ensuring we continue to adhere to the highest standards of security and compliance. The growth in our platform capabilities has been matched by substantial improvements in operational efficiency, with chat resolution times reduced to one-third of previous levels.

Strategic Market Entry and Global Expansion

Our entry into the United States market, in partnership with Zero Hash LLC ("Zero Hash"), marked a pivotal moment in our growth story. The US represents 48% of global market growth between 2022 and 2027, with 17% of adults having invested in cryptocurrencies. This strategic move has provided Tap Group with access to a vast market of 45 million active cryptocurrency users. The US has the potential to become a cryptocurrency superpower with the right regulation under the new administration. To date we have soft-launched with a limited product, but the infrastructure is there. With product enhancements in the works, I believe when we push harder into the US with the requisite resources, we will be positioned for significant expansion in that market.

Tap Group is also evaluating opportunities to launch in other key cryptocurrency markets to further broaden our global presence.

Operational Excellence and Regulatory Leadership

Our regulation-first approach continues to differentiate us in the market. The appointment of key strategic hires, including a new Money Laundering Reporting Officer, further strengthens our commitment to regulatory excellence.

During the financial year, we implemented additional technical solutions to strengthen our cybersecurity and fraud protection capabilities, which has further reduced fraud and scam risks for customers. This

Tap Global Group Plc

CEO's Statement

For the year ended 30 June 2024

includes the launch of a new anti-scam account takeover prevention functionality that is directly in line with Tap Group's focus in this area.

The regulatory environment in the cryptocurrency sector continues to evolve, and we have worked hard in the year to ensure that we are well positioned to proactively respond to new regulatory requirements in a timely manner so as to not disrupt our operations. Accordingly, in October 2023 we implemented changes to ensure we adhered to new regulation on how cryptoasset firms promote their services to UK consumers in accordance with the FCA's Cryptoassets Financial Promotion Regime.

Financial Performance and Strategic Resource Management

For the financial year ended 30 June 2024, the Company achieved a revenue of £2.65 million, reflecting a 31% increase from £2.02 million the prior financial year. It is important to note that the prior financial year included only a partial contribution from Tap Global Limited which was acquired by the Group in January 2023. The revenue of Tap Global Limited in the financial year ended 30 June 2023 was £2.49 million and therefore revenue growth in the year ended 30 June 2024 was 5.6% when compared to this figure. The revenue growth has been driven by higher trading revenue and diversified income streams. The Company recorded a gross profit of £1.56 million after deducting the cost of sales. Strategic investments in growth initiatives contributed to operating expenses of £4.07 million. The largest components of operating expenses were staff costs of £1.1 million, marketing costs of £505k, legal and professional fees of £593k, IT costs of £384k, compliance costs of £326k, accounting and audit fees of £121k, regulatory fees of £108k, and depreciation and amortisation of £660k.

The predominantly non-cash loss before tax of £18.2 million was primarily due to an accounting impairment charge on goodwill of £15.8 million, arising from the revaluation of goodwill in respect of the 2023 investment in the Company's subsidiaries. The loss before impairment, depreciation and amortisation was £1.67 million.

Beginning January 2024, we implemented comprehensive measures to reduce our burn rate while sustaining our growth trajectory. These strategic cost optimisation initiatives have already yielded positive results, demonstrating our ability to scale efficiently. As we continue to expand our global footprint, we remain focused on optimising internal costs and maintaining operational discipline, ensuring that every investment directly contributes to our growth and customer value creation.

With a strong gross profit margin of 58% and strategic cost optimisation initiatives, we are well positioned to build on our solid foundation and continue to drive sustainable growth in the future.

Post-Year End

In July 2024, we announced a commercial agreement between Tap N Go Limited and the Company's wholly owned subsidiary, Tap Global Limited ("Tap Global"), for the launch of an XTP cashback programme. XTP is a token available for trading via Tap's exchange services, and this cashback model is another example of the innovative initiatives we are looking to develop to reward customer loyalty and incentivise individuals to register with Tap, further driving customer growth and boosting revenue from card spend.

Last month, seasoned executive Peter Wall joined Tap Group as Non-Executive Chairman. Given Peter's strong fintech and crypto know-how, as well as his vast experience leading listed tech companies through important periods of growth, this is an incredibly exciting appointment for Tap Group, and I look forward to working alongside Peter to deliver accelerated business growth, improved operational efficiencies, and enhanced investor engagement.

Tap Global Group Plc

CEO's Statement

For the year ended 30 June 2024

Outlook – Trading Update

As we continue to grow, we are focused on the following strategic priorities:

1. Accelerating our US market penetration through our Zero Hash partnership
2. Activating our Cards-as-a-Service product line
3. Strengthening our operational hub in Greece to support European expansion
4. Enhancing our security and compliance frameworks
5. Developing innovative solutions that further simplify digital finance

Our first Cards-as-a-Service client has been gearing up for release of a card. The potential to add materially to Tap Group's revenues through the addition of a new revenue stream is significant.

Establishing operations in Greece has created the strong foundations for European growth and positions us strategically for upcoming MICA Regulations in 2025. This operational hub will be crucial in supporting our expansion objectives.

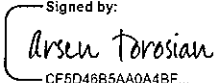
As we look to the future, our vision remains clear: to bridge the gap between traditional finance and blockchain technology while maintaining the highest standards of security and regulatory compliance. We want to be the only app that you'll ever need to do anything financially related on your phone. We want to give customers the ability and the freedom to do what they want with their own money. With strong foundations, clear strategic direction, a talented team, and crypto market sentiment on our side, we are well-positioned to capture the enormous opportunities that lie ahead.

We are already seeing the benefits flow through. Each of the first five months of the current financial year (i.e. July through November 2024) have produced increasing revenue figures, reflecting product improvements, market sentiment, and fee calibration.

	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
	£	£	£	£	£
Revenue (Unaudited)	219,573	226,693	249,466	275,687	389,631

The average monthly revenue in the year ended 30 June 2024 was £220k compared to the average monthly revenue in the first five months of the current financial year of £272k. Notably the revenue in November 2024 was over 77% higher than that recorded in July 2024. This sustained improvement gives me great confidence in our prospects for the current year and beyond.

Thank you for your continued support on this extraordinary journey, and I look forward to keeping shareholders updated on Tap Group's activities.

Signed by:

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Arsen Torosian
Group CEO

Tap Global Group Plc

Directors' Report

For the year ended 30 June 2024

The directors present their report and the audited financial statements of the Company for the year ended 30 June 2024.

Directors of the Company

The directors who have served during the year and up to the date of approval were as follows:

Arsen Torosian
 David Hunter
 John Taylor
 Anthony Quirke (Resigned 11 April 2024)
 Desmond Hellicar-Bowman (Resigned 31 March 2024)
 David Carr (Resigned 21 March 2024)

Dividends

The directors do not recommend the payment of a dividend.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 25 to the consolidated financial statements.

Going Concern

The financial statements have been prepared on a going concern basis.

The Company meets its day-to-day financing through its cash reserves, as at 30 June 2024 the Company has net current assets of £300,335 and £565,281 cash in the bank.

The directors have prepared cash flow forecasts for the period to 31 December 2025. On the basis of these forecasts, the Company is expected to continue to operate within its available financial facilities for at least the next 18 months.

Directors' interests

The directors' interests in the shares of the Company are as stated below:

	No. of ordinary shares of 0.1p each	
	2024	2023
Arsen Torosian	427,735,000	393,985,000
David Carr (Resigned on 21 March 2024)	N/A	34,160,798
John Taylor	2,750,000	2,750,000
Tony Quirke (Resigned on 11 April 2024)	N/A	135,135

Requirement for further funds

There should not be a requirement for the Company to raise further funds in the near future in order to fund working capital requirements. However, any funding requirement deemed appropriate by the Board, and operating within authorities granted to it by shareholders is likely to be by the issue of further ordinary shares or the issue of convertible loan note instruments.

Tap Global Group Plc

Directors' Report

For the year ended 30 June 2024

Principal risks and uncertainties

The Company's activities expose it primarily to the following financial risks:

Liquidity risk

The Company's policy is to finance its operations through working capital. The Company has sufficient funds for the foreseeable future.

Interest rate risk

Interest bearing assets include only cash balances which earn interest at a fixed rate. The Company monitors its interest rate risk primarily through cash flow forecasting and allocating funds to the most relevant accounts in light of forecast balances and outgoings.

Substantial shareholdings

As at 30 June 2024, other than the directors' holdings, the following shareholders hold more than 5% of the issued share capital:

Shareholder	No. of ordinary shares	% of issued share capital
Eric Xu	34,670,481	5

Number of shares not in public hands are 465,155,481 which equates to 67.08% of issued share capital.

Matters covered in the strategic report

The business review, review of KPI's and details of future developments are included in the Chairman's report.

Political and charitable donations

No political or charitable donations have been made during the year under review.

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They

Tap Global Group Plc

Directors' Report

For the year ended 30 June 2024

are also responsible for safeguarding the assets of the company and hence for taking reasonable stops for the prevention and detection of fraud and other irregularities.

Corporate Governance Code

The directors are committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company's size and nature, to voluntarily adopt and comply with the QCA Code. At present, due to the size of the Company, the directors acknowledge that adherence to certain other provisions of the QCA Code may be delayed until such time as the directors are able to fully adopt them. In particular, action will be required in the following areas:

the Company is currently too small to have an audit committee, a remuneration committee or a nominations committee established and the appointments to such committees will be revisited upon the completion of an Acquisition along with incorporating terms of reference for them; and given the Company's size, it has not yet developed a corporate and social responsibility policy. One will be put in place at the appropriate time.

The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the shareholders, to whom they are accountable. The primary duty of the directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the Company's approach to risk management.

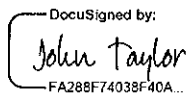
To demonstrate the Company's adherence to the QCA Code, the Company will hold timely board meetings as issues arise which require the attention of the Board. The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance statement from time to time.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

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

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John Taylor
Director

Tap Global Group Plc
Independent Auditor's Report to the members
For the year ended 30 June 2024

Opinion

We have audited the financial statements of Tap Global Group Plc (the 'parent company') and its subsidiaries ('the group') for the year ended 30 June 2024 which comprise Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Parent Company Statement of Financial Position, Consolidated Statement of Change in Equity, Parent Company Statement of Change in Equity, Consolidated Statement of Cashflow, Parent Company Statement of Cashflow, notes to the consolidated financial statements and notes to the parent company financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the consolidated financial statements is applicable law UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the consolidated financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2024 and of the group's loss for the year then ended;
- the consolidated financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the consolidated financial statements, Article 4 of the IAS Regulation.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2 in the consolidated financial statements, which indicates that the group incurred an operating cash outflow of £1,703,720. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon (i) the group will be able to raise fund to meet a level sufficient to finance the working capital requirements of the group; (ii) the validity of which depends upon the group restructuring will be successfully completed; and (iii) the group is actively implementing cost-control measures to improve operating cash flows and its financial position and the directors of the Company believe that the performance of the Group will be significantly improved in the forthcoming year. As stated in note 2, indicate that a material uncertainty exists that may cast significant doubt on the group's and the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Tap Global Group Plc

Independent Auditor's Report to the members

For the year ended 30 June 2024

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

- Reviewing management's consolidated financial statements projections which covered a period of at least 12 months from the date of approval of the consolidated financial statements.
- Challenging management on the assumptions underlying those projections particularly on the nature and timing of forecast cash inflows.
- Obtaining the latest management accounts post period end to benchmark how the group is performing toward achieving the forecast.
- Assessing the completeness and accuracy of the matter described in the going concern disclosure within the significant accounting policies as set out on note 2.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated 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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill

Refer to Note 14 to the consolidated financial statements

The group tested the amount of goodwill for impairment. This impairment test is significant to our audit because the balance of goodwill of approximately £5,988,877 as at 30 June 2024 is material to the consolidated financial statements. In addition, the group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates);

We consider that the group's impairment test for goodwill is supported by the available evidence.

Our approach to the audit

Our scoping of the group and the parent company audit were tailored to enable us to give an opinion on the consolidated financial statements as a whole. The group and the parent company were subject to a full scope audit.

Tap Global Group Plc

Independent Auditor's Report to the members

For the year ended 30 June 2024

Our application of materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the consolidated financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the consolidated financial statements and parent company financial statements as a whole to be approximately £52,931, based on 2% of group revenue.

We used different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the consolidated financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at approximately £39,699 for the group and the parent company.

Where considered appropriate performance materiality may be reduced to a lower, such as, for related party transactions and Directors' remuneration.

We agreed to report to it all identified errors in excess of approximately £2,647. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the strategic report and the directors' report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Tap Global Group Plc

Independent Auditor's Report to the members

For the year ended 30 June 2024

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of consolidated 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 and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

Tap Global Group Plc

Independent Auditor's Report to the members

For the year ended 30 June 2024

We obtained an understanding of the legal and regulatory frameworks within which the group and the parent company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the UK adopted international accounting standards. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the parent company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the parent company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), taxation legislation, and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within judgement and estimates, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Council about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wadsworth FCCA (Senior Statutory Auditor)

For and on behalf of

Edwards Veeder (UK) Limited

Chartered accountants & statutory auditor

4 Broadgate Boardway Business Park

Chadderton, Oldham OL9 9XA

Date: 19 December 2024

Tap Global Group Plc
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2024

	Notes	2024 £	2023 £
REVENUE			
Revenue		2,646,574	2,016,086
Cost of sales		<u>(1,083,965)</u>	<u>(494,488)</u>
GROSS PROFIT		1,562,609	1,521,598
Operating expenses		(4,070,783)	(2,596,680)
Impairment loss on goodwill		(15,862,070)	-
Exchange difference		(19,390)	(21,941)
Gain on disposal of investment	5	3,885	-
Fair value adjustments	5	-	(300,795)
Gain on sale of cryptoassets	5	<u>211,824</u>	<u>323,178</u>
Loss before income tax		(18,173,925)	(1,074,640)
Tax on loss	9	<u>(15,629)</u>	<u>-</u>
Total comprehensive loss for the year		<u>(18,189,554)</u>	<u>(1,074,640)</u>
Loss per shares			
Basic and diluted (Pence)	20	<u>(0.0262)</u>	<u>(0.248)</u>

Group operations are classed as continuing.

The exemption under section 408 of the Companies Act 2006 from presenting the Parent Company's income statement has been taken. The parent company's loss for the year was £18,310,593 (2023: £1,494,142).

The notes on pages 21 to 41 form part of these consolidated financial statements.

Tap Global Group Plc

Company number 05840813

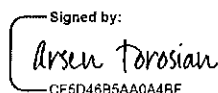
Consolidated Statement of Financial Position

For the year ended 30 June 2024

	Notes	2024 £	2023 £
ASSETS			
Non-current assets			
Tangible assets, including right-of-use assets	10	70,789	103,873
Investments	12	1,987	16,512
Intangible assets - cryptoassets held for investment	13	747,893	1,221,451
Intangible assets - website domains	14	1,309,844	1,234,389
Goodwill	14	5,988,877	21,850,947
Deferred tax asset	9	-	12,517
		8,119,390	24,439,689
Current assets			
Cash and cash equivalents	16	565,281	2,335,375
Trade and other receivables	15	378,585	115,523
		943,866	2,450,898
Total assets		9,063,256	26,890,587
LIABILITIES AND EQUITY			
Non-current liabilities			
Lease liability	11	26,328	61,925
Director's loan	18	900,109	-
		926,437	61,925
Current liabilities			
Trade payables	17	383,008	237,343
Accruals		226,339	197,250
Director's current account	18	-	679,451
Lease liability	11	34,184	31,776
		643,531	1,145,820
Equity			
Capital and reserves			
Called up share capital	23	2,223,466	2,223,466
Share premium		27,685,458	27,685,458
Option & warrant reserve		374,898	374,898
Profit and loss account		(22,790,534)	(4,600,980)
Equity shareholders' funds		7,493,288	25,682,842
Total liabilities and equity		9,063,256	26,890,587

The consolidated financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Arsen Torosian
Group CEO

Signed by:

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Date: 19 December 2024

The notes on pages 21 to 41 form part of these consolidated financial statements.

Tap Global Group Plc
Consolidated Statement of Changes in Equity
For the year ended 30 June 2024

	Called up Share Capital	Share Premium	Option & Warrant Reserve	Profit and Loss Account	Total
	£	£	£	£	£
As at 1 July 2023	2,223,466	27,685,458	374,898	(4,600,980)	25,682,842
Total comprehensive loss for the year				(18,189,554)	(18,189,554)
As at 30 June 2024	2,223,466	27,685,458	374,898	(22,790,534)	7,493,288

	Called up Share Capital	Share Premium	Option & Warrant Reserve	Profit and Loss Account	Total
	£	£	£	£	£
As at 1 July 2022	1,701,243	4,687,681	14,099	(3,544,173)	2,858,850
Total comprehensive loss for the year				(1,074,640)	(1,074,640)
Issue of shares	72,223	3,197,777	-	-	3,270,000
Acquisition of subsidiaries	450,000	19,800,000	-	-	20,250,000
Forfeiture of share options	-	-	(17,833)	17,833	-
Option & warrant reserve	-	-	378,632	-	378,632
As at 30 June 2023	2,223,466	27,685,458	374,898	(4,600,980)	25,682,842

Tap Global Group Plc
Consolidated Statement of Changes in Equity
For the year ended 30 June 2024

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Called Up Share Capital	This represents the nominal value of shares issued.
Share Premium	Amount subscribed for share capital in excess of nominal value.
Profit & Loss Account	Cumulative net gains and losses recognised in the statement of comprehensive income.
Other Reserve	Cumulative fair value of options granted

The notes on pages 21 to 41 form part of these consolidated financial statements.

Tap Global Group Plc
Consolidated Statement of Cash Flows
For the year ended 30 June 2024

	2024	2023
	£	£
Cash flow from operating activities		
Loss after taxation for the year	(18,189,554)	(1,074,640)
<i>Adjustment for:</i>		
Depreciation	37,564	18,876
Amortisation	654,230	270,836
Financing costs	2,811	1,892
Share option charge	-	378,632
Fair value change of investment	-	300,795
Gain on disposal of investment	(3,885)	-
Gain on sale of cryptoassets	(211,824)	(323,178)
Impairment of goodwill	15,862,070	-
Loss on derecognition of deferred tax assets	12,517	-
<i>Change in:</i>		
Trade and other receivables	(263,062)	94,115
Trade and other payables	395,413	(1,283,699)
Cash generated from operations	<u>(1,703,720)</u>	<u>(1,616,371)</u>
Tax paid	-	-
Net cash used in operating activities	<u>(1,703,720)</u>	<u>(1,616,371)</u>
Cash flow from investing activities		
Acquisition of subsidiaries	-	323,840
Proceeds from cryptoassets	3,506,694	4,318,385
Additions of cryptoassets	(2,821,312)	(4,660,607)
Purchase of intangible assets	(729,685)	(338,558)
Purchase of tangible assets	(4,481)	(11,726)
Disposals of tangible assets - investment	18,410	-
Net cash used in investing activities	<u>(30,374)</u>	<u>(368,666)</u>
Cash flow from financing activities		
Repayment of lease liabilities	(36,000)	(16,500)
Issued capital	-	3,270,000
Net cash used in financing activities	<u>(36,000)</u>	<u>3,253,500</u>
Increase/(decrease) in cash and cash equivalents	(1,770,094)	1,268,463
Cash and cash equivalents at the beginning of the year	2,335,375	1,066,912
Cash and cash equivalents at the end of the year	<u>565,281</u>	<u>2,335,375</u>

The notes on pages 21 to 41 form part of these consolidated financial statements.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

1. General Information

Tap Global Group PLC (the "parent company") is a public company limited by shares and incorporated in England and Wales. The parent company is domiciled in the UK and its shares are admitted to trading on AQSE, a market operated by The London Stock Exchange. These consolidated financial statements comprise the parent company and its subsidiaries (together referred to as the "group"). The group's consolidated financial statements for the year ended 30 June 2024 were authorised for issue by the Board of Directors and were signed on its behalf by the group CEO on 19 December 2024.

2. Summary of Significant Accounting Policies

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

Statement of Compliance

The Consolidated group's Financial Statements have been prepared in accordance with UK-adopted international accounting standards (the "IFRSs") in accordance with the requirements of the Companies Act 2006.

In the current year, the group has adopted all the new and revised IFRSs that are relevant to its operations and effective for its accounting year beginning on 1 July 2023. IFRSs comprise International Financial Reporting Standards ("IFRS"); International Accounting Standards ("IAS"); and Interpretations.

The parent company financial statements of Tap Global Group Plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The consolidated financial statements are prepared in sterling, which is the functional currency of the parent company. All amounts have been rounded to the nearest GBP.

Going concern

Details of the group's business activities, results, cash flows and resources, together with the risks it faces and other factors likely to affect its future development, performance and position are set out in the strategic report.

The group incurred an operating cash outflow of £1,703,720. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

The directors of the parent company are of the opinion that the group will have sufficient working capital to meet its financial liabilities as and when they fall due given that (i) the group will be able to raise funds to meet a level sufficient to finance the working capital requirements of the group; (ii) the validity of which depends upon the group restructuring will be successfully completed; and (iii) the group is actively implementing cost-control measures to improve operating cash flows and its financial position and the directors of the parent company believe that the performance of the Group will be significantly improved in the forthcoming year.

Accordingly, the directors of the parent company are of the opinion that it is appropriate to prepare the consolidated financial statements on the going concern basis. Should the group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements, to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3.1 Basis of consolidation and significant accounting policies

The consolidated financial statements comprise the financial statements of all group subsidiaries as at 30 June each year using consistent accounting policies. Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

Where considered appropriate, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by other members of the group. All intercompany transactions and balances between group enterprises are eliminated on consolidation.

Business combinations

The consolidated financial statements for business combinations using the acquisition method when control is transferred to the group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured, and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. A non-controlling interest is recognised, representing the interests of minority shareholders in subsidiaries not wholly owned by the group.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated. On publishing the parent company financial statements here, together with the consolidated financial statements, the parent company is taking advantage of exemption in section 408 of the Companies Act 2006 not to present the individual income statement and related notes of the parent company which form part of these approved financial statements.

3.2 Foreign currency

In preparing these financial statements, transactions in currencies other than the parent company and group's presentational currency ("foreign currencies") are recorded at the rates of exchange prevailing on the dates of the transaction. At each statement of financial position date, monetary items in foreign currencies are translated into the presentational currency at the exchange rate prevailing at statement of financial position date. Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items are included in the consolidated statement of comprehensive income for the year.

3.3 Revenue Recognition

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the group's performance;
- the group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the group's performance does not create an asset with an alternative use to the group and the group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

How the group recognises revenue for its significant revenue streams is described below:

Trading fees

This service relates to the facility to buy and sell currency, including digital currency (crypto currency). A contract is identified when a payment is approved by the group and the customer. Performance obligations and transaction prices are set out in the contract. Revenue is recognised on the transaction date.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

Account fees

This service relates to the provision of account services. A contract is identified when a customer enters an agreement with the group for an account. Performance obligations and transaction prices are set out in the contract. Revenue related to monthly account fees are recognised during the month the account is provided.

Card fees

A contract is identified when it is approved by relevant parties and when the card is issued to the customer. Performance obligations and transaction prices are set out in the contract. Revenue from provision of card services is recognised over period in which they are provided. ATM transaction and out-of-currency variable fees are constrained to the amount not expected to be reversed. Variable revenue is recognised at the point at which it is unlikely to be reversed, typically the transaction date.

3.4 Investments

(a) Classification

Fair value through profit and loss equity investments are classified in this category if acquired principally for the purpose of trading or selling in the short term. Investments in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Recognition and Measurement

Regular purchases and sales of fair value through profit and loss equity investments are recognised on the trade date – the date on which the group commits to purchasing or selling the asset. They are carried at fair value through profit or loss initially recognised at fair value, and transaction costs are expensed in the Income Statement. They are measured at fair value using the fair value hierarchy, as disclosed at note 24.

Fair value through profit and loss equity investments are derecognised when the rights to receive cash flows from the assets have expired or have been transferred, and the group has transferred substantially all of the risks and rewards of ownership.

Gains or losses arising from changes in the fair value of fair value through profit and loss equity investments at fair value through profit or loss are presented in the Income Statement.

3.5 Financial Assets

(a) Classification

The group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(b) Recognition and measurement

Amortised cost

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade and other receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method. The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair value through profit or loss

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt instruments that do not qualify for measurement at either amortised cost (see above) or FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Information about the methods and assumptions used in determining fair value is provided in note 24. For information about the methods and assumptions used in determining fair value refer to note 24. The group does not hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income ("FVTOCI").

(c) Impairment of financial assets

The group recognises an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original Effective Interest Rate ("EIR"). The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and other receivables due in less than 12 months, the group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The group considers a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(d) Derecognition

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

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.6 Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

3.7 Expenditure

Expenses are recognised on the accrual basis.

3.8 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended. Depreciation is calculated at the following annual rates so as to write off the cost of fixed assets over their estimated useful lives using the reducing balance method:

Computer equipment 25%
Fixtures and fittings 15%

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in statement of comprehensive income and included in other operating income. The carrying values of the tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. All subsequent repairs, renewals and maintenance costs are charged to the statement of comprehensive income when incurred.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

3.9 Leases

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term or the cost of the right-of-use asset reflects that the group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. During the year, the right-of-use asset was depreciated over 6 years, which represented the unexpired portion of the lease.

The lease liability is initially measured at the present value of the expected future lease payments as at the commencement date of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate. The group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following: – fixed payments, including in-substance fixed payments; – variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; – amounts expected to be payable under a residual value guarantee; and – the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment, including right of use assets' and lease liabilities as disclosed on the face of the statement of financial position.

Short-term leases and leases of low-value assets

The group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.10 Intangible assets - Cryptoassets

Intangible assets include cryptoassets held by the company. The directors believes that the cryptoassets meet the definition of an intangible asset under IAS 38, 'Intangible Assets', as they meet the definition of an identifiable non-monetary asset without physical substance.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

Under IAS 38 there is an accounting policy choice as to whether the cryptoassets should be recognised at fair value or cost less impairment. The director is of the opinion that there is an active market for the cryptoassets held by the company and therefore decided to measure the cryptoassets at fair value.

The directors intend to review this recognition policy on a regular basis and whenever new standards, or guidance are issued.

A single, generally accepted framework for the classification of different cryptoassets does not currently exist. There is consequently no general applied definition of a cryptoasset. This reflects the broad variety of features and bespoke nature of the transactions in practice. Cryptoassets are initially measured at cost if purchased in an ordinary transaction.

Under IAS 38 there is an accounting policy choice for the subsequent measurement of these assets. The choice is whether to recognise the assets at fair value or cost less impairment. The director deems there to be an active market for the crypto assets held by the company and has therefore made the decision to subsequently measure these assets at fair value less accumulated amortisation and impairment.

The intangible assets held by the company have an indefinite useful life as they have no expiration date, which means they can be used by the company for an unlimited period of time and could have the same use in the future as today.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

3.12 Provisions

Provisions are recognised for liabilities of uncertain timing or amount when the group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

3.13 Intangible assets – computer software and website development

Computer software development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of comprehensive income as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of comprehensive income as incurred. Amortisation is calculated to write off the cost of computer software less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of comprehensive income.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

The estimated useful lives for current and comparative periods are as follows:

Computer software - 4 years
Website development - 4 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.14 Impairment of assets

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets except goodwill, investment properties (fair value model only), deferred tax assets, investments and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. Where goodwill has been allocated to a cash-generating unit ("CGU") that CGU is tested for impairment annually to determine whether the carrying amount of the CGU may not be recoverable. An impairment loss in respect of goodwill is not reversed.

The group has recognised one CGU, called Crypto Asset Brokerage. This represents the lowest level at which goodwill is monitored for internal management purposes.

3.15 Share Capital

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

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

3.16 Income Tax

Tax is recognised in the profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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

Deferred income tax assets are recognised on deductible temporary differences only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.17 Share Based Payments

The group operates an equity-settled share-based scheme, under which the entity receives services from employees or third-party suppliers as consideration for equity instruments (shares, options and warrants) of the group. The group may also issue warrants to share subscribers as part of a share placing. The fair value of the equity-settled share based payments is recognised as an expense in the income statement or charged to equity depending on the nature of the service provided or instrument issued. The total amount to be expensed or charged in the case of options is determined by reference to the fair value of the options or warrants granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

In the case of shares and warrants the amount charged to the share premium account is determined by reference to the fair value of the services received if available. If the fair value of the services received is not determinable the shares are valued by reference to the market price and the warrants are valued by reference to the fair value of the warrants granted as described previously.

Non-market vesting conditions are included in assumptions about the number of options or warrants that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement or equity as appropriate, with a corresponding adjustment to another reserve in equity.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

When the warrants or options are exercised, the group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the warrants or options are exercised.

3.18 Related parties

- (A) A person or a close member of that person's family is related to the group if that person:
- (i) has control or joint control over the group;
 - (ii) has significant influence over the group; or
 - (iii) is a member of the key management personnel of the group or of a parent of the group.
- (B) An entity is related to the group if any of the following conditions applies:
- (i) The entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group. If the group is itself such a plan, the sponsoring employers are also related to the group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (A).
 - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to a parent of the Company.

3.19 Employee benefits

- (i) Employee leave entitlements
Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.
- Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.
- (ii) Termination benefits
Termination benefits are recognised at the earlier of the dates when the group can no longer withdraw the offer of those benefits and when the group recognises restructuring costs and involves the payment of termination benefits.

3.20 Events after the reporting period

Events after the reporting period that provide additional information about the group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

4. Judgements And Key Sources Of Estimation And Uncertainty

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements.

4.1 Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder at a level sufficient to finance the working capital requirements of the group. Details are explained in note 2 to consolidated financial statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements.

If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. Where necessary, the comparatives have been reclassified or extended from the previously reported results to take into account presentational changes.

4.2 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was £5,988,877 after an impairment loss of £15,862,070 was recognised during 2024.

Management estimates discount rates using pre-tax rate that reflects the current market assessment of the time value of money and the specific risks associated with the asset for which the future cash flow estimates have not been adjusted. The rate used to discount the forecast cash flows are based upon the CGU's weighted average cost of capital (WACC). The WACC for the Crypto Asset Brokerage CGU was 14.0%, based on a WACC used by a listed business for a similar business model.

The group prepared cash flow forecasts derived from the most recent financial budgets approved by management for the next five years. For the purpose of the value in use calculation the management forecasts were extrapolated into perpetuity using a growth rate of 2.0%, representing the expected long-run rate of inflation in the UK. The forecasts assume growth rates in acquisitions which in turn drive the forecast collections and cost figures.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

5. Operating Profit

Operating profit or loss is stated after charging/crediting:

	Group	
	2024	2023
	£	£
Fair value adjustment of listed shares	-	(300,795)
Gain on disposal of listed shares	3,885	-
Gains on cryptocurrency assets	211,824	323,178
Total	<u>215,709</u>	<u>22,383</u>

6. Auditors Remuneration

	Group	
	2024	2023
	£	£
Fees payable for the audit of the financial statements	111,156	78,590
	<u>111,156</u>	<u>78,590</u>

7. Interest Payable And Similar Expenses

	Group	
	2024	2023
	£	£
Interest on lease liability	2,811	1,892
	<u>2,811</u>	<u>1,892</u>

8. Employees And Directors

The average monthly number of persons employed by the group during the year was as follows:

	Group	
	2024	2023
Directors	8	8
Employees	8	4

The aggregate payroll costs incurred during the year, relating to the above, were:

	Group	
	2024	2023
	£	£
Directors	276,447	665,821
Employees	786,255	168,602

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

9. Taxation

The group's taxation charge or credit is the composite of:

1. Corporation tax credit arising on losses in the financial year; and
2. Deferred taxation arising on temporary and permanent timing differences and losses carried forward, to the extent that the group believes these to be recoverable from future taxable profits.

Major components of tax expense

	Group	
	2024	2023
	£	£
Current tax		
UK current tax expense	-	-
Deferred tax	15,629	-
Deferred tax	-	12,517
Revaluation of listed investment		

10. Tangible Assets – Right-Of-Use Assets

Cost	Right-of-use asset £	Computer equipment £	Fixtures & Fittings £	Total £
As at 1 July 2023	190,650	22,854	5,489	218,993
Additions	-	4,481	-	4,481
Balance as at 30 June 2024	190,650	27,335	5,489	223,474
Depreciation				
As at 1 July 2023	103,269	10,105	1,747	115,121
Charge for the period	31,775	4,919	870	37,564
At 30 June 2024	135,044	15,024	2,617	152,685
Net book value				
At 30 June 2023	87,381	12,749	3,743	103,873
At 30 June 2024	55,606	12,311	2,872	70,789

11. Lease liability

	2024 £	2023 £
Upon acquisition	93,701	108,309
Interest expense	2,811	1,892
Payments	(36,000)	(16,500)
At the end of the year	60,512	93,701
Current	34,184	31,776
Non-current	26,328	61,925

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

12. Tangible Assets - Investments

	Group	
	2024	2023
	£	£
Brought forward	16,512	1,987
Disposals	(14,525)	-
Transfer from financial assets	-	315,320
Revaluations	-	(300,795)
As at the end of the year	<u>1,987</u>	<u>16,512</u>

13. Intangible Assets – Cryptoassets Held for Investment

	Group	
	2024	2023
	£	£
Cryptoassets		
Brought forward	1,221,451	556,049
Additions	2,821,312	4,660,607
Disposals	(3,506,694)	(4,318,383)
Gain on sale of cryptoassets	211,824	323,178
As at the end of the year	<u>747,893</u>	<u>1,221,451</u>

14. Intangibles – Other Intangibles

	Group	
	2024	2023
	£	£
Website & software development		
Brought forward	1,234,389	1,166,667
Additions	729,685	338,558
Amortisation	(654,230)	(270,836)
As at the end of the year	<u>1,309,844</u>	<u>1,234,389</u>

Intangible assets - Goodwill

	Group	
	2024	2023
	£	£
Goodwill		
Brought forward	21,850,947	21,850,947
Impairment	(15,862,070)	-
Net book value	<u>5,988,877</u>	<u>21,850,947</u>

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

The impairment loss on goodwill arises mainly from the revaluation of the 2023 investment in the Company's subsidiaries.

15. Trade And Other Receivables

	Group	
	2024	2023
	£	£
Prepayments	219,002	112,481
Other debtors	159,583	3,042
As at the end of the year	<u>378,585</u>	<u>115,523</u>

16. Cash And Cash Equivalents

	Group	
	2024	2023
	£	£
Cash at bank	<u>565,281</u>	<u>2,335,375</u>

17. Trade Payables

	Group	
	2024	2023
	£	£
Trade payables		
Trade creditors	<u>383,008</u>	<u>237,343</u>
As at the end of the year	<u>383,008</u>	<u>237,343</u>

18. Related Party Transactions

Director's loan account

	Group	
	2024	2023
	£	£
Brought forward	679,451	1,994,975
Transactions during the year	220,658	(1,315,524)
As at the end of the year	<u>900,109</u>	<u>679,451</u>

During the year, Director's loan account has been reclassified from current to non-current liabilities.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

19. Acquisitions

On 10 January 2023, the Group acquired Tap Global Limited and its subsidiaries. The total consideration was £20.25m, satisfied by the issue of shares. Tap Global Limited was providing an App and trading platform that allow customers to hold and trade crypto currencies and conduct fiat FX.

The fair value of the identifiable assets and liabilities of the above company as at its date of acquisition was as follows:

	£
Cash and cash equivalents	323,840
Trade and other receivables	107,561
Tangible Assets	111,023
Intangible Assets	1,166,667
Crypto Currency Assets	556,049
Trade Payables	(195,782)
Accruals	(67,021)
Lease liability	(108,309)
Investment Quetzal Liability	(1,500,000)
Director's current account	(1,994,975)
	<u>(1,600,947)</u>
Share consideration	20,250,000
Goodwill	<u>(21,850,947)</u>

20. Loss Per Share

The calculation of basic loss per share attributable to owners of the parent company is based on the loss for the year of £18,189,554 (2023: £1,074,640) and the weighted average number of ordinary shares of 693,409,624 (2023: 432,730,795) in issue during the year.

The effect of all potential ordinary shares are anti-dilutive for the year ended 30 June 2024 and 2023.

21. Subsidiary Undertakings

The parent company holds the share capital of the following companies:

Subsidiary	Country of registration / incorporation	Class	Shares Held %
Tap Global Ltd	Gibraltar	Ordinary	100
Tap Technologies Limited	Gibraltar	Ordinary	100
Tap Americas LLC	United States of America	Ordinary	100
Tap Greece Single Member P.C.	Greece	Ordinary	100

22. Share Options and Share Warrants

The group grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the group. Under the plan, 1,125,000 options were granted for no cash consideration for a period of 2 years expired on an extended date of 31 December 2023. The share options outstanding at 30 June 2023 had a weighted average remaining contractual life of 0.5 years. Maximum term of new options granted was 2 years from the grant date.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

The weighted average exercise price of share options in 2023 was £0.00427. All share options have lapsed in 2024.

Name of grantee	Expiry date	Exercise price	Outstanding as at 30 June 2023	Lapsed during the year	Outstanding as at 30 June 2024
John Taylor	31 December 2023	GBP0.06	150,000	(150,000)	-
John Taylor	31 December 2023	GBP0.08	150,000	(150,000)	-
John Taylor	31 December 2023	GBP0.10	150,000	(150,000)	-
Fungai Ndoro	31 December 2023	GBP0.06	112,500	(112,500)	-
Fungai Ndoro	31 December 2023	GBP0.08	112,500	(112,500)	-
Fungai Ndoro	31 December 2023	GBP0.10	112,500	(112,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.06	37,500	(37,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.08	37,500	(37,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.10	37,500	(37,500)	-
Anthony Quirke	31 December 2023	GBP0.06	75,500	(75,500)	-
Anthony Quirke	31 December 2023	GBP0.08	75,500	(75,500)	-
Anthony Quirke	31 December 2023	GBP0.10	75,500	(75,500)	-
			1,126,500	(1,126,500)	-

Share Warrants

The group has 39,444,445 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.08 per share and will expire on 10 January 2026.

Furthermore, the group has an additional 1,000,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.045 per share and will expire on 10 January 2028.

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

Name of grantee	Expiry date	Exercise price	Outstanding as at 30 June 2023	Granted/(lapsed) during the year	Outstanding as at 30 June 2024
John Taylor	9 January 2026	GBP0.08	34,444,445	-	34,444,445
John Taylor	9 January 2028	GBP0.045	1,000,000	-	1,000,000
Riverfort Global Capital Ltd	9 January 2026	GBP0.08	5,000,000	-	5,000,000
			40,444,445	-	40,444,445

The fair value of the share options expired during the year was £378,632 being the value of the options and warrants attributable to the vesting periods to 30 June 2024. The volatility is set by reference to the historic volatility of the share price of the Company.

	Share warrants GBP 0.0375	Share warrants GBP 0.0375
Share price as at grant date		
Exercise price	GBP 0.045	GBP 0.08
Expected volatility	62.1%	62.1%
Expected life of warrants	5 years	3 years
Risk free rate	4.764%	4.875%
Expected dividend yield	0%	0%

Total estimated fair value of the share warrants granted on the date was £378,632.

23. Called Up Share Capital

COMPANY AND GROUP	2024		2023	
	No.	£	No.	£
Ordinary shares of £0.001 each	693,409,624	693,410	693,409,624	693,410
Deferred shares of £0.099 each	15,455,115	1,530,056	15,455,115	1,530,056
	708,864,739	2,223,466	708,864,739	2,223,466

24. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Tap Global Group Plc

Notes to Consolidated Financial Statements

For the year ended 30 June 2024

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

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

Level 3 inputs: unobservable inputs for the asset or liability.

The group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

Disclosures of level in fair value hierarchy:

Description	Fair value measurements using:			Total <u>2024</u> £
	Level 1 £	Level 2 £	Level 3 £	
Recurring fair value measurements:				
Investments at fair value through profit or loss	-	-	1,987	1,987
Listed securities	-	-	-	-
<hr/>				
Description	Fair value measurements using:			Total <u>2023</u> £
	Level 1 £	Level 2 £	Level 3 £	
Recurring fair value measurements:				
Investments at fair value through profit or loss	-	-	-	-
Listed securities	16,512	-	-	16,512

25. Events After the End Of The Reporting Period

On 15 November 2024, it was announced that the Company's revenue did not meet the Milestone 1 performance hurdle, resulting in the non-vesting of Milestone 1 LTIP Options. Additionally, Arsen Torosian, Group CEO, relinquished his rights to the Milestone 2 LTIP Options, leading to the cancellation of the LTIP Plan and the removal of up to 69.5 million potentially dilutive instruments.

On 18 November 2024, the Board has granted 30,000,000 share options to the following Directors:

Director	No. of Options Granted
Arsen Torosian, Group CEO	20,000,000
John Taylor, Non-Executive Director	10,000,000

The options are exercisable at a price of 3.0p per ordinary share for up to 10 years.

Peter Wall was appointed as a Non-Executive Director on 18 November 2024 and was granted 30,000,000 share options exercisable for up to 10 years at a price of 2.5p.

The vesting schedule for these options is as follows:

- 25% will vest six months after the date of grant.
- 25% will vest when the share price reaches a bid price of 15p.
- 25% will vest when the share price reaches a bid price of 25p.
- 25% will vest when the share price reaches a bid price of 50p.

Tap Global Group Plc

Notes to Consolidated Financial Statements

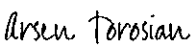
For the year ended 30 June 2024

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

Tap Global Group Plc
Parent Company Statement of Financial Position
For the year ended 30 June 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	6	1,987	16,512
Investments in subsidiaries	6	2,511,403	20,250,000
		2,513,390	20,266,512
Current assets			
Debtors	7	259,711	12,997
Cash and cash equivalents		53,647	567,414
		313,358	580,411
Creditors: amounts falling due within one year	8	103,342	96,100
Net current assets		210,016	484,311
Total assets less current liabilities		2,723,406	20,750,823
Provisions	9	-	12,517
Director's loan		270,659	-
Net assets		2,452,747	20,763,340
Capital and reserves			
Called up share capital	11	2,223,466	2,223,466
Share premium		27,685,458	27,685,458
Option & warrant reserve		374,898	374,898
Capital reserves		(4,500,000)	(4,500,000)
Profit & loss accounts		(23,331,075)	(5,020,482)
Shareholders' funds		2,452,747	20,763,340

The Parent Company financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Signed by:

CF5D46B5AA0A4BF...

Arsen Torosian
Group CEO

Date: 19 December 2024

The notes on pages 45 to 52 form part of these Parent Company financial statements.

Tap Global Group Plc

Parent Company Statement of Changes in Equity

For the year ended 30 June 2024

	Called up Share Capital £	Share Premium £	Option & Warrant Reserves £	Capital Reserves £	Profit & Loss Account £	Total £
As at 1 July 2023	2,223,466	27,685,458	374,898	(4,500,000)	(5,020,482)	20,763,340
Total comprehensive loss for the year	-	-	-	-	(18,310,593)	(18,310,593)
Balance at 30 June 2024	2,223,466	27,685,458	374,898	(4,500,000)	(23,331,075)	2,452,747
	Called up Share Capital £	Share Premium £	Option & Warrant Reserves £	Capital Reserves £	Profit & Loss Account £	Total £
As at 1 July 2022	1,701,243	4,687,681	14,099	-	(3,544,173)	2,858,850
Total comprehensive loss for the year	-	-	-	-	(1,494,142)	(1,494,142)
Issue of shares	522,223	3,177,777	-	-	-	3,700,000
Acquisition of subsidiaries	-	19,820,000	-	-	-	19,820,000
Deemed contribution	-	-	-	(4,500,000)	-	(4,500,000)
Forfeiture of share option	-	-	(17,833)	-	17,833	-
Option & warrant reserve	-	-	378,632	-	-	378,632
Balance at 30 June 2023	2,223,466	27,685,458	374,898	(4,500,000)	(5,020,482)	20,763,340

The following describes the nature and purpose of each reserve within owners' equity:

Reserve	Description and purpose
Called Up Share Capital	This represents the nominal value of shares issued.
Share Premium	Amount subscribed for share capital in excess of nominal value.
Profit & Loss Account	Cumulative net gains and losses recognised in the statement of comprehensive income.
Other Reserve	Cumulative fair value of options granted

The notes on pages 45 to 52 form part of these Parent Company financial statements.

Tap Global Group Plc
Parent Company Statement of Cash Flows
For the year ended 30 June 2024

	2024	2023
	£	£
Cash flows from operating activities		
Loss after taxation for the financial year	(18,310,593)	(1,494,142)
<i>Adjustments for:</i>		
Impairment of a subsidiary	17,760,371	-
Share option charge	-	378,632
Fair value adjustment of listed shares	(3,885)	-
Loss on derecognition of deferred tax assets	12,517	-
Loss / (profit) on disposal of investments	-	300,795
<i>Changes in:</i>		
Trade and other debtors	(246,715)	(2,910,919)
Trade and other creditors	277,902	(43,864)
Net cash used in operating activities	(510,403)	(3,769,498)
Cash flows from investing activities		
Proceeds from sale of investments	18,410	-
Investments in subsidiaries	(21,774)	-
Net cash used in investing activities	(3,364)	-
Cash flows from financing activities		
Share issue	-	3,700,000
Share issue expenses paid	-	(430,000)
Net cash used in financing activities	-	3,270,000
Decrease in cash and cash equivalents	(513,767)	(499,498)
Cash and cash equivalents at beginning of the year	567,414	1,066,912
Cash and cash equivalents at the end of the year	53,647	567,414

The notes on pages 45 to 52 form part of these Parent Company financial statements.

Tap Global Group Plc

Notes to the Parent Company Financial Statements

For the year ended 30 June 2024

1. General information

The Parent Company is a public company limited by shares, registered in England and Wales. The address of the registered office is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR, United Kingdom

2. Statement of compliance

The Parent Company financial statements of Tap Global Group Plc (formerly Quetzal Capital Plc) have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these Parent Company financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation

The Parent Company financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The Parent Company financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

The Parent Company made a loss for the year of £18,310,593 (2023: £1,494,142) and operating cash outflow of £510,403. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Parent Company's ability to continue as a going concern. Therefore, the Parent Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the parent company are of the opinion that the Parent Company will have sufficient working capital to meet its financial liabilities as and when they fall due given that (i) the Parent Company will be able to raise fund to meet a level sufficient to finance the working capital requirements of the Parent Company; (ii) the validity of which depends upon the group restructuring will be successfully completed; and (iii) the Parent Company and the group are actively implementing cost-control measures to improve operating cash flows and its financial position and the directors of the parent company believe that the performance of the group will be significantly improved in the forthcoming year.

Accordingly, the directors of the parent company are of the opinion that it is appropriate to prepare the financial statements on the going concern basis. Should the group be unable to continue as a going concern, adjustments would have to be made to the financial statements, to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the Parent Company financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Significant judgements

The are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the Parent Company financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parent Company are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the Parent Company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

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Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Auditors' remuneration

	2024	2023
	£	£
Fees payable for the audit of the Parent Company financial statements	30,000	25,000

5. Employees and directors

The average monthly number of persons employed by the Parent Company during the year was as follows:

	2024	2023
Directors	4	5
Employees	1	1

The aggregate payroll costs incurred during the year, relating to the above, were:

	2024	2023
	£	£
Directors	250,910	269,007
Employees	50,000	33,333

Additional social security costs amounted to an additional £29,770, (2023: £19,595). Currently all employees and directors are opted-out of a workplace pension and no pension contributions are made by the Parent Company on their behalf.

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6. Investments

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost			
As at 1 July 2023	20,250,000	16,512	20,266,512
Additions / (Disposals)	21,774	(14,525)	7,249
Balance at 30 June 2024	20,271,774	1,987	20,273,761
Accumulated impairment			
Impairment	17,760,371	-	17,760,371
Balance at 30 June 2024	17,760,371	-	17,760,371
Carrying amount			
As at 30 June 2023	20,250,000	16,512	20,266,512
As at 30 June 2024	2,511,403	1,987	2,513,390

The Parent Company holds the share capital of the following companies:

Subsidiary	Country of registration / incorporation	Class	Shares Held %
Tap Global Ltd	Gibraltar	Ordinary	100
Tap Technologies Limited	Gibraltar	Ordinary	100
Tap Americas LLC	United States of America	Ordinary	100
Tap Greece Single Member P.C.	Greece	Ordinary	100

7. Debtors

	2024	2023
	£	£
Prepayments and accrued income	50,575	12,997
VAT / PAYE liability	18,664	-
Amounts owed from group undertakings	190,472	-
	259,711	12,997

£4 (2023: £296) of other debtors represent funds held as a cash balance in a brokerage account.

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8. Creditors falling due within one year

	2024	2023
	£	£
Trade creditors	58,768	7,450
Accruals	44,574	88,650
	<u>103,342</u>	<u>96,100</u>

9. Provisions

	Deferred tax
Carrying amount	£
As at 1 July 2023	(12,517)
Movement	12,517
Balance at 30 June 2024	<u>-</u>

10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2024	2023
	£	£
Included in provision (note 10)	-	(12,517)
	<u>-</u>	<u>(12,517)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2024	2023
	£	£
Revaluation of listed investments / financial assets	-	(12,517)
	<u>-</u>	<u>(12,517)</u>

11. Called up share capital

COMPANY AND GROUP	2024		2023	
	No.	£	No.	£
Ordinary shares of £0.001 each	693,409,624	693,410	693,409,624	693,410
Deferred shares of £0.099 each	15,455,115	1,530,056	15,455,115	1,530,056
	<u>708,864,739</u>	<u>2,223,466</u>	<u>708,864,739</u>	<u>2,223,466</u>

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12. Share options and share warrants

The Parent company grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Parent company. Under the plan, 1,125,000 options were granted for no cash consideration for a period of 2 years expired on an extended date of 31 December 2023. The share options outstanding at 30 June 2023 had a weighted average remaining contractual life of 0.5 years. Maximum term of new options granted was 2 years from the grant date. The weighted average exercise price of share options in 2023 was £0.00427. All share options have lapsed in 2024.

Name of grantee	Expiry date	Exercise price	Outstanding as at 30 June 2023	Lapsed during the year	Outstanding as at 30 June 2024
John Taylor	31 December 2023	GBP0.06	150,000	(150,000)	-
John Taylor	31 December 2023	GBP0.08	150,000	(150,000)	-
John Taylor	31 December 2023	GBP0.10	150,000	(150,000)	-
Fungai Ndoro	31 December 2023	GBP0.06	112,500	(112,500)	-
Fungai Ndoro	31 December 2023	GBP0.08	112,500	(112,500)	-
Fungai Ndoro	31 December 2023	GBP0.10	112,500	(112,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.06	37,500	(37,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.08	37,500	(37,500)	-
Simon Grant-Rennick	31 December 2023	GBP0.10	37,500	(37,500)	-
Anthony Quirke	31 December 2023	GBP0.06	75,500	(75,500)	-
Anthony Quirke	31 December 2023	GBP0.08	75,500	(75,500)	-
Anthony Quirke	31 December 2023	GBP0.10	75,500	(75,500)	-
			1,126,500	(1,126,500)	-

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Share Warrants

The group has 39,444,445 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.08 per share and will expire on 10 January 2026.

Furthermore, the group has an additional 1,000,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the group at a price of £0.045 per share and will expire on 10 January 2028.

Name of grantee	Expiry date	Exercise price	Outstanding as at 30 June 2023	Granted/(lapsed) during the year	Outstanding as at 30 June 2024
John Taylor	9 January 2026	GBP0.08	34,444,445	-	34,444,445
John Taylor	9 January 2028	GBP0.045	1,000,000	-	1,000,000
Riverfort Global Capital Ltd	9 January 2026	GBP0.08	5,000,000	-	5,000,000
			40,444,445	-	40,444,445

The fair value of the share options expired during the year was £378,632 being the value of the options and warrants attributable to the vesting periods to 30 June 2024. The volatility is set by reference to the historic volatility of the share price of the Company.

	Share warrants GBP 0.0375	Share warrants GBP 0.0375
Share price as at grant date		
Exercise price	GBP 0.045	GBP 0.08
Expected volatility	62.1%	62.1%
Expected life of warrants	5 years	3 years
Risk free rate	4.764%	4.875%
Expected dividend yield	0%	0%

Total estimated fair value of the share warrants granted on the date was £378,632.

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13. Events after the end of the reporting period

On 15 November 2024, it was announced that the Company's revenue did not meet the Milestone 1 performance hurdle, resulting in the non-vesting of Milestone 1 LTIP Options. Additionally, Arsen Torosian, Group CEO, relinquished his rights to the Milestone 2 LTIP Options, leading to the cancellation of the LTIP Plan and the removal of up to 69.5 million potentially dilutive instruments.

On 18 November 2024, the Board has granted 30,000,000 share options to the following Directors:

Director	No. of Options Granted
Arsen Torosian, Group CEO	20,000,000
John Taylor, Non-Executive Director	10,000,000

The options are exercisable at a price of 3.0p per ordinary share for up to 10 years. Peter Wall was appointed as a Non-Executive Director on 18 November 2024 and was granted 30,000,000 share options exercisable for up to 10 years at a price of 2.5p.

- The vesting schedule for these options is as follows: 25% will vest six months after the date of grant.
- 25% will vest when the share price reaches a bid price of 15p.
- 25% will vest when the share price reaches a bid price of 25p.
- 25% will vest when the share price reaches a bid price of 50p.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

14. Related party transactions

All transactions with Directors are included within Notes 5 and 13.

15. Controlling party

The directors consider that there is no ultimate controlling party.